



How to Stay Proactive with Compliance Filings

Presented by
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A pioneer in the online legal document filing space since 1997, Nellie has helped more than half a million small businesses and licensed professionals start and maintain companies across the United States, most recently through her Inc.5000 recognized company, CorpNet. She closely follows trends in the industry and shares her wealth of knowledge across various CPA and small business communities, establishing Nellie as one of the most prominent influential experts on business startup and compliance matters.



Agenda and Goals

Corporate compliance requires vigilance. In today's session we'll review the internal and external compliance requirements needed to keep businesses in good standing.

- Identify documents required on an annual basis to keep a Corporation or LLC compliant and in good standing.
- Define how dissolving an inactive business can relieve your clients of future compliance requirements.
- Outline the importance of properly protecting intellectual properties with a trademark, copyright, or patent.
- Recognize the steps needed to set up payroll taxes for entrepreneurs looking to hire their employees.

Business Compliance 101



What Is Business Compliance?

Business compliance matters to businesses regardless of industry or size.

- Corporate entity compliance involves maintaining the good standing of a Corporation or LLC in any state where the company has been established or authorized to conduct business.
- Maintaining a Corporation or LLC is an ongoing process that needs attention every year.
- External and internal entity compliance requirements must also be met.

Note: Typically, Sole Proprietorships and Partnerships are not involved in traditional business compliance requirements.

Compliance Regulations Vary by State

For companies operating in multiple states or expanding into new ones, there are many factors to consider when choosing the right state for incorporation.

- Annual fees and filings
- Franchise taxes
- Legal and court system
- Investors
- State corporate tax

Consequences of Non-Compliance

What happens if a Corporation or LLC falls out of good standing or compliance?
Beware!!! A lot can happen!!!

- Risk piercing the corporate veil
- State could impose late fees and levy interest on payments that are owed
- Poorly affect financing and business transactions
- Delay business expansion into other states
- State could dissolve LLC or Corporation

Do you manage business incorporation and compliance activities for your organization or on behalf of your clients?

- ☐ Yes, for my organization
- ☐ Yes, on behalf of my clients
- ☐ Yes, I advise my clients
- ☐ Not currently, but I am interested in offering this service



Polling Question #1

Two Types of Ongoing Compliance Requirements



1. Internal Compliance Requirements



Internal Compliance

Internal requirements are actions that must be taken by directors and shareholders or members and managers. Internal records must be documented as part of company records and may be necessary when selling the company or in the event of a lawsuit.

Examples:

- Federal Tax ID (EIN)
- Bank Account
- Bylaws and Minutes (Corporations)
- Operating Agreements (LLC's)
- Corporate Resolutions

Obtaining an EIN

- An Employer Identification Number (or EIN for short) is also referred to as a Federal ID number, Tax ID Number, or Federal Tax ID Number.
- It is a nine-digit number used for tax filing and reporting and for other business documentation purposes.
- Having an EIN helps separate the business owner from the business.
- A valid EIN is optional if you're a Sole Proprietorship, but if a business acts as a Corporation, Limited Liability Company (LLC), or a Partnership, it is required by law to have one.
- You can apply for an EIN online through the IRS website, or you can have third-party companies like CorpNet do the work for you.
- To file for an EIN, you'll simply need to provide basic business information such as the legal business name, address, responsible parties, and a general statement that describes the business activity.

Business Bank Accounts

- Opening a business bank account is essential for keeping your business and personal financial and tax records separate.
- If a business is structured as an LLC or Corporation (which are separate legal entities from their owners), the company must have a dedicated business bank account.
- Business checking and savings accounts used exclusively for the business help ensure personal assets stay independent from those of the LLC or Corporation.
- When there is no separation of banking services, businesses risk “piercing the corporate veil” that protects their personal assets from the debts of the business.

Drafting Corporate Bylaws

For **C Corporations** of any size, bylaws tell how that company will govern itself. Consider them the documented version of the company's rules.

They may include:

- The number of directors that will sit on the board
- Range and power of the directors
- Date, time, and location for annual meetings of the board
- How the directors are elected or removed
- How corporate officers are appointed
- Officers' duties and powers
- Date, time, and location of annual shareholders meetings
- Voting rules for both directors and shareholders

Drafting an Operating Agreement

To make sure all members of an LLC understand roles and responsibilities, an **LLC** operating agreement should be created. While most states don't require this filing, it is useful to provide evidence that personal and business affairs are separate. It can also help avoid misunderstandings and arguments between business partners.

An Operating Agreement should include the following:

- Percentage of ownership and distribution of profits
- LLC's management structure, members roles and responsibilities
- How decisions will be made
- Member exit details
- Business dissolution

Corporate Resolutions

- C Corporations, C Corporations that elect to be taxed as S Corporations, and other types of corporations use corporate resolutions.
- A corporate resolution is a formal record of a Corporation's board of directors' decisions and actions on behalf of the company.
- States require incorporated companies to use corporate resolutions for recording major business decisions.
- The company's board of directors must vote to approve resolutions either during board meetings or in writing.
- Resolutions help the corporation demonstrate that it's an independent entity from its owners (shareholders) and guard against board decisions that might create potential conflicts of interest.
- Usually, resolutions are captured in meeting minutes. However, their form and structure may vary depending on the state and the Corporation's bylaws.

