

Delaware Startup & Compliance Checklist

Starting a business is an exciting milestone, but navigating the legal steps of forming and maintaining a Delaware LLC can feel overwhelming. This free checklist is designed to make the process easier by breaking down every major requirement into simple, plain-English tasks you can check off as you go. From filing your formation documents to handling taxes, keeping records and staying compliant year after year, this guide walks you through what to do and why it matters. It's a practical, easy-to-follow resource built to help new business owners stay organized and confident.

Step 1. Choose a Name

☐ **Choose a Name for Your LLC**

- Must include "LLC," "L.L.C.," or "Limited Liability Company."
 - Avoid restricted words like "bank" unless authorized.
 - Make sure your name is distinguishable from other businesses on file in Delaware.
 - Search availability at the [Delaware Entity Search](#).
 - You may reserve a name for 120 days by filing [Name Reservation Form](#) and paying a \$75 fee.
 - ([6 Del. C. § 18-102](#), [§ 18-103](#))
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Step 2. Appoint Your Delaware Registered Agent

☐ **Appoint a Registered Agent**

- Required to have a registered agent with a physical address in Delaware.
 - This person or business will receive legal documents for your LLC.
 - You can act as your own agent, but your address becomes public record.
 - ([6 Del. C. § 18-104](#))
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Step 3. File the Certificate of Formation

☐ **File Certificate of Formation**

- File online or by mail with the Delaware Division of Corporations.
 - Must include your LLC name, registered office address, and registered agent.
 - Filing fee is \$110.
 - Use [Certificate of Formation Form \(PDF\)](#).
 - ([6 Del. C. § 18-201](#), [§ 18-206](#))
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Step 4. Day-1 to Day-30 Punch List

☐ **Draft LLC Agreement**

- Not required to file with the state but strongly recommended.
- It governs ownership, voting rights, distributions, and management.
- ([6 Del. C. § 18-101\(9\)](#), [§ 18-1101](#))

☐ **Obtain an EIN (Employer Identification Number)**

- Apply for a free EIN from the IRS online.
- It's required to open a business bank account, file taxes, or hire employees.
- See our [Step-By-Step Guide](#) to getting your EIN!

☐ **Register with the Delaware Division of Revenue, Division of Unemployment Insurance and the Office of Workers Compensation**

- If your LLC sells taxable goods or services, or hires employees, register with Delaware's [OneStop](#).

☐ **Check for Local Licenses and Permits**

- Contact your city or county clerk to find out if your business needs local licenses or permits.

☐ **Open a Business Bank Account**

- Bring your EIN, Articles of Organization, and LLC Agreement to open a dedicated business checking account.
- This helps separate business and personal finances and protects your liability shield.

Step 5. Know Your Governance & Voting Basics

Company Action	Default Rule Under Delaware Law	How to Change It...
Routine business decisions	Majority of members or designated manager(s) (§ 18-402)	Modify the LLC Agreement
Adding a new member	Requires unanimous consent (§ 18-301)	Modify the LLC Agreement
Amending LLC Agreement	Requires unanimous consent (§ 18-302(f))	Modify the LLC Agreement
Dissolving the LLC	Requires two-thirds approval (§ 18-801)	Modify the LLC Agreement

Step 6. Money Rules

☐ **Record Capital Contributions**

- Record each owner's capital contribution (cash, property, or services) in a capital contribution ledger ([6 Del. C. § 18-501](#)).

☐ **Distribute Funds to Members**

- Distribute profits based on the agreed method in the LLC Agreement. By default, distributions are made in proportion to capital contributions.
- Do not distribute funds if it would make the LLC insolvent. ([6 Del. C. § 18-504](#), [§ 18-607](#))

Step 7. Protect the Liability Shield

☐ **Sign contracts and documents in the LLC's name.**

- Sign contracts in the LLC's name and properly document decisions to maintain limited liability protection and avoid veil piercing.

☐ **Decide whether the LLC will indemnify members or managers**

- This can be addressed in your LLC Agreement.
- ([6 Del. C. § 18-303](#), [§ 18-108](#))

☐ **Keep business and personal finances separate**

Step 8. Maintain Mandatory Records





☐ **Store records at your LLC's principal place of business ([6 Del. C. § 18-305](#)):**

- Certificate of Formation
 - LLC Agreement and amendments
 - List of members/managers and contributions
 - Tax returns and financials
 - Any powers of attorney
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Step 9. Stay in Good Standing Every Year

- ☐ Pay Annual Franchise Tax by June 1st of Every Year.
 - [Pay the \\$300 Franchise Tax](#) by June 1 to remain in good standing.
 - This applies even if the business is not active or profitable. ([6 Del. C. § 18-1107](#))
- ☐ Maintain a current registered agent and registered office. ([6 Del. C. § 18-104\(d\)](#))
- ☐ Track renewal deadlines for any assumed business names, licenses, or permits.
- ☐ Corporate Transparency Act (CTA): Re-file Beneficial Ownership Report if ownership or structure changes.

Step 10. Handling Big Structural Moves

-  **Merger or Conversion** - if you plan to merge with another entity or convert your LLC into a different business form (e.g., corporation)
 - ☐ Draft a plan of merger or conversion
 - You must draft a plan of merger or conversion, obtain required member approvals, and file a Certificate of Merger or Certificate of Conversion with the Secretary of State.
 - ([6 Del. C. § 18-209 \(Mergers\)](#), [§ 18-214 \(Conversions\)](#))
 - ☐ File Required Documents
 - [Certificate of Merger Form \(PDF\)](#) - \$220
 - [Certificate of Conversion to Other Entity \(PDF\)](#) - \$220
-  **Amend Certificate of Formation**
 - ☐ Amend the Certificate of Formation to reflect updates like a name change or new registered agent.
 - File the [Amendment Form \(PDF\)](#) and pay a \$220 fee.
 - ([6 Del. C. § 18-202](#))
-  **Wind Up and Cancel LLC**
 - ☐ Dissolve the LLC and file for cancellation when closing your business.
 - Get member approval, settle debts, and file a [Certificate of Cancellation \(PDF\)](#) with a \$220 fee.
 - ([6 Del. C. § 18-203](#))
-  **Reinstate Cancelled LLC**
 - ☐ Submit a [Certificate of Revival \(PDF\)](#) with a \$220 fee and pay all back taxes.
 - ([6 Del. C. § 18-1109](#))

Step 11. If You Miss a Deadline - How to Fix it

- ☐ Correct the issue (e.g., file overdue tax payment, update registered agent, or file missing amendment).
- ☐ If your LLC was canceled for more than three years, you may need to form a new LLC.
- ☐ For tax-related issues, contact the Delaware Division of Revenue or the IRS directly to resolve outstanding obligations.

12. Doing Business Outside Delaware

☐ **If your Delaware LLC plans to operate in another state or under a different business name:**

- Foreign Qualification: You must register your Delaware LLC as a “foreign LLC” in any other state where you conduct business. This includes having a physical presence, employees, or regular client activity. Check that state’s Secretary of State website for registration requirements.

☐ **Use an assumed name in Delaware:**

- “Doing Business As”: Effective June 2, 2025, Delaware is moving trade-name (“DBA”) filings to the Division of Revenue via Delaware [“One-Stop”](#) site. Each DBA will require a \$25 annual license that expires December 31 of every year (HB 40, 152nd GA). Until then, the \$25 county filing remains a one-time registration.

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