



Limited Liability Companies

California Tax Information

Registration of a limited liability company (LLC) with the California Secretary of State (SOS) will obligate an LLC that is not taxed as a corporation to pay to the Franchise Tax Board (FTB) an annual minimum tax of \$800 and a fee based on the annual total income of the entity. The tax and fee are required to be paid for the taxable year of registration and each taxable year, or part thereof, until a Certificate of Cancellation is filed with the SOS. (California Revenue and Taxation Code sections [17941](#) and [17942](#).) An LLC is not subject to the taxes and fees imposed by Revenue and Taxation Code sections 17941 and 17942 if the LLC did no business in California during the taxable year and the taxable year was 15 days or less. (California Revenue and Taxation Code section [17946](#).)

An LLC that is taxed as a corporation is obligated to pay to the FTB an annual minimum tax of \$800, and generally determines its California income under the Corporation Tax Law commencing with California Revenue and Taxation Code section [23001](#).

PLEASE NOTE: A domestic nonprofit LLC is a taxable entity and subject to the tax requirements stated above unless the LLC has applied for tax-exempt status and the FTB determines the LLC qualifies for tax-exempt status. Therefore, until such a determination is made, a nonprofit LLC must file a tax return and pay the associated tax (and, if applicable, the fee) every year until the LLC is formally cancelled. If the LLC intends to seek tax exempt status:

- At the time of filing its Articles of Organization with the SOS, the LLC must include, in an attachment to that document, additional statements as required by the law under which the LLC is seeking exemption. Please refer to the FTB's Exemption Application Booklet (FTB 3500 Booklet) for information regarding the required statements and for suggested language.
- After filing its Articles of Organization with the SOS, the LLC may apply for tax-exempt status by mailing an Exemption Application (Form FTB 3500), along with a copy of the filed Articles of Organization and all other required supporting documentation, to the FTB, P.O. Box 942857, Sacramento, California 94257-0501.
- The FTB 3500 Booklet and Form FTB 3500 can be accessed from the FTB's website at ftb.ca.gov or can be requested by calling the FTB at 1-800-338-0505. For further information regarding franchise tax exemption, refer to the FTB's website or call the FTB at (916) 845-4171.

For further information regarding franchise tax requirements, please contact the FTB at:

From within the United States (toll free)	(800) 852-5711
From outside the United States (not toll free)	(916) 845-6500
Automated Service - From within the United States (toll free).....	(800) 338-0505
Automated Service - From outside the United States (not toll free)	(916) 845-6600

Professional Services Information

A domestic or foreign LLC may not render professional services. (Corp. Code § [17701.04](#).) "Professional services" are defined in California Corporations Code sections [13401\(a\)](#) and [13401.3](#) as:

Any type of professional services that may be lawfully rendered only pursuant to a license, certification, or registration authorized by the Business and Professions Code, the Chiropractic Act, the Osteopathic Act or the Yacht and Ship Brokers Act.

If your business is required to be licensed, registered or certified, you should contact the appropriate licensing authority before filing with the SOS in order to determine whether your services are considered professional.

Instructions for Completing the Articles of Organization - Conversion (Form LLC-1A)

Where to File: For easier completion, this form is available on the Secretary of State's website at www.sos.ca.gov/business-programs/business-entities/forms and can be viewed, filled in and printed from your computer. The completed form along with the applicable fees can be mailed to Secretary of State, Business Entities, P.O. Box 944260, Sacramento, CA 94244-2600 or delivered in person (drop off) at the Sacramento office, 1500 11th Street, 3rd Floor, Sacramento, CA 95814. If you are not completing this form online, please type or legibly print in black or blue ink. This form is filed only in the Sacramento office.

