

Forward Focused

For Training Purposes Only....All of these items should be reviewed with your Attorney and CPA, please ensure you are following the appropriate steps and working with your Professional Team.

Opening an LLC (Limited Liability Company) in Michigan involves several steps. Here is a general guide to help you navigate the process:

Step 1: Choose a Business Name

- Choose a unique and distinguishable name for your LLC that complies with Michigan's naming rules. Check the availability of the name on the Michigan Department of Licensing and Regulatory Affairs (LARA) website.

Step 2: Registered Agent

- Designate a registered agent for your LLC. A registered agent is a person or entity that accepts legal documents on behalf of the LLC.

Step 3: File Articles of Organization

- Prepare and file Articles of Organization with the Michigan Department of Licensing and Regulatory Affairs (LARA). You can file online or by mail. Include the following information:
 - LLC name and address
 - Registered agent information
 - Management structure (member-managed or manager-managed)
 - Duration of the LLC (if not perpetual)

Step 4: Operating Agreement

- Although not required, it is advisable to create an operating agreement. This document outlines the internal workings and structure of your LLC, including member roles, voting rights, and profit distribution.

Step 5: Obtain an EIN (Employer Identification Number)

- Visit the IRS website (<https://www.irs.gov/>) to apply for an EIN online. This number is required for tax purposes and to open a business bank account. The EIN is free of charge.

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Step 6: Federal and State Tax Obligations

- Understand your federal and state tax obligations. You may need to register with the Michigan Department of Treasury for state taxes.

Step 7: Business Licenses and Permits

- Check if your business requires any specific licenses or permits to operate in Michigan. The Michigan Business One Stop website (<https://www.michigan.gov/business>) can provide information on necessary licenses.

Step 8: Open a Business Bank Account

- Take your EIN, Articles of Organization, and any other relevant documents to a bank to open a business bank account. This separates your personal and business finances.

Step 9: Annual Statement

- Michigan requires LLCs to file an Annual Statement with the Department of Licensing and Regulatory Affairs. This can be done online, and the filing fee is typically due on or before February 15th each year.

Step 10: Compliance with Ongoing Requirements

- Stay compliant with ongoing requirements, including filing annual reports and meeting any other state obligations.
- <https://www.fincen.gov/boi>

It's advisable to consult with a business attorney or a professional service to ensure all legal requirements are met accurately and efficiently. Additionally, consider seeking professional advice for tax-related matters.

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Additional Considerations

-Proper Insurance and coverage for the entity

-Speak with your attorney and CPA around proper coding, maximizing the entity process and what makes most sense for your business goals

-Can pay the entity, if you become an associate broker you are able to be paid broker to broker and avoid self employment tax. One of many benefits of working to become an Associate Broker

*Everything discussed today is general advice, coaching or instruction. Please speak with a licensed CPA and Attorney for specific advice to follow, enact or launch your LLC.

Notes or other information
