# WHY PAY FOR A REGISTERED AGENT IN CALIFORNIA?

All U.S. business entities are required to appoint a registered agent who is responsible for receiving tax forms and legal documents on your company's behalf.



Who are you willing to trust to handle your business' important legal and tax information?



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### What is a Registered Agent?

A registered agent, also known as a "statutory agent" or "agent of process," must reside in the state of the company they are representing, and their designated address is made publicly searchable.

Business owners are allowed to act as their own registered agent, however there are several benefits to hiring a professional advisor, such as a CPA or an attorney to handle the job. A few benefits of paying for a registered agent in California include:

## **Privacy**

By using a third party registered agent, you can avoid the embarrassment of having sensitive documents, such as a legal summons in the event of a lawsuit, being delivered to your place of business in front of clients or staff.

# **Flexibility**

While a registered agent must be available during regular business hours, by paying for a registered agent, you are able to customize a work schedule that fits the needs of you and your company.

#### **Peace of Mind**

With an experienced professional dedicated to handling your company's state compliance, you can focus on running and growing your business.

## Failure to Appoint and Maintain a Registered Agent

How can the failure to appoint and maintain a registered agent jeopardize your business?

- Lack of information. A representative must be physically present to receive business and legal documents on your behalf.
- You could face fines and penalties for non-compliance.
- Loss of good standing with the state. This can potentially prevent you from obtaining financing or expansion into other states.
- The risk of dissolution.

It is important to work with professionals that you trust to handle your business' important legal and tax information.

Considering what is at stake, it is essential to entrust the duty of registered agent to a diligent professional.

Why consider our company to fulfill this responsibility? As a full service accounting firm, we also offer expertise in multiple services of finance and accounting as well as providing litigation support during legal affairs.

If you're looking for a one stop shop to handle the full range of your accounting needs and keep your business in good standing with the state of California, connect with us. We would love to work with you!

The information provided in this article is for informational purposes only and is not intended to substitute for obtaining tax, accounting, or financial advice from a professional accountant.

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