How do you currently manage business incorporation and compliance activities?

- ☐ I currently use CorpNet
- ☐ I use another filing and compliance service
- ☐ Internet research and spreadsheets
- ☐ Other



Polling Question #2

2. External Compliance Requirements



External Compliance

External requirements are imposed by the state in which a business is incorporated and any state where it is registered to conduct business.

- Articles of Formation
- Registered Agent Designations
- Payroll Tax
- Sales Tax
- Doing Business As (DBAs)
- Certificates of Good Standing
- Foreign Qualification
- Apostille Certifications
- Articles of Amendment
- Entity Conversions
- Reinstatements
- Initial and Annual Reports
- Franchise Tax Filings
- Articles of Dissolution
- Business Licenses
- Annual Meeting Minutes
- Certified Copies of Document

Articles of Formation

Articles of Incorporation

An Articles of Incorporation is a form that states require to set up a C Corporation. Each state has an Articles of Incorporation (or Certificate of Incorporation) form available via the website of the state agency (usually Secretary of State office) that handles business filings.

Articles of Organization

An Articles of Organization is a document that state offices require to form a Limited Liability Company. The Articles of Organization is a legal document containing important information about the business. The Secretary of State office must approve the document for the LLC to be recognized as a legal entity.

Registered Agents

- A registered agent is sometimes referred to as a “resident agent” or an “agent for service of process.”
- A registered agent is a person or company officially recognized by the state where one has incorporated or registered as an LLC to accept service of process on behalf of the business.
- By law, a business needs to have a registered agent as soon as one forms an LLC or incorporates.
- A registered agent is needed in any state that a business operates in. The requirements vary from state to state, but typically a registered agent must be a natural person resident of the state or an entity having a business office and authorization to do business in the state.
- A PO box or other mail service cannot be used.

Payroll Tax Registrations

- If you are a new business that is planning on hiring employees, you will need to register for payroll taxes.
- All small businesses must track and report all payroll taxes to avoid government audits and fines.
- Payroll taxes are incurred at the state and federal level.
- There are two main payroll taxes to register for:
 - **State Unemployment Insurance (SUI)** - The SUI program offers short-term unemployment benefits to eligible workers who are unemployed because they have lost or left their jobs.
 - **State Income Tax (SIT)** – SIT is a required tax applied to an employee's wages. Small business owners are responsible for deducting SIT from an employee's gross wages and submitting this tax to the state's tax agency.

Sales & Use Tax Registrations

- Registering for sales and use tax is a requirement for both for-profit businesses and nonprofit organizations.
 - **Sales tax** is a tax on the sale, transfer, or exchange of a product or service that is taxable.
 - **Use tax** is a tax on the storage, use, or consumption of a taxable product or service on which no sales tax has been paid.
- Local governments will provide penalties for companies that fail to comply with the proper collection, reporting, and payment of sales and use tax.
- In areas where sales and use tax apply, a seller must obtain a Sales Tax ID Number (or Seller's Permit). This is done via an application to the Department of Revenue after a business has registered their business and obtained an EIN number.

Doing Business As (DBAs)

- A DBA is also known as a fictitious business name, assumed business name, or a trade name.
- A DBA is a name that's different from the legal name of the company. It is a name the business wants to use when marketing itself to the public and dealing with customers.
- A DBA lets the public know the true owner of a business. The DBA was created as a form of consumer protection, to prevent unscrupulous business owners from operating under a different name to avoid legal trouble.
- In the case of an LLC or a Corporation, filing a DBA enables a company to operate multiple businesses without having to create separate legal entities for each one.
- The rules, requirements, forms, and fees associated with filing a DBA are different in each state and county.

Certificates of Good Standing

- Corporations and Limited Liability Companies (LLC) occasionally need certification that they are in good standing with their state of formation.
- The purpose of this Certificate of Good Standing is to ensure that the C Corporation or LLC has kept up with its responsibilities to the state and specific tax boards as a legal entity.
- If the designated company is not in good standing at the time of the request, the Secretary of State will require the company to reinstate good standing before they can issue the Certificate of Good Standing to the designated company.
- Some of the reasons you may require a Certificates of Good Standing:
 - To qualify to do business in multiple states.
 - For certain licensing boards or financial institutions.

Foreign Qualification

To legally conduct business in a state outside the state where the LLC or Corporation was initially formed, one needs to foreign qualify within the state that business is intended in.

Examples of when a foreign qualification is needed:

- If you have a physical presence in the state, office space, or retail store.
- If you apply for a business license in the state.
- If you often conduct face-to-face meetings with clients in the state.
- If a substantial amount of company revenue comes from the state.
- If employees are working in the state and you are paying state payroll taxes.

