

What is a registered agent?

A registered agent is an individual or entity that acts on behalf of a corporation. They are the officially appointed recipient of any and all lawsuits and documents. They do not receive only lawsuits and documents, but may also be sent tax notices and other official correspondence. Registered agents exist because, in the case of legal action being brought against a business, that business must be notified of its involvement in a legal suit. As a result, all states require businesses to provide the names and addresses of its agent or agents.

Who can act as a registered agent?

Generally speaking, registered agents must above all have a physical address where they can be reached at any time during business hours. A P.O. box is not an adequate address. As mentioned the agent in question must be available during business hours. In most states a registered agent can be an individual aged at least 18 years. Companies that provide registered agent services can also act as registered agents. Most importantly, a corporation or LLC cannot act as its own registered agent. An owner or employee of said corporation or LLC can, however, act as that entity's registered agent.

Tips on hiring a registered agent internally

There are pros and cons to acting as your own registered agent or appointing an employee or owner to carry out this role. Hiring internally can save you a great deal of money that you would otherwise be paying towards registered agent fees. You can also be sure that an internal hire, due to their close proximity to your business, will be delivering documents directly to you, and in a timely fashion.

However, if you decide to act as your own agent, your name and address will become a part of your business's public records file. If you value your privacy or do not want to tangle your personal and business lives you may want to avoid acting as an agent for your business. You may get a lot of mail besides important legal documents and it can be a hassle to sift through useless mail like solicitations and other junk mail. Small business owners who intend to move or reorganize should be wary of being their own agent because they need to update registered agent information with the state. This can sometimes be forgotten amidst a chaotic period of change.

Tips for hiring a registered agent externally

Being a registered agent isn't as simple as just being the destination for incoming legal documents. They are also in charge of making sure those documents are promptly passed on to you or your company's officers or directors. Not delivering legal documents, and in turn not replying to legal documents, in a timely fashion can have

serious implications for you and your business. Therefore it would be wise to hire someone who has a proven track record of performing agent services and not make a decision purely because it may be cheap or free of charge.

<https://www.legalzoom.com/articles/how-to-choose-a-registered-agent>