

USA – LIMITED LIABILITY COMPANY

The United States LLC is not a partnership or a corporation. It is a distinct business entity that offers an alternative to partnerships and corporations by combining the corporate advantages of limited liability with the partnership advantage of pass-through taxation. US LLCs 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. US LLCs are popular vehicles for conducting international business

Procedure to form

Filing of Articles of Organization or Certificate of Formation with the Secretary of State in the preferred state of formation

Type of Company.

Limited Liability Company (LLC)

Restrictions on Trading

Cannot trade within the USA or own real estate there. Cannot undertake the business of banking, insurance, assurance, reinsurance, fund management, collective investment schemes, trust management, trusteeship, the rendering of investment advice or any other activity that would suggest an association with the banking or insurance industries. Cannot offer its shares for sale to the public.

Powers of Company

An LLC has the same powers as a natural person.

Language of Legislation and Corporate Documents

English.

Shelf Companies Available

Yes.

Time to Incorporate

Generally one-two days, but must allow an additional 5 - 7 business days for delivery of documentation.

Name Restrictions

Any name that is identical or similar to an existing company.

Suffixes to Denote Limited Liability

Limited Liability Company or LLC.

Language of Name

Latin alphabet.

Registered Office Required

Yes, must be maintained in the State of incorporation.

Disclosure of Beneficial Ownership to Government Authorities

No.

Classes of Shares Permitted

Membership units.

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.

Annual Report/License Filing Fee

Varies according to the State.

Managers

Minimum is one. Managers may be natural persons or bodies corporate from any nationality and need not be US resident.

Company Secretary

Optional

Members

Minimum is two and must be non US resident/citizen for partnership tax treatment