Apostille Certificates

- An Apostille is an additional authentication or certification required for international acceptance of documents including Articles of Incorporation and Articles of Organization.
- The completed Apostille form certifies the authenticity of the signature on the documents.
- This is usually required when forming a C Corporation or Limited Liability Company (LLC) from a country outside of the United States.
- An Apostille is required upon every signatory country to accept Apostilles of the other signatory countries.

Articles of Amendment

If a change was made to a Corporation or LLC, the state should be notified with a filing called Articles of Amendment, Certificate of Amendment, or Certificate of Change.

Company updates to report can include:

- Change of company name
- Change of address or contact information
- Change of registered agent
- Authorization of more shares
- Absence of board member or director
- Change of business activities of the company

Entity Conversions

- An entity conversion is when a company decides to convert its entity from one entity type to another entity type.
- An example of this is converting an LLC to a C Corporation or converting a C Corporation into a Nonprofit Corporation.
- Not all states allow conversions.
- In those states where a conversion is not recognized, one would need to dissolve their current entity and form their company as a new entity.

Reinstatements

- If an existing Corporation or Limited Liability Company (LLC) neglects to follow corporate formalities or stay compliant with state requirements, it may face administrative dissolution or be designated as Non-Compliant by the Secretary of State.
- In order for the Corporation or LLC to return to active compliant status with the Secretary of State's office, the Corporation or LLC may be required to file for Reinstatement of their company.
- You may have to file some additional state-required documents that are past due depending on the reason your company has fallen out of good standing to begin with. Generally speaking, a simple reinstatement should do the job.

Initial and Annual Reports

- Generally, all C Corporations and LLCs in the United States need to file an annual report with the state so they can keep up with a company's vital information.
- The annual report will generally ask you for basic contact and operational information. The specific details will vary by state and business type.
- All states except Ohio require some form of annual report.
- Specific due dates vary from state to state.
- In some states, LLCs and Corporations are also required to file an initial report shortly after the LLC or Corporation is formed.

Franchise Tax

- A franchise tax is when the state charges one for the privilege of running a business in that state.
- Each state has a different fee structure. For example:
 - California has a flat minimum rate plus a percentage of net income.
 - Others have just a flat rate or percentage.
 - Nevada has no charge.
- Franchise tax has nothing to do with a franchised business.

Articles of Dissolution

If a business operates as an LLC or Corporation and is inactive, it's important to formally dissolve the legal entity. If the company is not formally dissolved, the owners will still be responsible for compliance filings (like annual reports) even if the business is inactive.

To formally dissolve an entity, the following needs to happen:

- If the business is a Corporation, all business associates need to vote on closing the business. Record the final vote in annual meeting minutes.
- If the business is an LLC, specific rules vary by state. You should verify dissolution requirements in the state's Limited Liability Company Act.
- After the final vote, file the Articles of Dissolution or Certificate of Termination with the Secretary of State's office where the LLC or Corporation was established.

Business Licenses and Permits

A business license gives one the right to operate a business. Depending on the type and location of the business, one may need to acquire business licenses and permits from the state, county, or city.

These can include:

- Local business licenses or tax permits
- Building or zoning permit
- Health permit
- Home occupational permit
- Signage permit
- Fire permit
- Alarm permit

Corporate Meeting Minutes

All Corporations in the United States must hold an annual meeting. That meeting could also be called an annual shareholder meeting, annual stockholder meeting, and/or an annual general meeting. Most Corporations hold this meeting soon after the company's fiscal year has ended.

During the meeting, the corporate secretary takes detailed notes including:

- Date, time, and location
- Who attended and who was absent
- Agenda items with a brief description of each
- Details about what was discussed
- Results of any voting actions taken
- Time when meeting was adjourned

Examples of Meeting Minutes

Adopt Bylaws

MINUTES OF DIRECTORS MEETING OF

PLEASE ENTER BUSINESS NAME

A PLEASE ENTER STATE OF INCORPORATION CORPORATION.

The board of directors of PLEASE ENTER BUSINESS NAME held a meeting on PLEASE ENTER DATE at PLEASE ENTER LOCATION OF MEETING

The following individual(s) were present at the meeting representing a Quorum and/or all of the Directors of PLEASE ENTER BUSINESS NAME

PLEASE ENTER TITLES

Name	Title
FIRST AND LAST NAME1	PLEASE ENTER TITLE1
FIRST AND LAST NAME2	PLEASE ENTER TITLE2
FIRST AND LAST NAME3	
FIRST AND LAST NAME4	PLEASE ENTER TITLE4

Also present at the meeting were the following individuals, if any:

Name	Title
PLEASE ENTER FIRST AND LAST NAMES	PLEASE ENTER TITLES
PLEASE ENTER FIRST AND LAST NAMES	PLEASE ENTER TITLE6
PLEASE ENTER FIRST AND LAST NAME7	PLEASE ENTER TITLE7
PLEASE ENTER FIRST AND LAST NAMES	PLEASE ENTER TITLE8

The Directors noted that they had reviewed and considered the time, date and place where the Annual Meeting of the Corporation is to be held. Based on this review and consideration of the time date and place where the Annual Meeting will be held by the Directors, the following resolution was unanimously adopted:

RESOLVED, that the Bylaws of the Corporation, which was presented to the Directors for consideration, is hereby adopted.

