

# Comprehensive Guide to Forming an LLC in South Carolina: Online and Official Website Process

Forming a Limited Liability Company (LLC) in South Carolina involves a structured process that combines legal requirements with strategic business planning. This guide provides a detailed, step-by-step approach to establishing an LLC through the state's official online portal and traditional methods, ensuring compliance with South Carolina statutes and maximizing operational efficiency.

### **Step 1: Verify LLC Name Availability**

Before initiating the formation process, ensure your desired LLC name complies with South Carolina naming regulations. The name must include an approved designator such as "LLC," "Limited Liability Company," or an abbreviation like "L.L.C." Additionally, it must be distinguishable from existing entities registered with the South Carolina Secretary of State [1] [2].

To check availability:

- 1. Visit the South Carolina Secretary of State's Business Name Search Tool.
- 2. Enter your proposed name to confirm no conflicts exist.
- 3. Reserve the name (optional) by submitting an **Application to Reserve a Limited Liability Company Name** with a \$25 fee, securing exclusivity for 120 days [1] [2].

#### **Step 2: Appoint a Registered Agent**

South Carolina mandates all LLCs to designate a registered agent—a person or entity authorized to receive legal documents on behalf of the business. The agent must:

- Have a physical address in South Carolina.
- Be available during standard business hours (9 AM-5 PM) [1] [3].

You may act as your own registered agent or hire a professional service. Commercial registered agents offer privacy benefits by shielding personal addresses from public records and ensuring timely handling of legal correspondence [1] [2].

#### **Step 3: Prepare and File Articles of Organization**

The **Articles of Organization** is the foundational document for LLC formation. It requires the following details:

- LLC name and principal office address.
- Registered agent's name and address.

- Management structure (member-managed or manager-managed).
- Organizer's name and signature [1] [3] [2].

## Filing Online via the Official Portal:

- 1. Create an account on the South Carolina Secretary of State Online Filing System.
- 2. Complete the digital Articles of Organization form.
- 3. Pay the \$125 filing fee (includes a \$15 online processing surcharge).
- 4. Submit electronically for processing within 1-2 business days [4] [5] [3].

#### Filing by Mail:

- 1. Download the **Domestic Limited Liability Company Articles of Organization** form from the Secretary of State's website.
- 2. Complete two copies, ensuring signatures on both.
- 3. Mail with a \$110 check or money order to:

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South Carolina Secretary of State
Attn: Corporate Filings
1205 Pendleton Street, Suite 525
Columbia, SC 29201
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4. Allow 7-10 business days for processing [1] [5] [2].

Upon approval, the state will issue a **Certificate of Organization**, legally recognizing your LLC. Retain certified copies (\$3 per page) for banking, licensing, and contractual purposes [2].

#### **Step 4: Draft an Operating Agreement**

Though not legally required, an **Operating Agreement** is critical for delineating ownership roles, profit distribution, and dispute resolution procedures. Key provisions include:

- Member contributions and ownership percentages.
- Voting rights and decision-making protocols.
- Dissolution terms and member exit strategies [1] [5] [2].

Single-member LLCs benefit from an Operating Agreement by reinforcing limited liability protections and formalizing business operations  $^{[6]}$   $^{[2]}$ .

#### Step 5: Obtain an Employer Identification Number (EIN)

An EIN, issued by the IRS, is necessary for tax reporting, hiring employees, and opening business bank accounts. Apply at no cost:

- 1. Complete IRS Form SS-4 online via the IRS EIN Assistant.
- 2. Submit instantly to receive your EIN [4] [6] [2].

## Step 6: Fulfill State Tax and Regulatory Requirements

### **South Carolina Department of Revenue (SCDOR) Registration:**

- 1. Submit Form SCDOR-111 to register for state taxes (sales, withholding, etc.).
- 2. File annually based on your LLC's tax classification [4] [6].

#### **Local Business Licenses:**

Contact municipal or county offices to obtain required permits. For example, Charleston requires a \$50–\$100 business license fee, depending on revenue [1] [2].

## **Federal Beneficial Ownership Reporting:**

Under the 2021 Corporate Transparency Act, LLCs must file a **Beneficial Ownership Information (BOI) Report** with FinCEN. Exemptions apply to entities with 20+ employees or \$5M+ in revenue [4] [6].

## **Step 7: Maintain Ongoing Compliance**

South Carolina does not require annual LLC reports, simplifying ongoing maintenance. However, adhere to:

- Federal tax filings (Form 1065 for partnerships, Form 1120 for corporations).
- State tax obligations (sales tax returns, payroll filings).
- License renewals and regulatory updates [1] [2].

#### **Conclusion: Strategic Advantages of South Carolina LLCs**

Forming an LLC in South Carolina offers liability protection, tax flexibility, and operational simplicity. By following the official online filing process, entrepreneurs can establish their businesses efficiently, leveraging the state's pro-business environment. Post-formation adherence to tax and regulatory requirements ensures long-term compliance and mitigates legal risks.

For further guidance, consult the **South Carolina Secretary of State's Business Entities Division** or engage a registered agent service for streamlined compliance management [1] [3] [2].



- 1. <a href="https://www.northwestregisteredagent.com/llc/south-carolina">https://www.northwestregisteredagent.com/llc/south-carolina</a>
- 2. https://www.simplifyllc.com/llc-formation/south-carolina/
- 3. https://www.tailorbrands.com/blog/south-carolina-articles-of-organization
- 4. https://www.harborcompliance.com/how-to-form-an-llc-in-south-carolina
- 5. <a href="https://www.youtube.com/watch?v=eevrls6tDuk">https://www.youtube.com/watch?v=eevrls6tDuk</a>

6. https://betterlegal.com/start-an-llc/south-carolina