

NAVIGATING

US COMPANY REGISTRATION



**MAY
2026**

Prepared by

FOOTHOLD AMERICA

EMPOWERING YOUR
GROWTH



NOTE FROM THE HEAD OF BUSINESS SERVICES




**ROBERT R.
ESQUIJAROSA**

Head of Business Services
Foothold America

In reality, the choices that matter most come down to a handful of well-understood questions. What entity type works for your structure? Which state offers the right mix of stability and tax efficiency? What does compliance actually look like once you are set up?

This guide walks through the options worth considering, the decisions that matter most, and the route we recommend for around 95 percent of our international clients.

Registering a US entity is one of the first real commitments international companies make when they expand to America. For many, it is also one of the most intimidating. Fifty states, three main entity types, and layers of federal, state, and local compliance can make the decision feel bigger than it needs to be.



**A US
entity is not
paperwork. It is
your seat at the
American table.**



CAN A NON-US COMPANY REGISTER A US ENTITY?

Yes. Non-resident business owners can register a US entity with no US citizenship or residency requirement. What differs is the entity type available to you, the state you register in, and the documentation you need to prepare. For most international companies, the preferred route is a Delaware C-Corporation, which non-US owners can form freely and operate from anywhere in the world.

DISCLAIMER

State registration fees, tax obligations, and ongoing compliance requirements vary across jurisdictions. This guide provides a general overview and should not be treated as legal, tax, or financial advice. For guidance on your specific situation, please consult a qualified professional or contact Foothold America directly.

CHALLENGES OF REGISTERING A US COMPANY FROM OVERSEAS

Registering a US entity looks straightforward on paper. File the right form, pay the fee, receive your certificate. In practice, international companies run into a set of challenges that domestic US businesses never have to think about. Most of them come down to decisions made early, with consequences that show up years later.

COMMON CHALLENGES:

* STATE SELECTION

Fifty states with different tax rules, filing requirements, and regulatory environments. Getting this decision wrong creates years of unnecessary complexity and cost.

* ENTITY SELECTION

C-Corp, LLC, and S-Corp all exist. Only one is designed for non-US owners planning to raise capital and build a scalable US operation.

* DOCUMENTATION

Generic templates are built for US domestic companies. They rarely address international ownership, foreign currency transfers, or home country compliance.

* REGISTERED AGENT

Every US entity must have a physical US address and a registered agent. International founders who try to skip this create legal issues later.

* ONGOING COMPLIANCE

Annual reports, franchise taxes, state filings, and federal returns do not stop once you are registered. Missing any of them can cost you your good standing.

* CROSS-BORDER TAX

Your US entity's tax position must work with your home country's tax treatment. Without coordination, you risk double taxation or unexpected liabilities.

NAVIGATING US ENTITY REGISTRATION



1. C-Corporation (C-Corp)
2. Limited Liability Company (LLC)

3 ENTITY PATHS TO CONSIDER



3. Foreign Branch Office

RECOMMENDED: DELAWARE C-CORPORATION + Foothold AMERICA'S US ENTITY SETUP



C-CORPORATION (C-CORP)

A C-Corporation is a US business entity where the company is taxed separately from its shareholders. It is the most common structure chosen by non-US companies expanding into the US market.

PROS:

Access to Capital:

Can issue multiple classes of stock to unlimited shareholders. US venture capital and institutional investors strongly prefer C-Corps.

Limited Liability Protection:

Owners' personal assets are generally protected from the debts and liabilities of the company.

No Ownership Restrictions

No restrictions on foreign ownership. Non-US shareholders can hold shares freely from any country.

CONS:

Setup Complexity:

Articles of Incorporation, bylaws, stock structure, and director appointments must all be established correctly at formation. Mistakes early on are expensive to fix later.

Higher Compliance:

More formal governance requirements, including annual meetings, board minutes, and corporate bylaws.



LIMITED LIABILITY COMPANY (LLC)

An LLC combines the liability protection of a corporation with the tax flexibility of a partnership. It was designed primarily for US citizens, which makes it less suitable for most non-US businesses.

PROS:

Simpler Structure

Minimal formalities required. No mandatory board meetings or shareholder meetings.

Pass-Through Taxation for US Owners

Profits flow directly to owners' personal tax returns without a layer of corporate tax.

Flexible Management

Can be member-managed or manager-managed, depending on your operational preference.

CONS:

Tax Complexity for Non-US Owners

Pass-through taxation creates complications with foreign tax obligations, withholding, and treaty issues that often negate the benefits.