RESOLVED FURTHER, that the Officers of this Corporation are authorized and directed to take any action necessary to effectuate the foregoing resolution, including, but not limited to, certification of adoption, placing the certified copy in the minute book of the Corporation, and to keep a copy at the principal executive office of the Corporation, and any other action required by law.

DATE: PLEASE ENTER DATE

PLEASE ENTER FIRST AND LAST NAMES

PLEASE ENTER TITLES

Annual Meeting

MINUTES OF DIRECTORS MEETING OF

PLEASE ENTER BUSINESS NAME

A PLEASE ENTER STATE OF INCORPORATION CORPORATION.

The board of directors of PLEASE ENTER BUSINESS NAME held a meeting on PLEASE ENTER DATE at PLEASE ENTER LOCATION OF MEETING

The following individual(s) were present at the meeting representing a Quorum and/or all of the Directors of PLEASE ENTER BUSINESS NAME

Name	Title
FIRST AND LAST NAME1	PLEASE ENTER TITLE1
FIRST AND LAST NAME2	PLEASE ENTER TITLE2
FIRST AND LAST NAME3	PLEASE ENTER TITLE3
FIRST AND LAST NAME4	PLEASE ENTER TITLE4

Also present at the meeting were the following individuals, if any:

Name	Title
PLEASE ENTER FIRST AND LAST NAMES	PLEASE ENTER TITLES
PLEASE ENTER FIRST AND LAST NAME6	PLEASE ENTER TITLE6
PLEASE ENTER FIRST AND LAST NAME7	PLEASE ENTER TITLE7
PLEASE ENTER FIRST AND LAST NAME8	PLEASE ENTER TITLE8

The Directors noted that they had reviewed and considered the time, date and place where the Annual Meeting of the Corporation is to be held. Based on this review and consideration of the time date and place where the Annual Meeting will be held by the Directors, the following resolution was unanimously adopted:

RESOLVED, that the time of the Annual Meeting of the Corporation will be PLEASE ENTER TIME

PLEASE ENTER eg: 5:00 PM Central Standard T, The Annual Meeting will be held each year on PLEASE ENTER TIME

PLEASE ENTER eg: First Tuesday in January, De: PLEASE ENTER eg: the Principal Corporate Office

RESOLVED FURTHER, that the Officers of this Corporation are authorized and directed to take any action necessary to effectuate the foregoing resolution.

DATE: PLEASE ENTER DATE

PLEASE ENTER FIRST AND LAST NAMES

PLEASE ENTER TITLES

“S” Election

MINUTES OF DIRECTORS MEETING OF

PLEASE ENTER BUSINESS NAME

A PLEASE ENTER STATE OF INCORPORATION CORPORATION.

The board of directors of PLEASE ENTER BUSINESS NAME held a meeting on PLEASE ENTER DATE at PLEASE ENTER LOCATION OF MEETING

The following individual(s) were present at the meeting representing a Quorum and/or all of the Directors of PLEASE ENTER BUSINESS NAME

Name	Title
FIRST AND LAST NAME1	PLEASE ENTER TITLE1
FIRST AND LAST NAME2	PLEASE ENTER TITLE2
FIRST AND LAST NAME3	PLEASE ENTER TITLE3
FIRST AND LAST NAME4	PLEASE ENTER TITLE4

Also present at the meeting were the following individuals, if any:

Name	Title
PLEASE ENTER FIRST AND LAST NAMES	PLEASE ENTER TITLES
PLEASE ENTER FIRST AND LAST NAME6	PLEASE ENTER TITLE6
PLEASE ENTER FIRST AND LAST NAME7	PLEASE ENTER TITLE7
PLEASE ENTER FIRST AND LAST NAMES	PLEASE ENTER TITLES

The Directors noted that they had reviewed and considered the election to be treated as an S Corporation by the IRS for tax purposes. Based on this review and consideration by the Directors, the following resolution was unanimously adopted:

RESOLVED, that the Corporation elect to be treated as an S Corporation by the IRS for tax purposes.

RESOLVED FURTHER, that the Officers of this Corporation are authorized and directed to take any action necessary to effectuate the foregoing resolution.

DATE: PLEASE ENTER DATE

PLEASE ENTER FIRST AND LAST NAMES

PLEASE ENTER TITLES

What You Should Do With Your Meeting Minutes

- After all documents have been executed and approved by shareholders, a business should keep the original executed copy in a safe place along with other corporate records.
- A business should keep these records for at least seven years and make them available to members of the Corporation.
- There is no requirement to file bylaws, annual meeting minutes, or operating agreements with the state or other government agency.
- There is no requirement to have documents notarized.

