

# YOUR GUIDE TO LLC

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## What is an LLC?

A limited liability company (LLC) has become one of the most popular corporate structures in the United States whereby the owners are not personally liable for the company's debts or liabilities. Limited Liability companies are hybrid entities that combine the characteristics of a corporation with those of a partnership or sole proprietorship.

## What is a EIN #?

The Employer Identification Number (EIN), also known as the Federal Employer Identification Number (FEIN) or the Federal Tax Identification Number, is a unique nine-digit number assigned by the Internal Revenue Service (IRS) to business entities operating in the United States for the purposes of identification.

## What is an Operating Agreement?

An operating agreement is a key document used by LLCs because it outlines the **business'** financial and functional decisions including rules, regulations and provisions. ... Once the document is signed by the members of the limited liability company, it acts as an official contract binding them to its terms

## What is a Commercial Activity License?

A Commercial Activity License (formerly called a Business Privilege License is a license that allows you to own and run a business in this city of Philadelphia.

## What are Articles of Organization?

The articles of organization are a document similar to the articles of incorporation, outlining the initial statements required to form a limited liability company (LLC) in many U.S. states. Some states refer to articles of organization as a certificate of organization or a certificate of formation.

## What are the Benefits of an LLC?

- It limits liability for managers and members.
- Flexible management.
- Flow-through taxation: profits are distributed to the members, who are taxed on profits at their personal tax level. This avoids double taxation. (Consult a Tax Advisor)
- Good privacy protection

### **How Long will it take to process my LLC?**

After The Vision Venue receives your application and payment it usually takes 14-21 business days on average to get your LLC approved. This timeframe can range be soon or later due to how quickly the selected State processes your request. You can expedite your application for a \$50.00 fee.

### **Will my LLC Documentation come in the mail?**

No. The Vision Venue system works to process your documentation electronically. You will receive a congratulations email with all of your business documentation attached. You can save the documents to your computer and/or print your business documents for your records.

### **Do I need any additional documentation if I have Partnership?**

Yes. If you have a partnership, you must have an Operating Agreement in place to clearly define how the partnership will function within the LLC.

### **Can I use my home address for my Business?**

Yes, you can use a home address to register your business but you can not use a P.O Box. However, please understand that your home address will now be public record, and anyone can search your business and see your home address on file.

The Vision Venue offers a service for \$100.00 per year to be the registered office for your Business. If you are interested in this service, please contact your Visionary Rep to get registered.

### **Can I open a Business Bank Account after I register my LLC?**

Yes. You will need to take your Articles of Organization, your EIN #, your Letter of Acknowledgment, and possibly an Operating Agreement to the Bank to get your business bank account open. FYI: The approval of your business bank account may be dependent upon your credit and other factors.

### **Do I need to pay an Annual Fee for my LLC each year?**

The state of Pennsylvania currently does not have an annual fee. However, you are required to pay a \$70.00 renewal fee every 10 years to keep your LLC active.

### **How do I file my taxes now that I have an LLC?**

Please contact your Tax Advisor for proper handling.

**If you have additional questions, please contact customer service at (215) 309-3750**