

CHOOSE DELAWARE

Why Businesses Incorporate & Locate in Delaware

More than 1.4 million business entities from around the world call Delaware their legal home—including two-thirds of Fortune 500 companies—and in 2018, 82% of all new U.S. Initial Public Offerings chose to incorporate in Delaware.

In the United States, businesses are formed and regulated at the state level, so the first step in starting up operations in the U.S. is to choose where to form your company and where to locate your business. Delaware is the ideal choice for both.

Ease of Incorporation

As the most business-friendly state in the nation, the world-class services of Delaware's Division of Corporations provide businesses and their advisors with prompt and efficient services. The DOC is open 15 hours a day to accommodate filing requests from around the world and offers expedited services for urgent and time-sensitive matters.

Also, Delaware is home to a large community of business professionals who have the experience and expertise needed to help get your business started. Because so many companies are incorporated in Delaware, a robust infrastructure has developed for corporate governance and intellectual property. Most major financial institutions have a presence in Delaware, providing access to lending.

Internationally Trusted & Respected Business Law

With more than a century of experience in business law, Delaware's business law system is internationally respected and trusted. Delaware business law judges are appointed - not elected - and that's particularly important because it allows businesses to have access to a level of business law experience that surpasses other business law courts in America. Delaware's business law judges apply corporate law in a way that is consistent, which is one of the key reasons' businesses look to Delaware as an internationally recognized legal brand. Delaware case law is frequently cited by courts in jurisdictions throughout the U.S. and internationally.

Court of Equity – Predictable & Fair

Unlike many business law systems in America, Delaware is a court of equity which means it's a court of fairness. Delaware business law judges assess what is fair and what is right in the context of a dispute. Unlike other courts in America where stakeholders are looking for damages or money to compensate for a harm, Delaware's Chancery Court focuses on what is fair and equitable for the parties involved in a dispute.

And, as a court of equity, speedy resolution of lawsuits is the standard and most judges issue opinions in 90 days or less. The Court does not hear criminal cases or routine civil cases that seek money damages (such as products liability, automobile negligence or breach of contract). The Court's limited jurisdiction enables it to focus on corporate law disputes and significant business cases. Businesses experience a fair and predictable process without costly jury trials.

Innovative Litigation & Arbitration

Delaware case law has been used for decades as the basis for not only corporate formations and corporate structures, but corporate litigation. When you are forming an entity, when you are dissolving an entity, or when you have a dispute with others with respect to a Delaware entity, knowing that you have an experienced bench of judges who have practiced in this space, who know that law, and who can apply the law consistently is one of the strongest pillars of the Delaware business law system. It started with corporations and it's been expanded to other alternative entities such as Limited liability Companies.

Low Costs & Privacy

For entities that choose to incorporate in Delaware but do not conduct business within the state itself, the annual state franchise tax would be limited to approximately \$300, regardless of revenue. And limited liability corporations (LLC) in Delaware benefit from privacy not provided in many other states, as the state simply publishes the entity name, registered agent, and filing date.



CHOOSE DELAWARE



WASHINGTON, D.C.
2 HRS

BALTIMORE, MD
1 HR

PHILADELPHIA, PA
1/2 HR

NEW YORK CITY, NY
2 HRS

Location

Delaware has a coveted centralized location with proximity to major airports, one of the busiest Amtrak hubs and convenient driving distance to other major cities. Northern Delaware is part of the nation's 7th-largest metropolitan area, and 50 million people live within a 250-mile radius. Strategically located between New York and Washington, D.C., Delaware is at the center of the country's largest consumer market. New York City, Washington, D.C., Philadelphia and Baltimore are all less than 150 miles (241 kilometers) away, and Delaware is easily accessible by car, train, sea and air.

Talent & Workforce

Nationally, Delaware has the 4th-highest concentration of employed Ph.D.'s in health, science and engineering. And more than 31% of Delawareans hold a bachelor's or advanced degree. We have some of the nation's most respected research universities, a nationally recognized historically black university, a coding school, and design college, as well as easy access to more than

100 universities, medical schools, liberal arts colleges, and some of the most respected Ivy League institutions in the country. Delaware's workforce programs make it easy to find exactly the kind of employee you need, and secure future growth with programs that start at the middle school level.

Business Environment

Delaware is committed to making the state the best place in the nation to start and grow a business. High tech, science and engineering startups thrive in Delaware. The state has the highest concentration of Fortune 500 companies (67% are incorporated in Delaware) and 82% of all new U.S. Initial Public Offerings chose to incorporate in Delaware in 2018. Forbes' "Best States for Business Rankings" has recognized that Delaware ranks 2nd-lowest for business costs in the nation, and the state has no sales tax, no inventory tax, and no value-added tax.



CONTACT US

For more information on opportunities in Delaware:

Becky Harrington
Director, Business Development
Delaware Prosperity Partnership



www.choosedelaware.com



(302) 576-6577 | BHarrington@ChooseDelaware.com