Certified Copies of Documents

- A certified copy of documentation is a copy of a legal document issued by the state office guaranteed to be an exact copy of the original document.
- Certified copies have the state seal and the statement that the state has a correct copy of the document kept on file.
- Certain financial institutions and licensing boards will require a certified copy of documents before allowing certain business transactions.
- This is a filing that must be requested because the state will not automatically issue you a certified copy of your documents.

How frequently do you form new entities or file reports for existing entities?

- ☐ 0-4 times per year
- ☐ 5-10 times per year
- ☐ 11-20 times per year
- ☐ 20+ times per year



Polling Question #3

State Specific Requirements for C Corporations



State	Report Name	Frequency	Due Date
Alabama	Business Privilege Tax Return	Yearly	March 15
Alabama	Annual Report	Yearly	15th day of the fourth month after beginning of the tax year
Alaska	Biennial Report	2 Years	January 2
Arizona	Annual Report	Yearly	Anniversary date
Arkansas	Annual Franchise Tax Report	Yearly	May 1
California	Annual Franchise Tax Report	Yearly	The 15th day of the 4th month from the formation date
California	Statement of Information	Yearly	Last day of the anniversary month
Colorado	Periodic Report	Yearly	Last day of the anniversary month
Connecticut	Annual Report	Yearly	Anniversary date
Delaware	Annual Report Annual Franchise Tax Report	Yearly	March 1
Florida	Annual Report	Yearly	May 1
Georgia	Annual Registration	Yearly	April 1
Hawaii	Annual Report	Yearly	The last day of the quarter that contains the anniversary month
Idaho	Annual Report	Yearly	Last day of the anniversary month
Illinois	Annual Report	Yearly	Last day of the month prior to the anniversary date
Indiana	Business Entity Report	Yearly	Last day of the month of formation
Iowa	Biennial Report	2 Years - Even	April 1
Kansas	Annual Report	Yearly	April 15 (even year formations file in even years, odd year formations file in odd years)
Kentucky	Annual Report	Yearly	June 30
Louisiana	Annual Report	Yearly	Anniversary date
Maine	Annual Report	Yearly	June 1
Maryland	Annual Report	Yearly	April 15
Massachusetts	Annual Report	Yearly	Within 2.5 months of the fiscal year close
Michigan	Annual Report	Yearly	May 15
Minnesota	Annual Renewal	Yearly	December 31
Mississippi	Annual Report	Yearly	April 15
Missouri	Annual Report	Yearly	By the end of the 3rd month following the registration anniversary month
Montana	Annual Report	Yearly	April 15

State	Report Name	Frequency	Due Date
Nebraska	Biennial Occupation Tax Report & Annual Benefit Report	2 Years - Even	March 1
Nevada	Annual List of Officers and Directors	Yearly	Last day of the anniversary month
New Hampshire	Annual Report	Yearly	April 1
New Jersey	Annual Report	Yearly	Last day of the month prior to the date anniversary
New Mexico	Biennial Report	2 Years	The 15th day of the 4th month after the close of the fiscal year
New York	Biennial Report	2 Years	Last day of the anniversary month
North Carolina	Annual Report	Yearly	The 15th day of the 4th month after the close of the fiscal year
North Dakota	Annual Report	Yearly	August 1
Ohio	n/a	n/a	n/a
Oklahoma	n/a	n/a	n/a
Oregon	Annual Report	Yearly	Anniversary date
Pennsylvania	Decennial Report	Yearly	June 30 (starting in 2025)
Rhode Island	Annual Report	Yearly	May 1
South Carolina	n/a	n/a	Report included in the tax return C Corps are due April 15th or the 15th day of 4th month after tax year-end
South Dakota	Annual Report	Yearly	First day of anniversary month
Tennessee	Annual Report	Yearly	The the first day of the 4th month following the fiscal year end
Texas	Texas Franchise Tax Report & Public Information Report (PIR)	Yearly	May 15
Utah	Annual Renewal	Yearly	Last day of the Anniversary month
Vermont	Annual Report	Yearly	Within two and a half months after the end of the organization's fiscal year
Virginia	Annual Report	Yearly	Last day of the anniversary month
Washington	Annual Report	Yearly	Last day of the anniversary month
West Virginia	Annual Report	Yearly	June 30
Wisconsin	Annual Report	Yearly	Last day of the quarter that contains the formation month
Wyoming	Annual Report	Yearly	First day of anniversary month
Washington DC	Biennial Report	2 Years	April 1

