Forming your own Michigan Limited Liability Company (LLC)

Legal Disclaimer:
You must not rely on the information in this document as an alternative to legal advice from your attorney or other professional legal services provider. If you have any specific questions about any legal matter you should consult your attorney or other professional legal services provider. You should never delay seeking legal advice, disregard legal advice, or commence or discontinue any legal action because of information in this document.
<table>
<thead>
<tr>
<th>Tasks</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
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<th>8</th>
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Step 1
Figure out whether you should apply for a regular LLC or a Professional LLC

Nolo resource

Are you forming your business to practice as one of the following?

- Dentist
- Osteopathic physician
- Physician
- Surgeon
- Doctor of divinity or other clergy
- Attorney at law

If the answer is “no” then you want a regular LLC.

If it is “yes” then you will fill out form 701 (Articles of Organization for Professional LLC) rather than form 700 in step 5a.
Step 2a
Name your company

Take some time to think about this, but not too much time. Don’t let this be a sticking point to starting your business!

Here is an article that gives even more detail:

[INC article on choosing a name]

Remember that there is no guarantee the name will be available either!
Step 2b
Check to see if your business name is available

**Michigan Name Availability**

Search your business name, if it does not show up then your name is not currently used in the state of Michigan! You can also do this in the next step if you choose to open a Michigan One Stop account (this is recommended).
Step 3
Create a Michigan One Stop account

While this is not required it is recommended and will make things easier in the long run. This account will create a central repository for all your paperwork, and generates customized forms for you. This makes the process easier overall, but it does take a bit of time to set the account up. Note, opening this account does not make you official. That is for step 5.

Go here:

http://www.michigan.gov/business

Create an account and follow the steps to create a new business. You will want to choose domestic LLC for your business type (if that is the appropriate decision).
Step 4
Submit the Michigan Electronic Filing form. This step is not required, but it is recommended

Completing this step allows you to submit your documents via e-mail, and pay with your credit card rather than check. If you do not complete this step you will have to mail in your forms and wait the 1-2 weeks for turnaround. It will save you time in the long run, but it does take some time to get this form processed. You also need access to a fax machine, as they send you your confirmation back via fax.

Here is the form:

Mich-ELF Form

If you decide you want to complete this form, fax it to:

(517) 636-6437

If you’re like me and don’t own a fax machine you may want to skip this step.
**Step 5a**

Fill out and submit your “Articles of Organization”

This is the part that actually creates your business. While you may have created an account with your business name in the Michigan One Stop system, you are not official yet. Only when this form is returned to you is your business formally in existence.

If you opened a Michigan One Stop account previously you can find this form in the “my workspace” section with some prefilled information. I would recommend doing this, as it will again save you time later on.

If not, here is the form:

[Articles of Organization Form](#)

Disclaimer time: This does not represent legal or professional advice. Seek a legal or business professional for any questions about details in the article of organization.
This is what you may want to fill in:

Leave the top box blank

Fill in your name and address

Article I: Put your business name. **Note:** Your company name must contain one of the following Limited Liability Company, LLC, LC, L.L.C, L.C.

Article II: Write “for all legal purposes”

Article III: Leave blank

Article IV: You must have a registered agent, but unless you are a larger company this can just be you (must be a Michigan mailing address). If you are unsure as to whether you should appoint a registered agent other than yourself, seek professional advice.

Article V: Leave blank

Then date and sign at the bottom, and fill in your information as the organizer, preparer, and person remitting fees.

**If you have filled out a Michigan-ELF form:**

See step 5b and fax this form to: (517) 636-6437

You should get your paperwork back in 1-2 business days and see the $50 charge on your credit card.

**If you have not filled out the ELF paperwork:**

Mail this form along with a $50 check payable to “State of Michigan” to:

Michigan Department of Licensing and Regulatory Affairs
Corporations, Securities & Commercial Licensing Bureau
Corporations Division
P.O. Box 30054
Lansing, MI 48909

This will take a couple weeks to get turned around to you.
Step 5b
Complete Michigan-ELF coversheet

Fill out the form below if you completed step 4. You will use this as a coversheet when submitting your Articles of Organization.

ELF Coversheet:

*Use this form if you already registered to pay electronically*
Step 6
Creating your Operating Agreement

An operating agreement sets out the parameters of your business. This is particularly beneficial if you have multiple members of the LLC, or if you want to ensure your legal legitimacy. Having a good operating agreement increases your chances that your LLC will be viewed as a separate entity from you in the event of legal trouble.

While the operating agreement is not legally required it is a wise thing to do. (I would strongly recommend consulting a legal professional for this part)

Here is more information on creating an operating agreement:

Nolo Resource
Step 7
Get your tax information

Once you have received your approved Articles of Organization back you will need to get your Employer Identification Number (EIN, or sometimes FEIN).

Here is the IRS website:

IRS Website for EIN

Scroll to the bottom and click “Apply Online Now”

Follow the steps to generate your EIN. Make sure you have a copy of the Articles of Organization the state of Michigan returned to you handy, as you will need that information.
Step 8
Determine your tax and licensing requirements

Depending on your business type you may need to register to pay sales tax, or obtain licenses or permits to operate in the state of Michigan. Your One Stop account will automatically generate forms for licenses that it thinks are appropriate based on your answers to the initial survey question. I would still recommend double checking the relevant regulations.

Here are a couple resources:

Tax Information
Licensing Information