Ancroft
CORPORATE CONSULTANTS

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USA Limited Liability Company Information

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USA jurisdiction overview

The USA consists of 50 independent states, and it represents a politically and financially powerful nation, with a population of approximately 280 million.

Limited Liability Companies (LLC) are a recognised business entity in the United States and are an example of tax efficient and respectable entities for international tax planning and tax optimisation.

Limited Liability Companies (LLCs) can be taxed as partnerships, meaning that if all income of the LLC and all LLC's members are not based in the United States or are not US citizens (or green card holders), no United States income tax will be levied.

In order to qualify as a partnership for tax purposes, a limited liability company only needs to make an election to be taxed as a partnership under United States income tax laws. When registering a USA LLC Ancroft assist clients in obtaining such status with the USA tax authorities and if required a tax exemption certificate can be issued.

We register LLCs in the following most popular states:

Arkansas

Delaware

New York

New Jersey

Oregon

Washington DC

Wyoming

USA LLC information

Type of company:

Limited Liability Company (LLC)

Procedure to register

The Certificate of Formation must be signed by the organiser of the Company and filed with the Secretary of State in a required state.
The organiser may be any private person or corporate body without restriction

Time to register

Generally 1-2 days

Registered Office Required

Yes and must be maintained in state of incorporation at the office of a professional registered agent

Restrictions on names

Any name identical or similar to an existing company within the state of formation will get rejected. Additionally, the use of bank, trust, insurance or reinsurance within the name of the LLC is generally prohibited in all 50 states. This is because limited liability companies in most states are simply not allowed to engage in a banking or insurance business

Language of Legislation and Corporate Documents

English

Principal Corporate legislation

Limited Liability Company Act, 1990

Restrictions on Trading

LLCs cannot carry business with USA companies or within the USA to benefit from tax exemption.

Disclosure of Beneficial Ownership to Authorities

No

Compliance requirements

Taxation:

Federal taxation

US Limited Liability companies structured for partnership tax treatment with non-resident members and which conduct no business in the US and which have no US-source income are not subject to US federal income tax and are not required to file a US income tax return.

State Taxation

US limited liability companies that conduct no business in the recommended states of formation with non-resident members are generally not subject to state income tax and are not required to file a state income tax return.

Authorised and Issued Share Capital

Not applicable

Classes of Shares allowed

Not applicable

Managers

The minimum number of managers is one and they may be natural persons or corporate bodies, and may be of any nationality and do not need to be resident in the USA.

Company Secretary

Not applicable

Members/owners

The minimum number of members is one and they may be natural persons or corporate bodies, of any nationality and do not need to be resident in the USA

Annual Report

The Annual Report is filed every two years according to the following rules: if an LLC is formed prior to the 16th June in any given year, it's first two-year report is due June 16 that same year, and the next report will not be due for another 2 years.

If an LLC is formed after June 16 in a given year, its first two-year report will be due on the 16th June the following year.

Financial Statements/Accounts

There is generally no requirement to file financial statements with the state of formation unless the corporation owns assets within that state or has conducted business within that state. All LLCs should however maintain records of their financial affairs.

Summary Corporate information

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Type of entity:	LLC
Type of law:	Common
Time to register the company	1-2 days
Minimum government fees:	
Oregon	$50 USD
Corporate taxation	Fiscally transparent
Shelf companies	Available
Share capital	
Standard currency	Not applicable
Minimum paid up	Not applicable
Standard authorised	Not applicable
Officers	
Managers	One
Local required	No
Members	One
Secretary	Not applicable
Publicly accessible records	No
Location of meetings	Anywhere
Compliance	
Accounts	Required to prepare but not required to file
Audit	Not required
Annual Return	Yes
Change of domicile	Permitted, but only within the USA