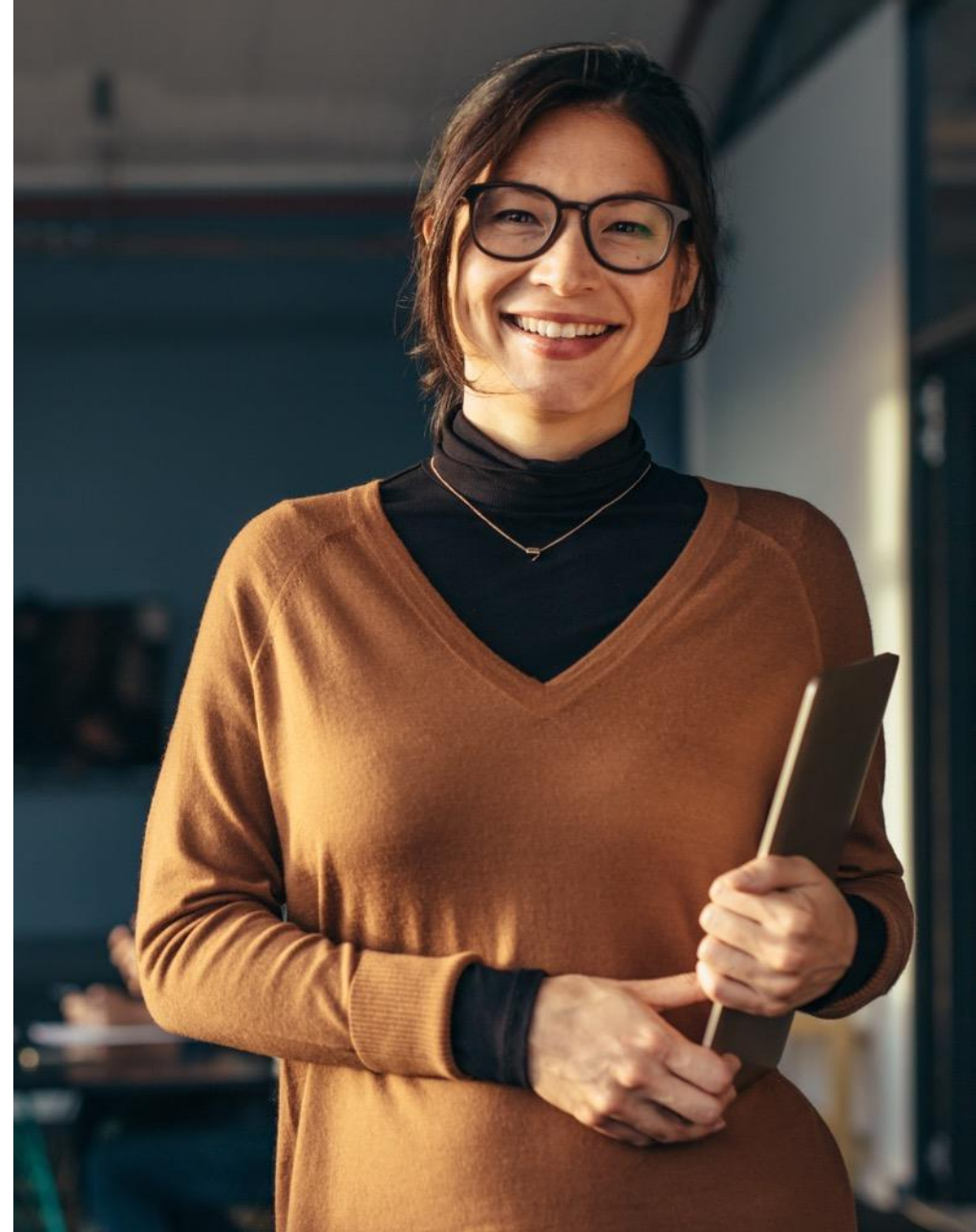
State Specific Requirements for LLCs



State	Report Name	Submission Frequency	Due Date
Alabama	Business Privilege Tax Return & Annual Report	Yearly	BPTR due Same as federal return, AR due 15 th of 3rd month after beginning of tax year
Alaska	Biennial Report	2 Years	January 2
Arizona	n/a	n/a	n/a
Arkansas	Annual Franchise Tax Report	Yearly	May 1
California	Annual Franchise Tax Report	Yearly	The 15th day of the 4th month from the formation date
California	Statement of Information	2 Years	Last day of the anniversary month
Colorado	Periodic Report	Yearly	Last day of the anniversary month
Connecticut	Annual Report	Yearly	March 31
Delaware	Alternative Entity Tax	Yearly	June 1
Florida	Annual Report	Yearly	May 1
Georgia	Annual Registration	Yearly	April 1
Hawaii	Annual Report	Yearly	The last day of the quarter that contains the anniversary month
Idaho	Annual Report	Yearly	Last day of the anniversary month
Illinois	Annual Report	Yearly	The last day of the month prior to of the anniversary date
Indiana	Business Entity Report & Annual Report	Yearly	Last day of the anniversary month
Iowa	Biennial Report	2 Years - Odd	April 1
Kansas	Annual Report	Yearly	April 15 (even year formations file in even years, odd year formations file in odd years)
Kentucky	Annual Report	Yearly	June 30
Louisiana	Annual Report	Yearly	Anniversary date
Maine	Annual Report	Yearly	June 1
Maryland	Annual Report	Yearly	April 15
Massachusetts	Annual Report	Yearly	Anniversary date
Michigan	Annual Report	Yearly	February 15
Minnesota	Annual Renewal	Yearly	December 31
Mississippi	Annual Report	Yearly	April 15
Missouri	n/a	n/a	n/a
Montana	Annual Report	Yearly	April 15
Nebraska	Biennial Reports	2 Years - Odd	April 1
Nevada	Annual List of Managers or Members	Yearly	Last day of the anniversary month

