# State-By-State LLC Checklist New York



# **New York Startup & Compliance Checklist**

Starting a business in New York is exciting, but the maze of formation and ongoing rules can feel overwhelming. This free checklist turns every major requirement into plain-English, actionable steps you can check off as you go. It covers formation, taxes, record keeping, and long-term compliance, so you can stay organized and confident as you launch and grow your New York LLC.

# Step 1. Choose and Register a Name

#### ☐ Choose a Name for Your LLC

- The name must include "Limited Liability Company," "LLC," or "L.L.C.," be distinguishable on the <u>Department of State ("DOS")</u> index, and avoid restricted words unless you secure agency consent.
- Search the DOS database to verify if your name is available.
- If you want to make sure your selected name stays available but are not ready to file for your Articles of Organization just yet, you can reserve the name for sixty (60) days with the "Application for Reservation of Name" for and can extend your reservation twice.
- \$20.00 fee.

#### **Step 2. Appoint Your New York Registered Agent**

# ☐ Appoint a Registered Agent

- List a New York mailing address for forwarding process in your Articles of Organization.
- You may also name a separate registered agent if you include the agent's written consent. This
  agent will receive legal documents on behalf of the LLC.
- File a <u>Certificate of Change</u> whenever the address or agent changes.
- \$30.00 fee.



# Step 3. File Articles of Organization (Form DOS-1336-f) and Publish Creation in Newspapers

# ☐ File Articles of Organization (Form DOS-1336-f)

• File online, by mail, fax, or in person; the filing fee is two hundred dollars. Include county location, service address, management structure, and any optional dissolution date.

#### □ Publish Entity Creation in Newspapers

- Within 120 days after formation, publish either the Articles or a summary <u>once a week for six</u> <u>consecutive weeks in two newspapers</u> (one daily and one weekly) in the county of the principal office. The instructions are linked here.
- Once complete, then file the affidavits of publication with a <u>Certificate of Publication</u>.
- \$50.00 fee.
- Be sure to budget for at least a few hundred dollars for newspaper fees, as rates vary by county.

# Step 4. Day-1 to Day-30 Punch List

#### ☐ Adopt a Written Operating Agreement

- New York law requires a written Operating Agreement within ninety (90) days of filing.
- A majority in interest of members may adopt it by default.

## ☐ 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 <u>Step-By-Step Guide</u> to getting your EIN!

#### ☐ Register for New York State Taxes

• If you sell taxable goods or services or have employees, open an account with the <u>New York State</u> <u>Department of Tax and Finance</u> (sales tax, withholding, unemployment).

#### ☐ Check for Local Licenses and Permits

 Many municipalities require additional business licenses, and New York City has special rules for home-based businesses.

#### ☐ Open a Business Bank Account

- Bring your EIN, Articles of Organization, and Operating 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 New York Law	How to Change It
Routine business decisions	Majority in interest of members (votes proportional to current profit share)	Modify in the Operating Agreement (Section 402)
Big decisions (e.g., merger, sale of all assets, dissolution)	Majority in interest of members (Section 402 (d))	Require a super-majority or unanimous consent in the Operating Agreement
Adding a new owner	Majority in interest of members other than the transferring member (Section 604 (a))	Tighten or loosen in the Operating Agreement
Amending the Operating Agreement or Articles of Organization	Majority in interest of members (Sections 211 and 417). A unanimous vote is required before imposing additional capital contributions (Section 417 (b)).	Set higher or class-based thresholds in the Operating Agreement

## Step 6. Money Rules

# ☐ Record Capital Contributions

• Track cash, property, or service commitments in a contributions ledger. Members must honor promised contributions.

#### ☐ Distribute Funds to Members

- The default rule is pro-rata to contributions but never distribute if liabilities would exceed assets.
- Members who knowingly approve improper distributions are liable for three years.

# ☐ Be Aware of NY's "Top-Ten Owners" Wage Liability

- The ten members with the largest ownership percentages may be personally liable for unpaid wages.
- Consider written indemnification provisions and clear wage policies.

