

State of Wisconsin  
DEPARTMENT OF FINANCIAL INSTITUTIONS  
Division of Corporate & Consumer Services

Available Types of Business Entities

The Department of Financial Institutions (“DFI”) is the filing office for creating a Wisconsin

Corporation (Ch. 180, Wis. Stats.)

Business

Service (Professional occupations requiring state certification)

Statutory Close

Investment companies

Limited Partnership (Ch. 179, Wis. Stats.)

Limited Liability Company (Ch. 183, Wis. Stats.)

Limited Liability Partnership (Ch. 178, Wis. Stats.)

Cooperative Association (Ch. 185, Wis. Stats.)

Unincorporated Cooperative Associations (Ch 193, Wis. Stats.)

Common Law Trust (Ch. 226, Wis. Stats.)

or for licensing an existing foreign (out-of-state) entity to transact business in Wisconsin.

The person or persons forming the business have the responsibility of selecting the type of entity to use. The department cannot offer legal advice; accordingly, you may want to consider consulting your own legal advisor in making this decision. It is not mandatory to engage an attorney to prepare and submit your organizational instrument for filing.

Our examination of your organizational instrument is limited to determining the availability of the name selected for the entity and in ascertaining that the document sets forth the minimum information and satisfies the general filing requirements of the particular statutory chapter under which it is formed.

An entity created under one chapter of law may, or may not, be convertible to a type organized under a different chapter. Changing from one type of entity to another may entail filing fees and other complications.

General Characteristics of the Several Types of Entities

A business corporation is a general-purpose entity in which management is exercised by a board of directors elected by shareholders.

A service corporation is a special-purpose type of business corporation for shareholders who are all licensed, registered or certified to engage in the same professional occupation.

A statutory close corporation is a general purpose business corporation or service corporation, but one in which the shareholders agree to limitations on the transferability of shares, may elect to operate without a board of directors, and may impose greater voting or quorum requirements. The number of shareholders is limited to 50 or less at the time the corporation elects statutory close status.

Investment companies are those that specify that they are organized as a “management investment company” under 15 USC 80a to 80a-64. These “mutual fund” companies have authority to issue an indefinite number of shares.

A limited partnership has one or more general partners and one or more limited partners. Management is exercised by the general partners, with the limited partners as passive investors.

A limited liability company has members (similar to a partnership) who may directly manage the company or who may vest management in one or more managers. It combines the features of both a partnership and a corporation.

A limited liability partnership is a general partnership that has filed a registration statement declaring itself a “limited liability” partnership.

A cooperative association is formed on a membership basis with no capital stock, or on a membership basis with capital stock. Five or more adults, one of whom must be a resident of Wisconsin, may organize a cooperative.

An unincorporated cooperative association is formed on a membership basis with no capital stock, or on a membership basis with capital stock. It may be organized by one or more organizers who shall be individuals over the age of 18, who may act for themselves as individuals or as the agents of other entities. The organizers forming the cooperative need not be members of the cooperative.

A common law trust is organized by creating a Declaration of Trust. The trust may sell beneficial or participating certificates to investors. In order to have authority to conduct business in Wisconsin, it must file an application with the department, accompanied by an original or certified copy of its Declaration of Trust.

The following types of business organization are not filed with the Department of Financial Institutions. Other public record custodians, such as the county Register of Deeds, may accept a notice or statement for record under the provisions of sections 134.17 and 178.39 of the Wisconsin Statutes.

A general partnership is an association to 2 or more persons to carry on as co-owners a business for profit. It may operate under a partnership agreement, customarily created in consultation with a legal advisor. The agreement may be recorded with the county

Register of Deeds, but is not required to be. General partnerships are not filed with the department.

A business conducted by a sole proprietor has no existence apart from its owner. They are not filed with the department. A sole proprietor may elect to file a statement with respect to its use of a business name with the county Register of Deeds, or may file a tradename with the Secretary of State.

Those listed above are not the only types of entities existing, nor should the characteristics described above be construed as all-inclusive.

## Forms

Common use forms are available on the Internet, at the department's website. (Website address: [www.wdfr.org](http://www.wdfr.org).) Click on "Corporations," next on "Forms," then on the type of entity. A page of form titles and numbers will appear and you may scroll down to the desired form. If you do not have Internet access or cannot identify and download the form you need, contact DFI, Div. X of Corporate & Consumer Services, Attn: Corporation Section:

By phone: (608) 261-7577      TDY (608) 266-8818

By FAX: (608) 267-6813

By mail: P O Box 7846, Madison WI, 53707-7846

Office location: 345 W. Washington Av, 3<sup>rd</sup> Flr, Madison WI, 53703.

The forms published by the department include instructions for completing the form, filing fees, and filing procedures. You may also want to research the statutory chapter of law under which the entity is created.