Legal Authority: Statutory provisions for conversion purposes are found in the California Corporations Code commencing with sections [1150](#), [3300](#), [15911.01](#), [16901](#) and [17710.01](#). All statutory references are to the California Corporations Code, unless otherwise stated. **Note:** If the converting entity is a domestic (California) limited partnership, signing Form LLC-1A affirms under penalty of perjury that the facts stated in the document are true. (Section [15902.08\(b\)](#).)

- Form LLC-1A may be used for the following conversions: Any California stock corporation, limited partnership or general partnership, and any foreign limited liability company or foreign other business entity converting into a California limited liability company.
- The conversion may be effected ONLY if: (1) the state laws of the converting entity and converted entity expressly permit the creation of that converted entity pursuant to a conversion; and (2) the conversion complies with all other applicable California and foreign laws.

Professional Services: Pursuant to Section [17701.04](#), a California limited liability company may not render professional services, as defined in Sections [13401\(a\)](#) and [13401.3](#). Professional services are defined as any type of professional services that may be lawfully rendered only pursuant to a license, certification, or registration authorized by the Business and Professions Code, the Chiropractic Act, the Osteopathic Act or the Yacht and Ship Brokers Act. If your business is required to be licensed, certified or registered, it is recommended that you contact the appropriate licensing authority before filing with the Secretary of State's office in order to determine whether your services are considered professional. For licensing requirements in the state of California, please refer to the CalGold website at www.calgold.ca.gov or the California Department of Consumer Affairs website at www.dca.ca.gov.

Fees: If a California corporation is the converting entity, the filing fee is \$150.00. For all other conversions, the filing fee is \$70.00. A non-refundable \$15.00 special handling fee is applicable for processing documents delivered in person (drop off) at the Sacramento office. The preclearance and/or expedited filing of a document *within a guaranteed time frame* can be requested for an additional non-refundable fee in lieu of the special handling fee. Detailed information about preclearance and expedited filing services is available at www.sos.ca.gov/business-programs/business-entities/service-options. Payment for special handling or preclearance and expedited filing services should be made in a separate check. These services are not applicable to documents submitted by mail. Check(s) should be made payable to the Secretary of State.

Copies: Upon filing, we will return one (1) uncertified copy of your filed document for free, and will certify the copy upon request and payment of a \$5.00 certification fee at the time of submission. To get additional copies, include a separate request and payment for copy fees when the document is submitted. Copy fees are \$1.00 for the first page and \$.50 for each additional page. For certified copies, there is an additional \$5.00 certification fee, per copy.

Minimum Tax Requirement: Filing this document shall obligate most limited liability companies to pay an annual minimum tax of \$800.00 to the Franchise Tax Board pursuant to California Revenue and Taxation Code section [17941](#). For more information, go to ftb.ca.gov.

Complete the Limited Liability Company Articles of Organization – Conversion (Form LLC-1A) as follows:

Item 1. Enter the name of the limited liability company (the "converted entity") exactly as it is to appear on the records of the California Secretary of State. The name must include the words Limited Liability Company, or the abbreviations LLC or L.L.C. The words Limited and Company may be abbreviated to Ltd. and Co., respectively. The name of the limited liability company may not contain the words bank, trust, trustee, incorporated, inc., corporation, or corp., and must not contain the words insurer or insurance company or any other words suggesting that it is in the business of issuing policies of insurance and assuming insurance risks. (Section [17701.08](#).)

Note: Name restrictions apply to most business entities. For business entity name regulations and the most common requirements and restrictions relating to the use or adoption of a business entity name in the State of California, go to www.sos.ca.gov/business/be/name-reservations.

Item 2. This statement is required by statute and should not be altered. Provisions limiting or restricting the business of the limited liability company may be included as an attachment. (Section [17702.01](#).)

Item 3. Check the appropriate provision indicating whether the limited liability company is to be managed by one manager, more than one manager, or all the limited liability company member(s). (Section [17702.01](#).)

