Wolters Kluwer

CT Corporation

Is Your Limited Liability Company Ready to Close Up Shop?

Regardless of the reason for terminating an LLC, there's more to it than just putting up a "Closed" sign.

Without proper termination, your LLC could be liable for:

- Taxes & Annual Reports
- Lawsuits
- Identity Fraud Issues

Step 1 - Dissolution

Occurrence of a Triggering Event – which could be:

- An event set forth in the Operating Agreement (e.g., sale of a piece of property) OR
- Member vote, as defined in the Operating Agreement or Statutes

Filing Articles of Dissolution – after which regular business stops and "winding up" begins

Step 2 - Winding Up

Typical tasks include:

- Notifying creditors and making payment arrangements
- Closing out bank accounts
- Paying taxes and filing final tax returns and reports
- Cancelling licenses, permits, and assumed names and withdrawing from foreign states
- Distributing remaining assets to Members

Step 3 - Termination

The LLC's existence ceases when winding up is completed:

- Some states require the filing of a document acknowledging completion of the winding up tasks

CT's Experts can help with many of these steps. Go to CTcorporation.com to learn more.

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