

Contact Us | Check Order Status | My Account

Speak to a Customer Care Specialist: (888) 381-8758

Read the following pages to see LegalZoom's outrageous mistakes and ignorance of Arizona LLC law. In addition, here are some other reasons LegalZoom bothers lme:

- 1. As of 7/24/11, it was not registered to do business in Arizona despite selling products and services to Arizona residents.
- 2. As of 7/24/11, it was not licensed by the Arizona Supreme Court as a certified legal document preparer.
- 3. Legalzoom and the Washington State Attorney General entered into an Assurance of Discontinuance that "prohibits LegalZoom from engaging in the unauthorized practice of law, selling personal information obtained from Washington customers or misrepresenting the benefits of any estate distribution document. Additionally, the agreement requires LegalZoom to ensure any forms sold to Washington consumers comply with local laws."

es 🗸

Business Services V Trademark, Patent & Copyright V



# legalzoom™ Arizona LLC

Home | Business & Tax | LLC | Arizona LLC



#### Form an Arizona LLC

## Start Your LLC Now

LegalZoom is your best resource to start your limited liability company online today. We provide a user friendly service with hefty customer support to help you create an LLC in three easy steps. Protect your business and personal assets and organize your business with the help of experienced business formation experts.

When you form your Arizona LLC with LegalZoom, we prepare and file your articles of organization with the Arizona Corporate Commission, a division of the Arizona Secretary of State. We also conduct a name search for your Arizona LL ot to assist you in the preparation of your operating agreement and provide other customized services corresponding to your needs. Once your articles of organization have been successfully filed, your Arizona LLC has been formed and begins its existence as a corporate entity.

The ACC is not a division of the Arizona Secretary of State. It is a separate Arizona state agency not controlled by and independent of the Arizona Secretary of State.



#### Start Your LLC Now

Membership: A limited liability company must have members. Requirements:

- Minimum Number of Members: One or more.
- Eligibility Requirements: A member must be a person.
- Procedure for Membership: The person may acquire an interest in the LLC either (1) directly from the company, by being identified as a member in the initial articles or (2) being identified as a member in and signing in person or by an attorney-in-fact an operating agreement or being identified as a member in a written statement certified by each of the manager identified in the initial Wrong. In addition to a person, a company, a trust or any other type of entity can be a member of an Arizona

• ALLC.

hg an interest in applicable

provisions of an operating agreement, or on the consent of all members and (2) if the person is an

provisions of an operating agreement, or on the consent of all members and (2) if the person is ar assignee of all or part of a member's interest in a limited liability company, on the terms provided in an operating agreement or on the approval or consent of all members.

Resignation of Membership: Certain prohibitions exist surrounding the ability of a member to resign from the company.

Wrong. In Arizona the term is statutory agent.

- A member may not resign from See ARS Section 29-604 found here: http://operating agreement of the www.keytlaw.com/azllclaw/arizona-llc-statutes/
- Unless an operating agreem article-1/ars-section-29-604/. Why doesn't from a limited liability company LegalZoom know this?
- An LLC may pursue certain remedies against a resigning member if the resignation violates an operating agreement of the company.

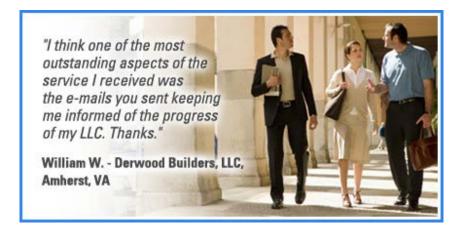
## Registered Agent In Arizona

LegalZoom can also proving your business with a registered agent in Arizona. Every Arizona LLC must have a registered agent in Arizona -- the person or office designated to receive official state correspondence and notice if the company is "served" with a lawsuit.

• Eligibility Requirements: A registered agent in Arizona may be an individual resident of this state whose business office is the same as the registered office, or a domestic or foreign company authorized to transact business in this Arizona whose business office is the same as the registered office.

As of 7/24/11, the date I made this pdf, LegalZoom charges \$159/year to be the "resident" agent for an AZ LLC. I provide statutory agent service for free the first year then \$99 a year thereafter.

Incredible! LegalZoom mistakenly believes Ithat the Arizona Secretary of State has anything to do with Arizona LLCs. Do you really want an outfit to form vour LLC that doesn't even know Ithe name of the state agency that governs Arizona LLCs? If it is lunaware of this fact, just imagine how ignorant it must be about important Arizona laws that govern Arizona LLCs.



