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Update: New Requirements for Delaware Assumed Name Filings Include Mandatory Re-Registration of Trade Names

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Pursuant to House Bill 177, Delaware has postponed the effective date of the changes to its trade name registration process until February 2, 2026, to "allow the Department of Revenue to conduct outreach to affected agencies and customers regarding the pending changes." The postponement will not affect any other aspect of the new process and will merely provide affected entities additional time to prepare for the re-registration period.

Beginning February 2, 2026, Delaware will no longer require companies to file notarized trade names (also known as "doing business as" or "DBA" names) in each county. Instead, companies will need to complete a single online filing with the Delaware Division of Revenue at https://onestop.delaware.gov/. The online application will require the same information as the application formerly used at the county level.

In connection with this change, however, all DBAs currently filed at the county level will expire on June 2, 2025, and *businesses will be required to re-register*. Failure to re-register will leave names available for use by other entities. *DBAs currently in use will not be reserved, and filings will be treated on a first-come first-served basis. Accordingly, companies with active DBAs in Delaware should prepare applicable filings before February 2nd and submit each application as quickly as possible to ensure reservation of the name.*

To complete a filing with the Delaware Division of Revenue, the general rule is that companies will be required to have an active business license in Delaware. Each filing should include a legal name and address of the entity, the proposed trade name, names and addresses of owners, date of formation, and nature of business. Once the initial registration is complete, so long as the business license remains active, DBAs will remain active without renewal.

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The new requirements contain an exception to the active business license requirement - a "Trade Name Only" business license that allows Delaware limited liability companies and corporations that are not actively doing business in Delaware to register a trade name for a \$25 fee. Such entities will be required to provide a Certificate of Good Standing from the Delaware Division of Corporations and may be required to provide other additional documentation. The Trade Name Only license does not require Gross Receipt and Business Income Tax filings.

Please contact Associate <u>Grace Connolly</u> (gconnolly@bodmanlaw.com / 313-393-7563) or Paralegal <u>Kari McKelvie</u> (<u>kmckelvie@bodmanlaw.com</u> / 248-457-3187) if you would like to discuss assistance in registering or re-registering your trade name or if you have any questions about the new process and requirements. Bodman cannot respond to your questions or receive information from you without establishing an attorney-client relationship and clearing potential conflicts with other clients. Thank you for your patience and understanding.