COOKS ACCOUNTING SOLUTIONS LLC

Transferring Your LLC or Corporation

A practical guide to moving or expanding your business across state lines, without leaving your compliance behind.

2026 EDITION • BUSINESS RELOCATION & MULTISTATE COMPLIANCE



COOKS
ACCOUNTING SOLUTIONS LLC.

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For LLCs and corporations considering a new home state, additional markets, or a fresh start.

Before We Pack Up the Business ...

THE IMPORTANT STUFF (YES, THIS IS THE LEGAL DISCLAIMER)

Moving your business is not quite like changing your mailing address. You cannot just grab the laptop, update your Instagram bio, and tell the Secretary of State, 'We live here now!' If only it were that simple.

This guide is general educational information as of November 2026, not individualized legal, tax, or financial advice. State laws vary by state, entity type, transaction structure, and the facts of your business. A company may qualify to register in another state, convert, domesticate, merge, dissolve, or use another legally permitted method. Those paths are **not** interchangeable.

An entity transfer can create tax filings, franchise obligations, payroll and sales tax registrations, contract changes, licensing issues, lender requirements, and potential consequences for tax elections. A state filing alone does not guarantee an EIN, bank account, business license, tax classification, or credit history will remain unchanged.

Please consult qualified legal counsel in the relevant states for legal restructuring and entity filings, and a qualified tax professional for the federal and multistate tax consequences **before** taking action. Cooks Accounting Solutions LLC is an accounting and tax practice and does not provide legal representation or guarantee acceptance of state filings, tax outcomes, or continuity of licenses or accounts.

Reading this guide does not establish a client relationship or engagement. Services start after a signed engagement agreement and any required onboarding and payment steps.

Our CAS rule: Make the move strategically. We love a fresh start, but we do not love surprise tax notices, penalties, or a business that accidentally has two filing obligations.

What this guide covers

- Three major options and when each may fit
- What changes with Texas filings, fees, and franchise tax
- EIN, licensing, federal reporting, and tax concerns
- A decision checklist and action plan before moving

Your Three Main Options

The right choice depends on where the entity was formed, where it will operate, and what the state laws permit.

1. Domestication / conversion

Move the legal home of an existing entity where both jurisdictions permit an applicable transaction. Texas generally uses a certificate of conversion and certificate of formation for eligible inbound conversions.

Often fits: Best when owners want continuity in a new home state and the legal structure is allowed.

Watch out: Not automatically available; legal process, owner approval, state filings, tax clearance or consents may be required. Do not assume a separate dissolution filing is always appropriate.

2. Foreign qualification

Keep the entity organized in its original state and register it to transact business in another state.

Often fits: Best when the company will operate in two or more states and wants to retain its original formation state.

Watch out: Potentially two or more state compliance calendars, registered agents, taxes, and fees; “foreign” means out-of-state, not necessarily overseas.

3. Dissolve and form a new entity

Wind down the existing company and establish a separate company in the destination state.

Often fits: Sometimes considered when continuity is not needed or conversion is unavailable.

Watch out: New entity may need new EIN, accounts, contracts, licenses, and asset transfers. Taxable gain, liabilities, dissolution taxes, and other consequences need advance review.

Important: Forming a new LLC in another state does not, by itself, legally transfer assets, contracts, ownership, or liabilities from the old one.

Side-by-Side Decision Guide

Question	Conversion / domestication	Foreign qualification	Dissolve + new entity
Original legal entity?	Often continues in legally permitted conversion	Continues in original state	Old entity ends; new one begins
State filing requirements	Both states, depending on law	Destination registration, original state remains	Dissolution and formation filings
EIN treatment	Fact-specific; confirm with IRS	Usually no new EIN solely for qualification	New EIN may be needed
Licenses, accounts, contracts	Check and update separately	Check new-state authorizations	Transfers / new accounts often needed
Ongoing state compliance	Depends on conversion and retained nexus	Usually multiple state filings	Prior state obligations may survive

A frequent source of confusion: the EIN

The IRS generally says a business does not need a new EIN just because its name or location changes. But certain ownership, entity, and structural changes **do** require a new EIN. Review the actual transaction and current IRS guidance before promising continuity.