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# Step 7. Protect the Liability Shield

- $\square$  Keep your business and personal finances separate.
  - Sign contracts in the LLC's name and properly document decisions to maintain limited liability protection and avoid veil piercing with proper signatories.
- ☐ Decide whether the LLC will indemnify members or managers.
  - This can be addressed in your Operating Agreement.
  - New York allows broad indemnification except for bad-faith, willful misconduct, or improper personal benefit.
  - Attorney fees must be expressly covered to be reimbursable.
- ☐ **Consider liability** insurance for added protection.
  - Common policies include general liability, professional liability, employment practices liability insurance, and directors and officers coverage.

## **Step 8. Maintain Mandatory Records**

# ☐ Store records at your LLC's principal place of business:

- · Articles of Organization and amendments
- Operating Agreement
- List of members, contributions ledger, and contact information
- Federal, state, and local tax returns (past 3 years)
- Financial statements (past 3 years)
- Any executed powers of attorney

#### ☐ Members have inspection rights.

- Any member may inspect records for a "proper purpose."
- The Operating Agreement may impose reasonable standards or restrict disclosure of trade secrets.



Step 9. Stay in Good Standing Every Year			
$\square$ File a Biennial Statement During the Anniversary Month Every Two Years.			
• \$9.00 fee.			
• You o	can file online using the <u>Department of State's e-Statement Filing Service</u> .		
☐ Maintain a Current Service Address and Registered Agent.			
• Use	a Certificate of Change to update information promptly.		
☐ Track Ass	umed Name Renewals, Local Licenses and Additional Publication Deadlines.		
•lf tl	ne LLC opens offices in various counties in New York.		
□ Corporate	e Transparency Act (CTA).		
<ul> <li>Monitor both the federal Corporate Transparency Act and New York's LLC Transparency Act (effective January 1, 2026) for beneficial-owner filings.</li> </ul>			
<ul><li>Stay</li></ul>	current at fincen.gov/boi for federal changes		
Step 10. Ha	ndling Big Structural Moves		
♣ Merger &	& Conversion		
☐ Draft an A	greement of Merger.		
• Get r	najority in interest member approval (unless different in Operating Agreement).		
□ File Requi	red Documents		
• File a	Certificate of Merger with the Department of State - \$60.00 fee.		
<ul><li>If rea</li></ul>	l estate is involved, record county filings as needed.		
□ New York	law does <u>not</u> permit a direct LLC-to-corporation conversion.		
<ul><li>Inste</li></ul>	ad, merge the LLC into a newly formed corporation and make the corporation the survivor.		
4 Amend	Articles of Organization		
□ Obtain a n	najority in interest approval (default rule).		
☐ File a <u>Cert</u>	ificate of Amendment - \$60.00 fee.		
<b>♣</b> Wind Up	and Terminate		
☐ A majority	in interest vote starts winding up (default rule).		
☐ File Article	es of Dissolution - \$60.00 fee.		
• Com	plete within ninety (90) days of beginning the winding-up process		

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

#### ☐ Biennial Statement overdue?

• File immediately online and update addresses. See above.

#### □ Publication affidavits late?

- Complete the six-week newspaper runs, gather the affidavits, and file the <u>Certificate of Publication</u> as soon as possible.
- Penalties accumulate if ignored.

## ☐ Incorrect Articles of Organization?

- File a <u>Certificate of Correction</u> or an amendment.
- \$60.00 fee.

## □ Need rapid reinstatement?

- Contact the DOS Corporations Division.
- Expedited services can restore good standing within one business day for an additional fee.

# 12. Doing Business Outside New York or as a Foreign Entity in New York

## ☐ NY Entities Doing Business in Outside States.

 Obtain authority in other states before transacting significant business there to avoid fines or tax penalties.

#### ☐ Foreign Entities Entering New York.

- Companies registered in another state but entering New York must file an <u>Application for Authority</u>.
- \$225.00 fee
- These entities must also satisfy a separate publication requirement before conducting business.

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