State	Report Name	Submission Frequency	Due Date
New Hampshire	Annual Report	Yearly	April 1
New Jersey	Annual Report	Yearly	The last day of the month prior to of the anniversary date
New Mexico	n/a	n/a	n/a
New York	Biennial Report	2 Years	Last day of the anniversary month
North Carolina	Annual Report	Yearly	April 15
North Dakota	Annual Report	Yearly	November 15
Ohio	n/a	n/a	n/a
Oklahoma	Annual Certificate	Yearly	Anniversary date
Oregon	Annual Report	Yearly	Anniversary date
Pennsylvania	Decennial Report	Yearly	September 30 (starts in 2025)
Rhode Island	Annual Report	Yearly	May 1
South Carolina	n/a	n/a	n/a
South Dakota	Annual Report	Yearly	First day of anniversary month
Tennessee	Annual Report	Yearly	April 1 or first day of 4th month after tax year end
Texas	Texas Franchise Tax Report Public Information Report (PIR)	Yearly	May 15
Utah	Annual Renewal	Yearly	The last day of the anniversary month
Vermont	Annual Report	Yearly	Within three months after the end of the organization’s fiscal year
Virginia	Annual Registration	Yearly	Last day of the anniversary month
Washington	Annual Report	Yearly	Last day of the anniversary month
West Virginia	Annual Report	Yearly	June 30
Wisconsin	Annual Report	Yearly	Last day of the quarter that contains the formation month
Wyoming	Annual Report	Yearly	First day of anniversary month
Washington DC	Biennial Report	2 Years	April 1

Trademark Considerations



Business Name Limitations

- If you form an LLC or apply to incorporate a business in a state, your business name is automatically protected in that state after the state has approved your application.
- Upon submission and approval of the business's formation documents, the state will not allow other LLCs or Corporations to use the name within its jurisdiction.
- State laws have varying guidelines on how different a name must be from other business names within the state. The purpose of restricting similar name use is to curtail deceptively similar business names from causing confusion in the marketplace and creating unfair competition.

Business Name Limitations

- Sole Proprietorships and Partnerships in that state can still use your name if they so desire; they just wouldn't be able to form a Corporation or LLC using your name.
- They might still file a DBA (also referred to as fictitious name, assumed name, or trade name) to use the name legally in the state.
- Just because you register your business name with the state doesn't mean a business in another state can't use the same name.
- In fact, they could incorporate or form an LLC using your name, provided they do so in a state (or states) other than those where you've registered your name.

Federal Trademark Protection

- The United States Patent and Trademark Office (USPTO) grants trademarks, which identify the source of products or services.
- A trademark can be a word, phrase, design, or symbol (or a combination of any of them) that distinguishes a company from its competitors.
- The USPTO can grant trademarks on distinctive names, logos, and slogans.
- As the owner of a trademark, you have exclusive rights to the mark. No one else may use it at either the state or federal level.
- Although the trademark registration process is more involved than registering a business name with the state, a trademark provides you with exclusive rights to your name in all 50 states.
- Trademarks have an unlimited lifespan, provided you comply with renewal requirements.

Benefits of Registering Trademarks

- Constructive notice nationwide of the trademark owner's claim.
- Evidence of ownership of the trademark.
- Treble damages in some cases of infringement.
- The right to use ® in your trademark.
- A streamlined process for securing your domains and usernames at social sites.
- Significantly stronger protection than “common law” (aka. unregistered) marks, which makes it much easier to recover your intellectual property.
- Registration can be used as a basis for obtaining registration in foreign countries.
- Registration may be filed with U.S. Customs Service to prevent importation of infringing foreign goods.

Considerations for Hiring Staff



Payroll Taxes

- Another critical step that businesses hiring employees must take is to register for payroll taxes.
- In the United States, tracking, reporting, and paying payroll taxes are required legally to hire and pay employees.
- Some taxes must be withheld from employees' paychecks, and the employer must pay some.
- Businesses must register for the appropriate payroll tax accounts at the state and federal levels (and sometimes the local level if there is a local withholding tax) to process employee payroll and file returns.
- The rules and requirements vary by state, but generally, payroll taxes might include Federal Income Tax, State Income Tax (SIT), Federal Unemployment Insurance Act (FUTA) Tax, State Unemployment Insurance Tax (SUI), Social Security Tax, Medicare Tax, and Local Income Tax.

