What Is a Series LLC?
The series LLC is an umbrella that shelters any number of independently operating series under a master LLC. If all legal requirements are met, each series is protected from the debts and liabilities of the others. Each series under the umbrella can act independently and may have different:

**Owners**
- Profit and loss allocations

**Businesses**
- Tax elections

**Management structures**
- Independent series have separate ownership, membership and business structures

**Benefits**
- Reduces overall formation and maintenance costs

**Requirements for Umbrella Liability Protection**
- State formation document must identify the entity as a series LLC
- Operating Agreement must state that the entity is a series LLC
- Books and records of each series must account for assets and liabilities that are separate from any other series and the master series
- Some states require each series to be registered

**Risks**
- Tax treatment by IRS and state governments is unclear
- Federal bankruptcy code does not provide recognition
- Questions on treatment in states that don’t recognize Series LLCs

**Best Match For**
- Mutual funds
- Property management and real estate
- Businesses with different product lines

While series LLCs offer a variety of interesting benefits and protections, this fairly new business structure is not widely understood and does carry risk. Let us be your legal compliance partner. Contact us at 855.316.8948 or visit ctcorporation.com.