Item 4. Enter the street address of the limited liability company's initial designated office in California. Note: If the converting entity is a California limited partnership, the initial street address of the limited liability company is the chief executive office. (Sections [15911.06](#), [17702.01](#), [17701.02\(e\)](#) and [17701.13](#).) Please do not use a P.O. Box address or abbreviate the name of the city.

- Item 5.** If different from the address in Item 4, enter the initial mailing address of the limited liability company. Note: If the converting entity is a California limited partnership, the initial mailing address of the limited liability company is the mailing address of the chief executive office. (Sections [15911.06](#) and [17702.01](#).) Please do not abbreviate the name of the city. Do not complete item 5 if the mailing address is the same as the street address in Item 4.
- Item 6a.** Enter the name of the agent for service of process in California. (Section [17702.01](#).) An agent is an individual, whether or not affiliated with the limited liability company, who resides in California or a California registered corporate agent designated to accept service of process if the limited liability company is sued. The agent should agree to accept service of process on behalf of the limited liability company prior to designation. If a California registered corporate agent is designated as agent for service of process, that corporation must have previously filed with the California Secretary of State a certificate pursuant to California Corporations Code section [1505](#). Note: **A limited liability company cannot act as its own agent** and no domestic or foreign corporation may file pursuant to Section 1505 unless the corporation is currently authorized to engage in business in California and is in good standing on the records of the California Secretary of State.
- Item 6b.** If an individual is designated as the initial agent for service of process, enter the agent's business or residential street address in California. (Section [17702.01](#).) Please do not use a P.O. Box address, and do not enter "in care of" (c/o) or abbreviate the name of the city. Do not complete Item 6b if a California registered corporate agent is designated as the agent as the address for service of process is already on file.
- Item 6c.** If the converting entity is a California corporation, limited partnership, or general partnership:
If an individual is designated as the initial agent for service of process, enter the agent's mailing address. Please do not abbreviate the name of the city. Do not complete Item 6c if a California registered corporate agent is designated as the agent as the address for service of process is already on file.
- Item 7.** Enter the exact name of the converting entity.
- Item 8.** Enter the form of the converting entity (i.e., limited partnership, corporation, etc.)
- Item 9.** Enter the jurisdiction (state, country or other place) in which the converting entity was formed or organized.
- Item 10.** Enter the Entity (File) Number issued by the California Secretary of State, if any. Every California converting entity and every registered foreign converting entity must enter the Entity Number.
- Item 11.** This statement is required by statute and should not be altered. If a vote was required pursuant to the applicable law, specify the class and the number of outstanding interests of each class entitled to vote on the conversion and the percentage vote required for each class. Attach additional pages, if necessary.
- Item 12.** Attach any other information to be included in the Articles of Organization of the converted entity, provided that the information is not inconsistent with law. Also, attach additional conversion information required by the laws of the jurisdiction of the converting entity, if any.
- Item 13.** Form LLC-1A must be signed as required by the applicable statutes, as follows
- **If the converting entity is a California corporation:** Form LLC-1A must be signed and acknowledged by the chairman of the board, the president or any vice president AND the secretary, the chief financial officer, the treasurer or any assistant secretary or assistant treasurer. (Section [1155\(b\)](#) and [3304\(b\)](#).)
 - **If the converting entity is a California limited partnership:** Form LLC-1A must be signed and acknowledged by all general partners. (Section [15911.06\(b\)](#).)
 - **If the converting entity is a California general partnership:** Form LLC-1A must be signed under penalty of perjury by at least two partners. (Section [16105\(c\)](#).)
 - **If the converting entity is a foreign other business entity,** Form LLC-1A must be signed according to the laws of the foreign jurisdiction.

If additional signature space is necessary, the signatures may be made on an attachment to Form LLC-1A.

Any attachments to Form LLC-1A are incorporated by reference and made part of Form LLC-1A. All attachments should be 8 ½" x 11", one-sided and legible.