#### Start Your LLC Now

### **Arizona Secretary of State**

Once an Arizona LLC has been created, the Arizona Secretary of State will require certain recurring responsibilities and duties. The most important of these are explained below. For further information, refer to the Arizona Secretary of State office.



Start Your LLC Now

#### **Dissolution**

Grossly wrong and misleading. I have a masters degree in federal income tax law (LL.M.) from New York University School of Law and know that this statement is inaccurate. The deductions available to an LLC or a corporation depend on its method of income tax under the Internal Revenue Code. An LLC taxed as a C corp has the same deductions as a corporation taxed as a C corp. Same is true of an LLC taxed as an S corp and a corporation taxed as an S corp. A multimember LLC can be taxed as a partnership and a single member LLC can be taxed as a sole proprietorship. As a tax lawyer I know that there are subtle differences in each method of federal income tax, but whether one method will provide more deductions depends on the activities of the entity more than the method of taxation. If LegalZoom is ignorant of federal income tax differences between LLCs and corporations, just imagine what other bad advice it gives to people who are unfamiliar with LLCs and federal income tax law. For a detailed explanation of how LLCs can be taxed see Richard C. Keyt's article called "How are LLCs Taxed" found here: www.keytlaw.com/azllclaw/forming-llcs/llc-tax-methods/

#### **Taxes**

An LLC can offer certain tax advantages over a corporation, including the availability of more deductions. Additionally, an LLC is not required to be a separate tax entity like a corporation; instead, it can be a "pass-through entity," so that the LLC owners report business losses or profits on their personal tax returns, like a partnership.

Federal Income Tax: Unless you elect to tax the limited liability company as a corporation, the IRS treats single-member LLCs as sole proprietorships for tax purposes. This means the LLC itself does not pay taxes and does not have to file a tax return. Unless you elect to tax the limited Liability company as a corporation, the IRS treats multi-owned LLCs as partnerships for tax purposes. This means that LLC owners each pay taxes on their lawful share of the profits on their personal income tax returns, not the LLC itself. If you desire, by filing IRS Form 8832, you may elect corporate taxation if you regularly need to keep a substantial amount of profits in your LLC.

Wow!!!!!!! Don't file your Articles of Organization with the Arizona Secretary of State because it will be rejected. You must file the AOO with the Arizona Corporation Commission.

na taxable net income.

tax identification s similar to an

individual's social security number. Generally, you will not need a separate EIN number for your LLC as long as you are the sole owner and the LLC has no employees. However, if you are not the sole owner of the LLC or if the LLC has employees, your LLC will need a separate EIN number to open a bank account and for certain tax filing requirements LegalZoom can prepare your Federal Tax ID Application if you have not already done so.

### Fees

Filings must be made with the Arizona Secretary of State in which the LLC was organized, along with the appropriate state filing fee. When appropriate, one check must accompany the document, payable to the Secretary of State, covering all charges for the Arizona Secretary of State.

▶ Check Pricing | ▶ Why Use LegalZoom?

Start Your LLC Now

McAfee\*

**SECURE** 

LegalZoom's notice you should consult with an attorney always cracks me up, but I am not happy with the many people who pay LegalZoom and believe LegalZoom is a substitute for an attorney. Unfortunately, few people read the small print and are not aware LegalZoom is not giving them any legal advice. Forming an LLC involves much more than filing out the two page fill in the blanks Arizona Corporation Commission Articles of Organization. See my article called The Two Phases in the life of an LLC" found at: http://www.keytlaw.com/azllclaw/forming-llcs/llc-phases/

See the July Issue

View full disclaimer View Site Directory

 LegalZoom.com, Inc. All rights reserved. Disclaimer: The information provided in this site is not legal dvice, but general information on legal issues commonly encountered. LegalZoom is not a law firm and is not a substitute for an attorney or law firm. Communications between you and LegalZoom are protected by our Privacy Policy, but are not protected by the attorney-client privilege or work product doctrine. LegalZoom cannot provide legal advice and can only provide self-help services at your specific direction. Please note that your access to and use of LegalZoom.com is subject to additional Terms of Use. LegalZoom.com, Inc. is a registered and bonded legal document assistant, #0104, Los Angeles County (exp. 12/11) and is located at 101 N. Brand Blvd., 11th Floor, Glendale, CA 91203.

Speak to a Customer Care Specialist: (800) 962-7490

Personal Services V

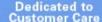
Business Services V Trademark, Patent & Copyright V



# legalzoom<sup>™</sup> Disclaimer

You are warned: LegalZoom is not a substitute for the advice of an attorney!

English | Español





Again you are warned: LegalZoom cannot help you.

