

Delaware Division of Corporations: 2023 Annual Report

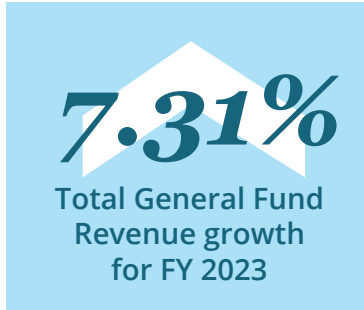
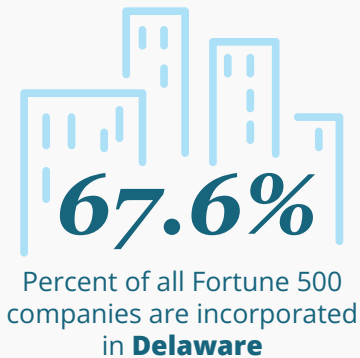


A Message from the Secretary of State Jeffrey W. Bullock

As Secretary of State, I have had the privilege to promote the First State, domestically and abroad, for the past 15 years. Business owners and investors have the discretion to select any jurisdiction as their legal home for their business entity but time again, they choose Delaware for Delaware's General Corporation Law, its corporate and legal services community, the Court of Chancery, and lastly, the Delaware Division of Corporations. You have my commitment to ensuring that our state continues to meet the needs of our customers in all realms so that Delaware remains the *Corporate Capital of the World*.

In the fall of 2023, Delaware surpassed a record milestone now with more than 2 million total business entities calling the first state their corporate home. This achievement is, in part, thanks to our predictable and balanced business formation statutes combined with decades-long flexible and efficient interpretation of case law by the Court of Chancery.

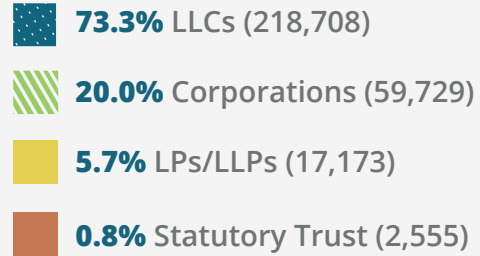
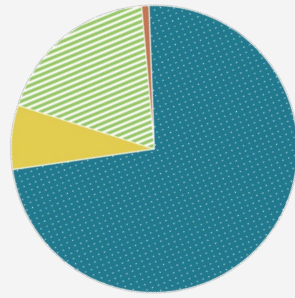
In 2023, more than **298,165 entities** were formed in the First State. As precedent shows, the First State continues to lead as the domicile of choice for **Fortune 500 companies at nearly 67.6 percent**. Approximately 80% of all U.S. initial public offerings in 2023 were registered in Delaware.



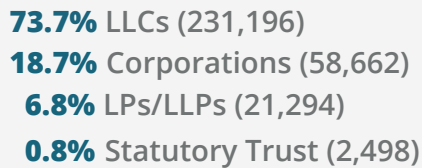
Business owners and investors choose Delaware as their legal home for **four main reasons**:

1. **Delaware's General Corporation Law** is widely regarded as the most advanced and flexible business formation statute in the nation.
2. **The Court of Chancery is a unique, centuries-old business court** that has written most of the modern U.S. corporation case law. Their commitment to settling cases that come before them in an equitable manner is unrivaled.
3. Delaware's corporate and legal services community **has unparalleled expertise in the application of Delaware Corporate Law** and receives strong, bipartisan support from the Delaware General Assembly and our Governor for its efforts to continuously improve the State's laws.
4. The Delaware Division of Corporations provides **prompt, friendly, and professional service** and strives to continually improve based on what we hear from our customers.

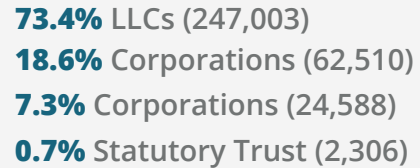
Total Business Entity Formations in 2023



2022



2021



Business Entity Formations CY 2021-2023 Totals

	2021 CY	2022 CY	2023 CY
LLCs	247,003	231,196	218,708
Corporations	62,510	58,662	59,729
LPs/LLPs	24,588	21,294	17,173
Statutory Trusts	2,306	2,498	2,555
Totals	336,407	313,650	298,165

To continue making Delaware the premiere destination to incorporate, it's important to ensure that **our laws are optimal for engaging in ethical and profitable business.**

That's why I have co-chaired the National Association of Secretaries of States' Business Services Committee, which spearheads initiatives on best state practices for business services.

Total Number of Entities in Delaware

	2021 CY	2022 CY	2023 CY
LLCs	1,291,911	1,403,986	1,489,299
Corporations	370,404	386,254	395,759
LPs/LLPs	137,188	148,970	156,830
Statutory Trusts	25,547	26,900	28,459
Total Business Entities	1,825,050	1,966,110	2,070,347

Division of Corporations General Fund Revenue

	2021 FY	2022 FY	2023 FY
Net Business Entity Taxes	1,467.8	1,723.1	1,872.1
Business Entity Fees	148.3	164.2	158.1
UCC Fees	26.7	31.0	28.3
Total Revenue	1,642.8	1,918.3	2,058.5

Total Uniform Commercial Code (UCC) Transactions CY 2021 - 2023

	2021 CY	2022 CY	2023 CY
UCC 1	151,103	148,176	131,672
UCC 3	168,124	170,237	175,657
Searches	313,459	316,306	295,832
Total Transactions	632,686	634,719	603,161

At the federal level, in an effort to ensure common-sense regulations, I have worked with Members of Congress and the U.S. Department of Treasury to support measures that would bolster national security while minimizing the burden on small businesses. It is what led to the passage of the Corporate Transparency Act (CTA), which came into effect at the beginning of 2024.

I encourage all business entities to learn about the requirements of the CTA and to come into compliance if they haven't already done so. Business owners should visit [fincen.gov/boi](https://www.fincen.gov/boi) to learn more.

Lastly, through the efforts of our general assembly, corporate community, the court system, and the Division of Corporations, we stand ready to meet the needs of the dynamic and evolving business community with the reliability, predictability, efficiency, and fairness that the world has come to expect from the First State.



Sincerely,
Jeffrey W. Bullock

Jeffrey W. Bullock serves as the 80th Secretary of State and oversees the nearly two dozen agencies, including the Division of Corporations, at the Delaware Department of State.