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FLORIDA BAR JOURNAL "WHERE TO INCORPORATE? FLORIDA BAR SURVEY RESULTS AND A FLORIDA VS. DELAWARE COMPARATIVE ANALYSIS"

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As of December 31, 2021, there were 811,396 active for-profit corporations incorporated under Florida law, including 104,625 incorporated in 2021. Results of a survey conducted in March 2021 by The Florida Bar's Business Law Section (BLS) indicated that approximately 70% of corporations organized by respondents (Florida-based practitioners) are incorporated in Florida. Why are 30% of Florida-based businesses organized as corporations incorporated in other states? Counsel, their business-founding clients and outside investors often instinctively choose or gravitate to Delaware as the state of incorporation, which accounts for most out-of-state incorporations. However, for Florida-based start-ups as well as early stage, emerging, family-owned and closely held companies (referred to in this article as "homegrown" companies or businesses), out-of-state incorporation may not be the best or even most appropriate choice.

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