Remember the saying about representing yourself when you need a lawyer.

You are on your own contrary to what happens when you hire a lawyer to form your LLC.

Yikes! It's site may have incorrect information and not be current.

This is my favorite LegalZoom disclaimer: "Consult a licensed attorney"

#### LegalZoom Disclaimer

LegalZoom is not a law firm, and the employees of LegalZoom are not acting as your attorney. LegalZoom's legal document service is not a substitute for the advice of an attorney.

LegalZoom.com, Inc. ("LegalZoom") is a registered and bonded legal document assistant, #0104, Los Angeles County (exp. 12/11) and is located at 101 N. Brand Blvd., 11th Floor, Glendale, CA 91203. LegalZoom cannot provide legal advice and can only provide self-help services at your specific direction.

LegalZoom is not permitted to engage in the practice of law. LegalZoom is prohibited from providing any kind of advice, explanation, opinion, or recommendation to a consumer about possible legal rights, remedies, defenses, options, selection of forms or strategies.

This site is not intended to create an attorney-client relationship, and by using LegalZoom, no attorneyclient relationship will be created with LegalZoom. Instead, you are representing yourself in any legal matter you undertake through LegalZoom's legal document service. Accordingly, while communications between you and LegalZoom are protected by our Privacy Policy, they are not protected by the attorneyclient privilege or work product doctrine.

LegalZoom provides an online legal portal to give visitors a general understanding of the law, as well as to provide an automated software solution to individuals who choose to prepare their own legal documents. To that extent, the site publishes general information on legal issues commonly encountered.

LegalZoom's document service also includes a review of your answers for completeness, spelling and grammar, as well as internal consistency of names, addresses and the like. At no time do we review your answers for legal sufficiency, draw legal conclusions, provide legal advice or apply the law to the facts of your particular situation. LegalZoom and its services are not a substitute for the advice of an attorney.

Although LegalZoom takes every reasonable effort to ensure that the information on our website and documents are up-to-date and legally sufficient, the legal information on this site is not legal advice and is not guaranteed to be correct, complete or up-to-date. Because the law changes rapidly, is different from jurisdiction to jurisdiction, and is also subject to varying interpretations by different courts and certain government and administrative bodies, LegalZoom cannot guarantee that all the information on the site is completely current. The law is a personal matter, and no general information or legal tool like the kind LegalZoom provides can fit every circumstance.

Therefore, if you need legal advice for your specific problem, or if your specific problem is too complex to be addressed by our tools, you should consult a licensed attorney in your area. Visitors to our site may obtain information regarding free or low cost representation through your state bar association or local legal aid office.

This site and some of the articles on this site contain links to other resources and businesses on the Internet. Those links are provided as citations and aids to help you identify and locate other Internet resources that may be of interest, and are not intended to state or imply that LegalZoom sponsors, is Note well: Unlike an attorney you hire who is responsible for providing correct legal advice, LegalZoom says we aren't liable if we screw up. affiliated or associated with, guarantees, or is legally authorized to use any trade name, registered trademark, logo, legal or official seal, or copyrighted symbol that may be reflected in the links.

LegalZoom is not responsible for any loss, injury, claim, liability, or damage related to your use of this site or any site linked to this site, whether from errors or omissions in the content of our site or any other linked sites, from the site being down or from any other use of the site. In short, your use of the site is at your own risk.



Create Your Will Now

The Bryants created their last will through LegalZoom.com in 2008 and are featured in LegalZoom's TV commercials.

About Us Contact Us Careers Press Affiliate Sitemap Education Center
Video Center
Legal Info
Incorporation vs. LLC
Wills vs. Living Trusts
Trademark vs. Copyright
Small Business Resources









SIGN-UP FOR OUR NEWSLETTER

SIGN UP

See the July Issue

© LegalZoom.com, Inc. All rights reserved.

Disclaimer: The information provided in this site is not legal advice, but general information on legal issues commonly encountered. LegalZoom is not a law firm and is not a substitute for an attorney or law firm. Communications between you and LegalZoom are protected by our <u>Privacy Policy</u>, but are not protected by the attorney-client privilege or work product doctrine. LegalZoom cannot provide legal advice and can only provide self-help services at your specific direction. Please note that your access to and use of LegalZoom.com is subject to additional <u>Terms of Use</u>. LegalZoom.com, Inc. is a registered and bonded legal document assistant, #0104, Los Angeles County (exp. 12/11) and is located at 101 N. Brand Blvd., 11th Floor, Glendale, CA 91203.

View full disclaimer

View Site Directory