

# Delaware Division of Corporations: 2024 Annual Report

## A Message from the Secretary of State Charuni Patibanda-Sanchez

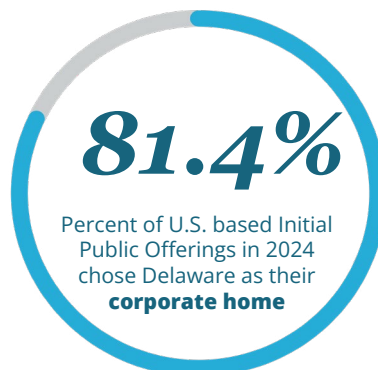
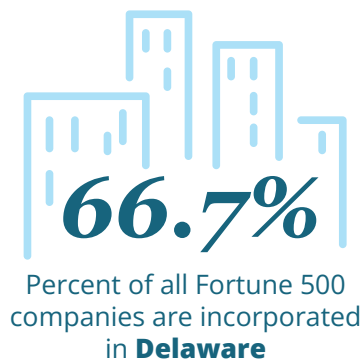
This past year marked yet another milestone for the Delaware corporate franchise. The trust you have placed in our thoughtful and balanced approach to corporate and entity law is evidenced by the facts and figures in this annual report. As we reflect on 2024, it is clear that despite some political rhetoric about leaving Delaware, we remain the undisputed leader in corporate law and business formation, both nationally and globally. Businesses continue to turn to Delaware, not just for its laws, but for the full suite of advantages that accompany incorporation and formation in Delaware, including access to its world-class courts and division of corporations.



Delaware's reputation as the corporate capital of the world is backed by its expert judiciary, business-friendly legal system, and flexible corporate and alternative entity statutes. The state's Court of Chancery, renowned for its efficiency and depth of corporate law expertise, provides a body of law that is unmatched in any other jurisdiction. This collection of common law coupled with Delaware's statutes provides clarity and predictability that serves as a key advantage to legal professionals charged with guiding their clients through crucial decision making and transaction planning. Moreover, Delaware's innovative approach to developing legal structures and business entities enables growth, flexibility and efficiency, providing a framework that entrepreneurs, officers, directors, and boards can rely on.

In addition, informed and engaged investors—including limited partners, institutional investors, and venture capitalists—prefer Delaware corporations and alternative entities, due in large part to the legal protections available, either at common law or by contract. The clear application of equitable principles, along with a public policy strongly favoring the enforcement of contractual rights and flexible entity structures, translate to lower legal risk and transparent governance, fostering an environment for long-term growth.

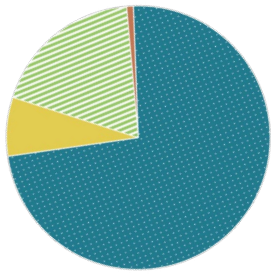
Delaware is the singular choice for incorporation and formation.



This is why Delaware is home to **more than 2.1 million** active business entities. **Eighty one percent** of companies that launched an initial public offering on a U.S. stock exchange chose Delaware as their state of incorporation in 2024, an increase from 2023. That such an overwhelming proportion of newly public companies chose Delaware as their jurisdiction of choice underscores the premium the public markets continue to place on Delaware's approach to corporate law and governance, where clarity, predictability, balance and unrivaled customer service are long-standing hallmarks.

The First State continues to form entities at a rate that exceeds any other jurisdiction. This reflects Delaware's unique ability to meet the needs of businesses of all types and sizes and in varying geographic locations and industries, ranging from entrepreneurial startups to mature multinational enterprises.

Delaware's preeminence in the corporate world is further validated by its standing with the nation's largest and most successful companies. More than two-thirds of the Fortune 500 companies are incorporated in Delaware, a distinction no other state can rival. Delaware also maintains one of the most sophisticated and efficient Uniform Commercial Code (UCC) filing systems in the country. These services are critical to commercial lending and capital formation nationwide.