A conversion may preserve an entity under state law without automatically preserving every federal tax attribute, state permit, contract, or bank relationship.

Texas: What Changes in 2026?

Texas-to-another-state and another-state-to-Texas moves can involve different forms, approvals, and filing sequences.

Bringing an out-of-state entity into Texas

• **Foreign LLC registration:** Texas Form 304, currently $750. An LLC transacting business in Texas for more than 90 days before registering may face a $750 late fee per year of delinquency.

• **Inbound conversion:** Texas generally requires a certificate of conversion (Form 647) and a Texas certificate of formation, submitted together when legally permitted. Typical Texas fees are $300 conversion plus $300 formation for an LLC, subject to the actual transaction.

• **Registered agent:** Maintain an eligible agent and address in every state where one is required.

Texas franchise tax & continuing duties

• **2026–2027 no-tax-due threshold:** $2,650,000 in annualized total revenue. Taxable entities at or below the threshold generally do not file a No Tax Due Report but generally must still file a Public Information Report or Ownership Information Report.

• Registered businesses may need to update the Comptroller, resolve prior reports, get a tax clearance or certificate, and complete state account closure or withdrawal steps when applicable.

• Moving operations does not necessarily remove Texas franchise tax or sales tax obligations if Texas nexus or taxable activities remain.

Federal beneficial ownership reporting

As of FinCEN's August 2026 final rule, entities **created under U.S. state law** are exempt from federal BOI reporting. Certain companies formed under foreign-country law and registered in the United States may still have obligations. An LLC formed in Delaware and registering in Texas is a domestic U.S. entity for this purpose, not a foreign-country entity.

Do not automatically dissolve your old company after a conversion. Follow the actual state-approved structure and the advice of counsel so you do not accidentally terminate an entity you meant to continue.

Your Relocation Action Checklist

Complete these before you submit forms or announce that the move is official.

- Confirm original state, destination state, legal name, entity type, and current good standing.
- Confirm where the business has employees, inventory, property, customers, or other tax nexus.
- Have counsel assess conversion, domestication, merger, foreign qualification, and dissolution rules.
- Obtain required owner / director approvals and review the operating agreement or bylaws.
- Confirm state filing forms, current fees, late registration exposure, and filing order.
- Appoint a registered agent and confirm name availability / assumed-name rules.
- Review federal tax classification, EIN needs, S-election status, and tax year effects.
- Review state income / franchise, sales & use, employment, unemployment, and local taxes.
- Identify permits, professional licenses, insurance, contracts, leases, loans, and bank requirements.
- Prepare a closing / withdrawal / continuation plan for the original state where applicable.
- Update the IRS address and responsible party information when required.
- Keep filed documents, approvals, receipts, and the revised operating agreement together.

BEFORE YOU GO: GET THE LEGAL AND TAX PLAN IN WRITING

CAS can assist with compliance planning, tax review, and coordinating the financial side of the transition. Legal filings and opinions should be handled by qualified legal counsel.

Official Sources & Next Steps

These authoritative resources support the legal and tax updates in this edition. Check them again at the time of filing because requirements can change.

Texas Secretary of State: mergers and conversions FAQ

https://www.sos.state.tx.us/corp/mergersfaqs.shtml

Texas Secretary of State: Form 304 registration instructions

https://www.sos.state.tx.us/corp/instructions/304.shtml

Texas Secretary of State: conversion filing instructions

https://www.sos.state.tx.us/corp/instructions/634.shtml

Texas Comptroller: franchise tax thresholds

https://comptroller.texas.gov/taxes/franchise/

Texas Comptroller: filing requirements

https://comptroller.texas.gov/taxes/franchise/filing-requirements.php

IRS: when to get a new EIN

https://www.irs.gov/businesses/small-businesses-self-employed/when-to-get-a-new-ein

FinCEN: beneficial ownership reporting

https://www.fincen.gov/boi

For a plan specific to your entity, gather your current formation documents, EIN letter, last tax filings, good standing records, governing agreement, and the states where you actually do business.

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