

The Nevada LLC is authorized under Title 7 Business Associates of Nevada Revised Statutes, [Chapter 86](#) entitled Limited-Liability Companies. Proven as a "business friendly state", Nevada promotes key advantages to form an LLC. Benefits include an absence of income tax at the personal and entity levels, minimal reporting requirements and nominal annual fees.

Fundamentals of forming and maintaining a Nevada LLC generally consists of: filing Articles of Organization; payment of formation fees; ratifying an operating agreement; meeting annual filing requirements and paying periodic fees to the State. For more information on formation procedure, please refer to our [page on forming a Nevada LLC](#).

Proper formation of the company results in personal protection to members and managers, since the limited liability company is a separate legal entity. By complying with Nevada's inobtrusive disclosure and maintenance provisions, the personal protection from business debts can be extended perpetually.

A Nevada LLC may be organized for any "lawful purpose", and is created when articles of organization are filed with the Secretary of State. The effective date of incorporation begins on the date which the articles are filed by that office.

Restrictions governing LLC business objectives can be included in its operating agreement or articles of organization. Certain issues should be addressed before submitting the formation documents. Whether the LLC will be managed by members or managers is key. Electing a manager-managed structure for an LLC may result in some of the profit owners not having "final say" in management decisions. If the final decision makers concerning business operations will be the same individuals that receive company profits, then a member-managed structure is usually the least complicated method. With a member-managed composition, all the members also possess management rights. Unless the Articles provide otherwise, management of a Nevada LLC vests in the members "in proportion to their contribution to its capital". If management rights are to be shared equally between the members, then the Articles need to so state.

Conversely, the articles may provide that management will vest in a manager or managers "who may but need not be members". In the instance of a manager-managed LLC, Nevada law provides the managers will have the responsibilities "set out in the operating agreement".

Members interests in Nevada LLCs are transferable. However, an operating agreement may limit this transferability. For example, the operating agreement might give members the first right of refusal to purchase a selling members rights before they can be transferred to a non-member.

A registered agent located in Nevada is required for every LLC. While the primary purpose of the registered agent is to receive legal notice for the company, (See [NRS Statute 86.261](#)) it is extremely important to understand agents serve an equally important role of keeping certain records.

The agent should keep at their office certified copies of the articles of organization and the effective operating agreement of the company. You can view [NRS Statute 86.241](#) for the documents an agent is responsible for maintaining.

In Nevada, the registered office of an LLC will be that of its registered agent. The LLC may conduct business from a separate address, but for jurisdictional purposes, the Secretary of State will send any notices to the LLC at its registered office.

As with corporations, a Nevada LLC has perpetual existence, unless it chooses to designate a specific date for dissolution. The LLC can continue to exist regardless of the status of the individual members, even after the death of its last member. If the LLC is to dissolve at a predetermined date, then the dissolution date can be indicated in the LLC's articles of organization or in its operating agreement (NRS 86.155).

Under Nevada Revised Statute 86.286 an LLC may, but is not required to adopt an operating agreement. However under NRS 86.291 managers of a member-managed LLC have rights "accorded to them by the members and set out in the operating agreement". If an LLC does ratify an operating agreement, then it must be by unanimous agreement of all the members and the operating agreement must be in writing. Unless an operating agreement states to the contrary, it can be amended only by unanimous agreement of the persons who are members at the time of amendment (NRS 86.286).

Operating Agreements are binding to the members and manager, and are not filed with the Secretary of State.

LLC operating agreements are similar to partnership agreement. Matters

commonly covered in a partnership agreement should be included in an operating agreement.

While the [LLC](#) structure is usually less complicated than a corporation, an operating agreement outline can be complex, depending on the agreement of the entrepreneurs incorporating the company.

When compared to a corporation, LLCs are usually less expensive to start and operate. In addition to the state filing fee, an LLC is required to file a List of Managers or Members. The cost is \$125.00 and it must be filed by the last day of the first month which the articles of organization are filed.

In addition to these costs, the company may need to file Articles of Amendment or Amended Articles of Organization in some instances. When the management composition or name of the company is changed such filing are necessary.

Annual franchise fees not imposed. But Nevada does require annual filings of Lists of Members and Managers. Nevada also requires an LLC to obtain and keep a certified copy of the articles of organization.

Few administrative requirements, other than those above, exist. However, nominal fees are imposed for simple mandatory notices which need to be filed if the company's address or registered agent change. A Nevada LLC should also maintain adequate accounting and licensing records.

This concludes the Nevada LLC overview. You may wish to consult the related pages on:

- [Forming a NV LLC](#);
- Nevada Limited Liability Company [Laws](#);
- Information about [costs and services](#);
- Nevada [incorporation](#).

We offer Nevada LLC formation services to people incorporating limited liability companies. To engage the services of this firm for assistance, please contact the office at the above telephone number, or form a Nevada LLC [online](#) now.

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