## Total Business Entity Formations in 2024

**72.9%** LLCs (211,464)

**20.1%** Corporations (58,313)

**6.2%** LPs/LLPs (17,962)

**0.7%** Statutory Trust (2,071)

### 2023

**73.3%** LLCs (218,708)

**20.0%** Corporations (59,729)

**5.7%** LPs/LLPs (17,173)

**0.8%** Statutory Trust (2,555)

### 2022

**73.7%** LLCs (231,196)

**18.7%** Corporations (58,662)

**6.8%** LPs/LLPs (21,294)

**0.8%** Statutory Trust (2,498)

## Business Entity Formations CY 2022-2024 Totals

|                         | 2022 CY | 2023 CY | 2024 CY |
|-------------------------|---------|---------|---------|
| <b>LLCs</b>             | 231,196 | 218,708 | 211,464 |
| <b>Corporations</b>     | 58,662  | 59,729  | 58,313  |
| <b>LPs/LLPs</b>         | 21,294  | 17,173  | 17,962  |
| <b>Statutory Trusts</b> | 2,498   | 2,555   | 2,071   |
| <b>Totals</b>           | 313,650 | 298,165 | 289,810 |

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

**1. Corporate and Alternative Entity Laws:** Delaware's General Corporation Law is widely regarded as the most advanced, modern and flexible corporate statute in the nation. Similarly, Delaware's statutes governing limited liability companies, limited partnerships, statutory trusts offer substantial contractual flexibility to design and implement governance structures to accommodate the parties' business goals and objectives.

**2. The Delaware Courts.** The Court of Chancery is a unique, centuries-old business court that has written most of the modern U.S. corporation case law. The Court's commitment to resolving cases in a timely, efficient and equitable manner is unrivaled. Appeals from decisions of the Delaware Court of Chancery proceed directly to the Delaware Supreme Court, increasing the speed with which parties can obtain full and final resolution.

**3. The Legal Services Community.** Delaware's corporate and legal services community have unparalleled expertise in the application of Delaware's corporate and alternative entity laws.

**4. The Division of Corporations.** The Delaware Division of Corporations provides prompt, friendly, and professional service, offering "pre-clearance review" services and the ability to process virtually all filings in as little as 30 minutes. The Division continues to meet and exceed the expectations of the transaction planners and counsel who have come to rely on its trusted reputation for efficiency, and it strives to innovate and refine its offerings in response to feedback from its users.

## Total Number of Entities in Delaware

|                                | 2022 CY   | 2023 CY   | 2024 CY   |
|--------------------------------|-----------|-----------|-----------|
| <b>LLCs</b>                    | 1,403,986 | 1,489,299 | 1,560,938 |
| <b>Corporations</b>            | 386,254   | 395,759   | 401,760   |
| <b>LPs/LLPs</b>                | 148,970   | 156,830   | 165,616   |
| <b>Statutory Trusts</b>        | 26,900    | 28,459    | 29,168    |
| <b>Total Business Entities</b> | 1,966,110 | 2,070,347 | 2,157,482 |

## Division of Corporations General Fund Revenue

|                                  | 2022 FY | 2023 FY | 2024 FY |
|----------------------------------|---------|---------|---------|
| <b>Net Business Entity Taxes</b> | 1,723.1 | 1,872.1 | 1,817.5 |
| <b>Business Entity Fees</b>      | 164.2   | 158.1   | 159.3   |
| <b>UCC Fees</b>                  | 31.0    | 28.3    | 29.7    |
| <b>Total Revenue</b>             | 1,918.3 | 2,058.5 | 2,006.5 |
|                                  |         |         |         |

## Total Uniform Commercial Code (UCC) Transactions CY 2022 - 2024

|                           | 2022 CY | 2023 CY | 2024 CY |
|---------------------------|---------|---------|---------|
| <b>UCC 1</b>              | 148,176 | 131,672 | 143,259 |
| <b>UCC 3</b>              | 170,237 | 175,657 | 199,582 |
| <b>Searches</b>           | 316,306 | 295,832 | 336,300 |
| <b>Total Transactions</b> | 634,719 | 603,161 | 679,141 |

Delaware's resilience stems not only from its statutes but from the distinguished institutions that uphold them, including the Court of Chancery, the Delaware General Assembly, the Delaware State Bar Association, and the Division of Corporations. These institutions, alongside our state's partners and dedicated staff, work in unison to ensure that our corporate and alternative entity laws meet the needs of modern business and are applied fairly and in a commercial sensible manner. With its unparalleled legal infrastructure, Delaware remains the gold standard for incorporation and entity formation. It is no surprise that Delaware has gained the confidence, both nationally and globally, of those who organize corporations and other entities and those who invest in them.

To the businesses that choose Delaware year after year: thank you for your trust.  
To those businesses considering where to incorporate or form:  
there is no better location for long-term prosperity and growth than in the First State.

Sincerely,



**Charuni Patibanda-Sanchez**  
*81st Secretary of State*



**Kris Knight**  
*Chief Deputy Secretary of State  
Director, Division of Corporations*