



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 \$800.00 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 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 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 an endorsed copy of the Articles of Organization and all other required supporting documentation, to the FTB, P.O. Box 942857, Sacramento, California 94257-4041.
- The FTB 3500 Booklet and Form FTB 3500 can be accessed from the FTB's website at www.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 § [17375](#).) "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, it is recommended that you contact the appropriate licensing authority before filing with the SOS's office in order to determine whether your services are considered professional.



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 (End the name with 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 BEVERLY-KILLEA 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. MAILING ADDRESS OF THE CHIEF EXECUTIVE OFFICE CITY STATE ZIP CODE

5. NAME OF AGENT FOR SERVICE OF PROCESS (Item 5: Enter the name of the agent for service of process. The agent may be an individual residing in California or a corporation that has filed a certificate pursuant to California Corporations Code section 1505. Item 6: If the agent is an individual, enter the agent's business or residential address in California. Item 7: If the converting entity is a California limited partnership, enter the mailing address of the individual or corporate agent. Check the box and omit the mailing address if the agent's mailing address is the same as the address in Item 6.)

6. IF AN INDIVIDUAL, ADDRESS OF AGENT FOR SERVICE OF PROCESS IN CA CITY STATE ZIP CODE CA

7. MAILING ADDRESS OF AGENT FOR SERVICE OF PROCESS CITY STATE ZIP CODE

THE MAILING ADDRESS OF THE AGENT FOR SERVICE OF PROCESS IS THE SAME AS THE AGENT'S BUSINESS OR RESIDENTIAL ADDRESS IN ITEM 6.

Converting Entity Information

8. NAME OF CONVERTING ENTITY

9. FORM OF ENTITY

10. JURISDICTION

11. CA SECRETARY OF STATE FILE NUMBER, IF ANY

12. 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, PROVIDE THE FOLLOWING FOR EACH CLASS:

STATE THE CLASS AND NUMBER OF OUTSTANDING INTERESTS ENTITLED TO VOTE AND THE PERCENTAGE VOTE REQUIRED OF EACH CLASS

Additional Information

13. ADDITIONAL INFORMATION SET FORTH ON THE ATTACHED PAGES, IF ANY, IS INCORPORATED HEREIN BY THIS REFERENCE AND MADE A PART OF THIS CERTIFICATE.

14. I CERTIFY UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF CALIFORNIA THAT THE FOREGOING IS TRUE AND CORRECT OF MY OWN KNOWLEDGE. I DECLARE I AM THE PERSON WHO EXECUTED THIS INSTRUMENT, WHICH EXECUTION IS MY ACT AND DEED.

DATE

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

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/be/forms.htm 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, Document Filing Support Unit, 1500 11th Street, 3rd Floor, Sacramento, CA 95814 or delivered in person (drop off) to the Sacramento office. 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](#), [15911.01](#), [16901](#) and [17540.1](#). 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 constitutes an affirmation 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 or foreign corporation, foreign limited liability company, California or foreign limited partnership, California or foreign general partnership, 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 formation 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 [17375](#), 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 \$15.00 special handling fee is applicable for processing documents delivered in person (drop off) to the Sacramento office. The special handling fee is in addition to the filing fee, should be included in a separate check, and will be retained whether the document is filed or rejected. The preclearance and/or expedited filing of a document *within a guaranteed time frame* can be requested for an additional fee in lieu of the special handling fee. Please refer to the Secretary of State's website at www.sos.ca.gov/business/be/service-options.htm for detailed information regarding preclearance and expedited filing services. The special handling fee or preclearance and expedited filings services are not applicable to documents submitted by mail. Check(s) should be made payable to the Secretary of State.

Copies: The Secretary of State will certify up to two copies of the filed document(s) without charge, provided that the complete copies with any required attachments are submitted to the Secretary of State with the document(s) to be filed. Any additional copies submitted will be certified with payment of \$8.00 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](#).

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 name must end with 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. (Sections [17051](#) and [17052](#).)
- 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 [17051](#).)
- 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 [17051](#).)
- Item 4.** If the converting entity is a California limited partnership, enter the mailing address, including the zip code, of the chief executive office of the limited liability company. (Section [15911.06](#).) Please do not abbreviate the name of the city.

- Item 5.** Enter the name of the agent for service of process in California. (Section [17061](#).) An agent is an individual, whether or not affiliated with the limited liability company, who resides in California or a corporation 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 corporation is designated as agent, 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 6.** If the designated agent for service of process is an individual, enter the agent's business or residential address in California. Please do not enter "in care of" (c/o) or abbreviate the name of the city. (Section [17061](#).) Do not complete Item 6 if the agent is a corporation.
- Item 7.** If the converting entity is a California limited partnership, enter the mailing address, including the zip code, of the designated agent for service of process. **Note:** The mailing address is required whether the designated agent is an individual or a corporation. (Section [15911.06](#).) **If the designated agent is an individual**, check the box and omit the mailing address if the agent's mailing address is the same as the business or residential address in Item 6.
- Item 8.** Enter the exact name of the converting entity.
- Item 9.** Enter the form of the converting entity (i.e., limited partnership, corporation, etc.)
- Item 10.** Enter the jurisdiction (state or country) in which the converting entity was formed or organized.
- Item 11.** Enter the file number issued to the converting entity by the California Secretary of State, if any.
- Item 12.** 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 13.** 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 state of the converting entity, if any.
- Item 14.** 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\(b\)](#).)
 - **If the converting entity is a California limited partnership:** Form LLC-1A must be signed and acknowledged by all general partners, unless a lesser number is provided in the Certificate of Limited Partnership. (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 1/2" x 11", one-sided and legible.

Note: A Statement of Information (Form LLC-12) is required to be filed with the Secretary of State **within 90 days of filing Form LLC-1A and biennially thereafter** during the applicable filing period. The applicable filing period is the calendar month during which Form LLC-1A was filed and the immediately preceding five calendar months. (California Corporations Code section [17060](#).) Form LLC-12 is available on the Secretary of State's website at www.sos.ca.gov/business/be/statements.htm and can be viewed, filled in and printed from your computer.