

HOW TO

Form Your Texas LLC



01

Choose a Name for Your LLC

Select a unique name that includes "Limited Liability Company," "LLC," or "L.L.C.," and confirm its availability by searching the Texas Secretary of State SOSDirect website at <https://www.sos.state.tx.us/corp/index.shtml>

02

Appoint a Registered Agent

Designate a registered agent with a physical Texas address to accept legal documents for your LLC; the agent can be an individual or a registered agent service.

03

File a Certificate of Formation (Form 205)

Submit Form 205 to the Texas Secretary of State online, by mail, or in person, including your LLC's name, registered agent information, and management structure. The filing fee is \$300, and you can file through SOSDirect.

04

Draft an Operating Agreement

Although not legally required, drafting an Operating Agreement is recommended to outline the LLC's ownership structure, management roles, and operating procedures.

05

Obtain an EIN (Employer Identification Number)

Apply for an EIN through the [IRS website](#) to handle taxes, hire employees, and open a business bank account.

06

Register for Texas State Taxes

If applicable, register with the [Texas Comptroller of Public Accounts](#) for state taxes like sales tax or franchise tax.

07

Obtain Business Licenses and Permits

Check local and state requirements for additional licenses or permits needed for your LLC, which vary by industry and location.

08

File an Annual Franchise Tax Report

Texas LLCs must [file an annual Franchise Tax Report](#) and a Public Information Report with the Texas Comptroller to maintain compliance; there is no minimum tax for most small businesses.