Note: A Statement of Information must be filed with the California Secretary of State **within 90 days after filing Form LLC-1A and biennially thereafter** during the applicable filing period. The applicable filing period is the calendar month during which the initial Form LLC-1A was filed and the immediately preceding five calendar months. (Section [17702.09](#).) Statement of Information can be filed online at www.sos.ca.gov/business/bizfile/file-online.



Submission Cover Sheet

Instructions:

- Complete and include this form with your submission. **This information only will be used to communicate with you in writing about the submission.** This form will be treated as correspondence and will not be made part of the filed document.
- Make all **checks or money orders** payable to the Secretary of State.
- In person submissions: \$15 handling fee; do not include a \$15 handling fee when submitting documents by mail.
- Standard processing time for submissions to this office is approximately 5 business days from receipt. All submissions are reviewed in the date order of receipt. For updated processing time information, visit www.sos.ca.gov/business/be/processing-dates.

Optional Copy and Certification Fees:

- If applicable, include optional copy and certification fees with your submission.
- For applicable copy and certification fee information, refer to the instructions of the specific form you are submitting.

Contact Person: (Please type or print legibly)

First Name: _____ Last Name: _____

Phone (optional): _____

Entity Information: (Please type or print legibly)

Name: _____

Entity Number (if applicable): _____

Comments: _____

Return Address: For written communication from the Secretary of State related to this document, or if purchasing a copy of the filed document enter the name of a person or company and the mailing address.

Name: [_____]

Company: _____

Address: _____

City/State/Zip: [_____]

Secretary of State Use Only	
T/TR:	_____
AMT REC'D:	\$ _____



State of California Secretary of State

LLC-1A

File # _____

Limited Liability Company Articles of Organization - Conversion

IMPORTANT — Read all instructions before completing this form.

This Space For Filing Use Only

Converted Entity Information

1. Name of Limited Liability Company (The name must include the words Limited Liability Company or the abbreviations LLC or L.L.C. The words Limited and Company may be abbreviated to Ltd. and Co., respectively.)

2. The purpose of the limited liability company is to engage in any lawful act or activity for which a limited liability company may be organized under the California Revised Uniform Limited Liability Company Act.

3. The limited liability company will be managed by (check only one):

One Manager, More Than One Manager, All Limited Liability Company Member(s)

4. Initial Street Address of Limited Liability Company's Designated Office in CA City State Zip Code CA

5. Initial Mailing Address of Limited Liability Company, if different from Item 4 City State Zip Code

6. Initial Agent for Service of Process: Item 6a: List the name of an individual or a corporation registered in CA under California Corporations Code section 1505 that agrees to be your agent for service of process. You may not list the converted entity as the agent. Item 6b: If the agent is an individual, list the agent's CA business or residential street address. Item 6c: If the agent is an individual and the converting entity is a CA corporation, limited partnership or general partnership, list the the agent's mailing address. Do not list an address if the agent is a CA registered corporate agent as the address for service of process is already on file.

a. Name of Agent For Service of Process

b. If an individual, Street Address of Agent for Service of Process - Do not list a P.O. Box City State Zip Code CA

c. If an individual, Mailing Address of Agent for Service of Process City State Zip Code

Converting Entity Information

7. Name of Converting Entity

8. Form of Entity 9. Jurisdiction 10. CA Secretary of State Entity Number, if any

11. The principal terms of the plan of conversion were approved by a vote of the number of interests or shares of each class that equaled or exceeded the vote required. If a vote was required, the following was required for each class:

The class and number of outstanding interests entitled to vote. AND The percentage vote required of each class.

Additional Information

12. Additional information set forth on the attached pages, if any, is incorporated herein by this reference and made part of this certificate.

13. I certify under penalty of perjury that the contents of this document are true. I declare I am the person who executed this instrument, which execution is my act and deed.

Signature of Authorized Person

Type or Print Name and Title of Authorized Person

Signature of Authorized Person

Type or Print Name and Title of Authorized Person