
Utah LLC Formation

Comprehensive Checklist

Prepared by BlackHill Law PLLC · Updated February 2026
This checklist is for informational purposes and does not constitute legal advice.

About This Checklist

This guide covers every step required to properly form and set up a Utah Limited Liability Company — from initial filing through ongoing compliance. It is organized into eight phases covering formation, federal tax, state tax accounts, banking, insurance, local compliance, multi-state registration, and ongoing obligations.

PHASE 1: FORMATION

1. Name Availability Search

- Search Utah Division of Corporations at corporations.utah.gov
- Name must include “LLC” or “Limited Liability Company”
- Cannot be deceptively similar to an existing Utah entity
- Optional: Reserve name (\$22 fee, valid 120 days)

2. Appoint a Registered Agent

- Must be a Utah resident OR an entity authorized to do business in Utah
- Must have a physical Utah street address (no P.O. boxes)
- Must be available during normal business hours to accept service of process
- Options: self-serve (member/manager) or commercial RA service

3. File Certificate of Organization

- File online at businessregistration.utah.gov (requires UtahID account)
- Filing fee: \$59 (online)
- Required information: LLC name, registered agent name & address, organizer info, management structure (member-managed vs. manager-managed)
- Processing: typically same-day to a few business days

4. Draft & Execute Operating Agreement

- Not filed with the state but legally critical
- Key provisions to include:
 - Member names, ownership percentages, and capital contributions
 - Management structure (member-managed vs. manager-managed)
 - Profit/loss allocation and distribution rules
 - Voting rights and transfer restrictions
 - Dissolution and buyout provisions
 - Tax classification election provisions
- All members sign; keep original with company records

PHASE 2: FEDERAL TAX

5. Obtain EIN (Employer Identification Number)

- Apply at irs.gov/ein — free, instant online
- Needed for: bank accounts, tax filings, hiring employees
- Single-member LLCs can use SSN, but an EIN is best practice

6. Tax Classification Election (if applicable)

Default classification:

- Single-member LLC → disregarded entity (Schedule C)
- Multi-member LLC → partnership (Form 1065)

Elective options:

- S-Corp Election (Form 2553) — file within 75 days of formation or by March 15 for calendar-year entities. Requires reasonable salary for owner-employees. Can reduce self-employment tax when profits exceed \$40–50K+.
- C-Corp Election (Form 8832) — rarely chosen for small LLCs

Note: Filing Form 2553 automatically treats the LLC as a corporation for tax purposes. No separate Form 8832 needed.

PHASE 3: STATE TAX ACCOUNTS

? 7. Register with Utah State Tax Commission

- File Form TC-69 or register online at tap.utah.gov
- This single registration covers multiple tax account types (below)

? 7a. Withholding Tax Account

- Required if hiring W-2 employees
- Utah state income tax withholding
- Must be set up before issuing first payroll

? 7b. Sales & Use Tax License

- Required if selling tangible personal property or taxable services
- Utah combined state/local rate: typically 6.1%–8.35%
- No cost to register
- Must be obtained before making the first taxable sale
- Filing frequency (monthly, quarterly, or annually) assigned by Tax Commission based on expected volume

? 7c. Unemployment Insurance (UI) Registration

- Register with Utah Department of Workforce Services at jobs.utah.gov
- Required for all employers with employees
- New employer rate applies for the first few years

PHASE 4: BANKING & FINANCIAL SETUP

? 8. Open a Business Bank Account

- Bring: Certificate of Organization, EIN confirmation letter, Operating Agreement, government-issued photo ID
- Maintaining a separate account is critical for liability protection (prevents piercing the corporate veil)

? 9. Set Up Accounting System

- QuickBooks, Xero, or equivalent

- Separate books from Day 1
- Track income, expenses, owner draws/contributions

PHASE 5: INSURANCE

10. General Liability Insurance

- Covers third-party bodily injury, property damage, and advertising injury
- Typical coverage: \$1M per occurrence / \$2M aggregate

11. Professional Liability / Errors & Omissions

- Recommended for service-based businesses, consultants, and professionals
- Covers claims arising from professional services or advice

12. Workers' Compensation Insurance

- Required in Utah for all employers (even with just 1 employee)
- Obtain through a private carrier or the Utah Workers' Compensation Fund

13. Commercial Auto Insurance

- Required if vehicles are used for business purposes

14. Cyber Liability / Industry-Specific Coverage

- As needed based on the nature of the business
- Consider: cyber liability, product liability, commercial property, umbrella/excess

PHASE 6: LOCAL COMPLIANCE

15. Obtain Local Business License

- Required by most Utah cities and counties
- Apply with the municipality where the business physically operates
- Each city has its own application and fee schedule

16. Verify Zoning Compliance

- Especially important for home-based businesses
- Some cities require a home occupation permit
- Verify the business use is permitted in the applicable zoning district

17. Industry-Specific Licenses & Permits

- Utah DOPL (Division of Professional Licensing) for regulated professions
- Health department permits for food service operations
- Contractor licenses, liquor licenses, etc., as applicable

PHASE 7: FOREIGN QUALIFICATION (MULTI-STATE)

18. Register as a Foreign LLC in Other States

- Required in each state where the LLC has a physical presence, employees, or conducts significant ongoing business
- Typical requirements:
 - Application for Authority / Foreign LLC Registration
 - Certificate of Good Standing from Utah (from Division of Corporations)
 - Registered agent in the foreign state
 - Filing fee (varies: \$50–\$500+ per state)
- Common triggers: office or employees in another state, holding real estate, recurring in-person client services

19. Appoint Registered Agent in Each Foreign State

- Must designate an RA in every state where the LLC is qualified
- Commercial RA services provide multi-state coverage

PHASE 8: ONGOING COMPLIANCE

20. File Utah Annual Report

- Due during the anniversary month of formation
- Filing fee: \$18 (online)
- Filed with the Division of Corporations at corporations.utah.gov



21. File Annual Tax Returns

- Federal: based on tax classification
 - Disregarded entity → Schedule C (with owner's 1040)
 - Partnership → Form 1065 + K-1s
 - S-Corp → Form 1120-S + K-1s
- Utah: TC-65 (partnership) or S-Corp return, as applicable
- Estimated quarterly tax payments (federal + state) if income exceeds safe-harbor thresholds



22. File Sales Tax Returns (if applicable)

- File on the schedule assigned by the Tax Commission
- Monthly, quarterly, or annually depending on volume



23. Maintain LLC Formalities

- Keep Operating Agreement current with any amendments
- Document major member/manager decisions in writing
- Never commingle personal and business funds
- Maintain adequate capitalization for the business

Quick Reference: Formation Costs

Item	Cost
Certificate of Organization	\$59
Name Reservation (optional)	\$22
EIN	Free
Annual Report	\$18/year
Registered Agent (commercial)	\$100–300/year
Business License	Varies by city
Form 2553 / 8832 Filing	Free

BlackHill Law PLLC
blackhill.law · hello@blackhill.law

Questions? Contact us to discuss your specific formation needs.