



The Delaware Company

General things about Delaware

Delaware is located on the Atlantic Coast of the United States and is also nicknamed „The First State“ which officially refers to the fact that Delaware was the first of the original 13 states to ratify the United States Constitution.

The biggest cities in Delaware are Wilmington and Dover (capital).

Delaware’s jurisdiction is interesting for companies with no business activity in the United States nor have associates who are liable for taxation in the US. Under these circumstances foreign earnings are not taxable.





Characteristics of the Delaware Company (Limited Liability Company)

Purpose of the company	No restrictions
Company name	The company can be registered in any language. It is necessary to add the form of organisation (LLC). The company has to be approved by the local register of companies.
Basic capital	No minimum required
Associates	A minimum of one member is required. The member can be a natural or juristic person.
Shares	No shares are issued. The partnership shares are defined in a separate agreement.
Board of Directors	No director or secretary are dictated. The company is managed by the associates who define an „operating manager“.





Legal obligation to keep records

As long as the company is managed by one foreign associate there is no legal obligation to keep records or audit. Furthermore there is no need to declare taxes.

General Assembly

There is no regulation to hold yearly General Assemblies.

Transfer of Offices

Foreign companies are allowed to transfer their offices to Delaware.

Tax treatment

Revenues are not taxed as long as the company is fully under foreign management and has got no income in the US.

There are various double tax treaties.





Advantages of a Delaware Company

- ✓ Politically and economically stable
- ✓ No tax on foreign business
- ✓ Liberal company law
- ✓ No legal obligation to keep books or audit
- ✓ No precept for nationalities or domicile of associates
- ✓ No yearly General Assemblies necessary

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