Tax	Description	Government	Paid By
Income Tax Withholding	Taxes withheld from employee pay for federal income taxes owed by the employees. The amount is determined by the employee's W-4.	Federal & State	Employee
FICA Tax	Social security and Medicare taxes, called FICA (Federal Insurance Contributions Act), are shared between employees and employers.	Federal	Both
Additional Medicare Tax	An employer must withhold part of social security and Medicare taxes from employees' wages. The employer also pays a matching amount.	Federal	Employee
FUTA Tax	The Federal Unemployment Tax Act (FUTA) provides for payments of unemployment compensation to workers who have lost their jobs.	Federal	Employer
Self-Employment Tax	Self-employment tax (SE tax) is a social security and Medicare tax primarily for individuals who work for themselves.	Federal	Employee
Unemployment Insurance Tax	State unemployment instance (SUI) tax is similar to FUTA, but controlled at the state level. Amounts, requirements, and ownership vary by state.	State	Employer
Disability Tax or Insurance	Disability tax (or insurance) is controlled at the state level. Amounts, requirements, and ownership vary by state.	State	Employer
Worker's Compensation Tax	Provides temporary benefit payments to workers for non-work-related illness, injury, or pregnancy. Varies by state.	State	Employer
State and Local Income Tax	State income tax (SIT) and local taxes varied by state, county, or city.	State & Local	Employee

Preventing Payroll Tax Penalties

- All payroll taxes must be deposited with the government in a timely manner.
- Employers have the responsibility to file employment-related tax returns and deposit employment taxes according to set deadlines.
- If you fail to make a timely deposit, you may be subject to a failure-to-deposit penalty of up to 15%.
- Responsible staff in the company who fail to deposit the amounts withheld from employees' paychecks may be subject to a 100% personal liability.
- This recovery penalty is triggered when a person with the authority to make payment decisions willfully fails to deposit the taxes.

Tips for Controlling Costs

Hire Independent Contractors

- Independent contractors are not considered employees, and therefore, your business does not have to pay or match payroll taxes.
- Be careful to stick to the guidelines established for independent contractor status, as the IRS and/or the states' tax boards could come after you for back payment of employer taxes.

Elect S Corporation Status

- S Corporations are structured as a pass-through business entity, which means profits and losses are passed through to the company's owners/shareholders.
- S Corporation owners are also considered employees, so their taxable salaries can be lowered, and there are fewer payroll taxes to be paid.

Tips for Making Payroll Easy

- Payroll software allows you to onboard employees online and pay your workers via direct deposit instead of by check.
- Some software services automatically calculate state and federal taxes while also handling your tax filings and payments.
- The investment can easily be worth the cost.

Three quality payroll automation providers:

gusto

qb INTUIT
quickbooks®

PATRIOT

Annual Business Compliance Checklist



Business Activity Performed This Year	Compliance Filing Required
Hired your first employee(s)	Register for payroll taxes
Started charging sales tax	Register for sales tax
Changed your business activity or purpose	File an Articles of Amendment
Changed your business name	File an Articles of Amendment Order a new Corporate or LLC Kit and Embosser
Assumed an alternate business name for an existing corporation or LLC	File a DBA (Fictitious Business Names) Revise existing Trademarks
Changed your business address	File an Articles of Amendment
Moved the location of your business to a new state	Process a Domestication Filing Revise your Registered Agent Services
Apply for a business loan	Submit a Certificate of Good Standing
Expanded your business into a new state(s)	File for Foreign Qualification
Expanded your business internationally	Request Apostille Certification
Changed the ownership of your business	Create a new LLC Operating Agreement File an Articles of Amendment Order LLC Member Certificates
Changes your members or board of directors	File an Articles of Amendment Request Custom Bylaws and Minutes

Business Activity Performed This Year	Compliance Filing Required
Elected S Corporation status	File Form 2553
Changed your business entity type	File a Conversion
Changed an LLC's management format (ex: member-managed to manager-managed)	File an Articles of Amendment
Changed the type of stock offered	File an Articles of Amendment Order Corporate Stock Certificates
Changed the number of shares authorized	File an Articles of Amendment Order Corporate Stock Certificates
Fell out of compliance with the state (your business is delinquent on filings)	File a Reinstatement
Failed to file your annual report with the state	File a Reinstatement File an Annual Report
Sold part of your business	Call 1-888-449-2638 for assistance.
Closed your business	File Articles of Dissolution
Business license or permit expired	Renew Your Business Licenses
Held an annual meeting	Draft Annual Meeting Minutes
Changed the type of stock offered	File an Articles of Amendment Order Corporate Stock Certificates
Changed the number of shares authorized	File an Articles of Amendment Order Corporate Stock Certificates

Helpful Resources



CorpNet Tools Are Your Resources

- Business Name Search Tool
- Interactive Business Structure Wizard Tool
- CorpNet Compliance Portal with Monitoring and Proactive Alerts
- Annual Meeting Minutes Services
- Business Guides and Checklists
- The CorpNet Blog



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- ☐ Yes, I am interested in possibly using CorpNet within my organization
- ☐ Yes, I am interested in learning more about CorpNet's partner program
- ☐ Not at this time



Polling Question #4



Have Questions?

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