Limited Fundraising

Most professional investors avoid LLCs. Venture capital firms typically refuse to invest in them.

Limited Exit Options

Converting an LLC to a corporation later creates significant tax complications and costs.

Lower Credibility

Traditional US enterprises and government agencies often view international LLCs with caution.



FOREIGN BRANCH OFFICE

A foreign branch office is an extension of your non-US parent company operating in the US, rather than a separately incorporated entity. It is a simpler route, but it comes with significant trade-offs.

PROS:

Lower Setup Cost

No incorporation fees, registered agent requirements, or corporate structure to maintain.

Unified Operations:

Your home entity manages US operations directly, without separate US governance or reporting.

CONS:

Parent Company Liability

Your home entity is fully liable for US operations. US litigation risk flows directly back to the parent company.

Limited Capital Access

Cannot issue US stock, apply for most US grants, or attract US institutional investment.

Tax Complexity

Parent company income may be subject to US taxation, creating cross-border reporting obligations.

RECOMMENDED (OPTION 1)

DELAWARE C-CORPORATION

Delaware is the most popular state for US company incorporation, particularly among non-US businesses. Its favourable corporate laws, specialised court system, and privacy protections make it the default choice for international founders who want a stable, well-understood environment.

Function: While your entity is registered in Delaware, you can base your office, team, and operations in any US state.

PROS:

* FAVORABLE CORPORATE LAWS

Flexible, modern corporate laws refined over more than a century. Delaware offers predictable outcomes in corporate disputes, which matters for international shareholders.

* SPECIALIZED COURT SYSTEM

The Delaware Court of Chancery handles corporate disputes exclusively. Decisions are fast, expert, and well-reasoned.

* NO STATE INCOME TAX

No corporate income tax for businesses that operate outside Delaware. You pay state tax where you actually generate revenue, not where you are registered.

* PRIVACY PROTECTION

Business owners are not required to be listed on public filings, protecting the identities of international stakeholders.

CONS:

* FRANCHISE TAX

An annual franchise tax applies to all Delaware entities. The amount is usually modest for small and mid-size companies, but it is not optional.

* REGISTERED AGENT REQUIRED

You need a registered agent with a physical Delaware address. Foothold America provides this as part of our Entity Setup service.

RECOMMENDED (OPTION 2)

FOOTHOLD AMERICA'S US ENTITY SETUP

Registering a US entity yourself is possible. Getting it right the first time, without gaps in compliance or documentation, is harder.

Foothold America's US Entity Setup service manages every stage of the process on your behalf, so your entity is correctly formed, registered, and ready to trade from day one.

FOOTHOLD AMERICA'S ENTITY SETUP SERVICE

* ENTITY FORMATION

We file your Articles of Incorporation, register your entity in your chosen state, and issue corporate bylaws tailored for international ownership. Stock structure, director provisions, and virtual meeting clauses are all built in.

* EIN REGISTRATION

We secure your Employer Identification Number from the IRS, which is required for payroll, banking, and tax filings. We handle this even if you have no US social security number yourself.

* REGISTERED AGENT SERVICE

We provide a registered agent with a physical US address, so you meet every state's legal requirement without travelling or renting office space you do not yet need.

* ONGOING COMPLIANCE MANAGEMENT

We manage annual reports, franchise tax filings, and good standing maintenance, so your entity stays compliant year after year without surprises.

WHY BUSINESSES CHOOSE FOOTHOLD AMERICA FOR SETTING UP A US ENTITY



✓ EXPERT SPECIALISTS

We focus exclusively on US expansion for non-US businesses. That means our entity documents, bylaws, and compliance support are built for international ownership, not retrofitted from domestic templates.

✓ TRANSPARENT PRICE

Clear, fixed pricing for entity setup, registered agent services, and ongoing compliance. No hidden fees, no surprise franchise tax invoices, no "optional" add-ons that turn out not to be optional.

✓ FULL LIFECYCLE SUPPORT

From Articles of Incorporation to EIN, bank account setup, and annual filings, we manage every stage. As your US operation grows, we move with you from Entity Setup to EOR, PEO+, and beyond.

✓ COMPLIANCE EXPERTISE

Over 30 years' combined experience advising international companies on US expansion, benefits, HR, and risk management. Our team knows where international founders trip up, because we see it every week.

CONTACT US



FOOTHOLD AMERICA

Phone/

+(617) 702-3402

Email/

info@footholdamerica.com

Website/

www.footholdamerica.com

Address/

Global HQ
68 Harrison Avenue 6th Floor Boston,
MA 02111