

# Alabama LLC Formation Checklist

## Step 1: Name Your Alabama LLC

The name of your Alabama LLC should be distinguishable from other business names in your state and must meet the Alabama naming guidelines.

How to Complete This Step:

Review Alabama's naming guidelines

- You must reserve your LLC's name online or by mail before registering it.
- Your name must include the phrase "limited liability company" or one of its abbreviations (LLC or L.L.C.).
- Your name cannot include words that could confuse your LLC with a government agency (FBI, Treasury, State Department, etc.).
- Any banking-related name needs a letter from the Alabama Banking Commissioner's Office, and any insurance-related name needs a letter from the Alabama Insurance Commissioner's Office.
- Any name using a professional designation in the name (i.e., engineering, attorney) requires a copy of the license of one officer/member or a letter from the governing agency allowing the use of the name without licensing.
- Your name cannot include any words that indicate or imply that the LLC is engaged in a business that is not authorized by law to pursue.
- Your name must be distinguishable from any name on the record with the Secretary of State (words or abbreviations indicating the type of company such as LLC, Inc., etc. are not taken into account when determining distinguishability).

[Brainstorm business names](#)

Check if the [web domain](#) is available

Search Alabama's [business entity records](#) to see if the name is available for use in the state

Reserve your Alabama business name

- Unlike most states, Alabama requires businesses to reserve their business name before registering. You must complete the Name Reservation Request Form for Domestic Entities. This can be done [online](#) or by [mail](#) with the Alabama Secretary of State. The fee is \$25.

Your Business Name:

Your Business URL:

## Step 2: Choose a Registered Agent

A [registered agent](#) is the person or company you choose to accept official communication on behalf of your LLC.

Your registered agent must be:

- 18 years or older
- A resident of Alabama
- Available at all times during normal business hours (i.e., 9 a.m.–5 p.m. Monday through Friday) at their listed physical address (no P.O. boxes)

Many businesses choose to use [registered agent service](#) for convenience and privacy.

Registered Agent Name and Address:

## Step 3: File Your Alabama Certificate of Formation

The Certificate of Formation is the paperwork required to register your LLC. This document is filed with the Secretary of State either [online](#) or by [mail](#).

You will need to provide the following information:

- Name of the LLC and a copy of the Name Reservation certificate (Step 1)
- Name of the registered agent (Step 2)
- Street and mailing address of the registered office (including county)
- Whether the LLC is a series LLC, professional LLC (PLLC), or nonprofit LLC
- Effective date (if not immediate)

This is also a good time to decide if your LLC will be [member-managed or manager-managed](#).

A member-managed LLC structure is when the members of the LLC are involved with the management of the LLC. A manager-managed LLC is when a few assigned individuals are responsible for managing the LLC.

## Step 4: Create an Operating Agreement

An [operating agreement](#) lays out the rules and management structure of your LLC.

Your operating agreement doesn't need to be filed with the state. You'll keep it in your LLC records file and return to it as needed to clarify rules and settle disputes.

## Step 5: Get an EIN

An Employer Identification Number ([EIN](#)) is like a Social Security number for your business. EINs are free and easy to get from the IRS using [Form SS-4](#) or by filling out the [online application](#).