

Anil Melwani:

So if you have an e-commerce company and you operate out of New York City, the answer is yes, you can be incorporated in another state, but being incorporated or an LLC in another state is not going to save you any taxes. So a lot of people when they come to us and they want to form an entity, I usually tell them do a New York LLC, do a New York C-Corp or S-Corp, because even if you want to do a Delaware, C-Corp, Delaware LLC, Nevada, and other state that could protect you more legally, and of course, speak to an attorney about that. It's not going to save you any taxes if you're based in New York City. So when it comes to deciding which type of entity to form, which state to form, not only should you do a consultation and with a CPA or an accountant, but we also refer attorneys and bring on attorneys as part of the conversation, because there's the whole legal side of it also, which is very important to consider before making these decisions.