Small Business Entity Selection, NY LLC Section 206 Albany Publication Arbitrage, Delaware Assumed Par Value Franchise Tax & PTET SALT Workarounds (2026)

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EXECUTIVE SUMMARY & ENTITY ARBITRAGE:
Entity formation in the Northeast is subject to significant statutory compliance anomalies. Under Section 206 of the New York Limited Liability Company Law, every newly formed LLC must publish a copy of its articles of organization in two county newspapers designated by the county clerk for six consecutive weeks. In New York County (Manhattan), publisher monopolization pushes publication costs to $1,200–$1,500. However, utilizing an Albany County registered agent legally establishes Albany as the statutory office, reducing publication expenses to $80–$100—an instantaneous 93% statutory cost reduction. Furthermore, Delaware C-Corporations face substantial franchise tax surprises under the default Authorized Shares Method ($200,000+ max), which can be reduced to the $400 statutory minimum via the Assumed Par Value Capital Method. Finally, Pass-Through Entity Tax (PTET) elections across NY, NJ, and CT allow business owners to fully bypass the federal $10,000 SALT cap. Interactive models at https://eastcorpcapital.com/ny-section-206-albany-llc-publication/.

1. The New York LLC Section 206 Albany Publication Arbitrage

Section 206 mandates publication in one daily and one weekly newspaper designated by the county clerk of the county in which the office of the LLC is located. In Manhattan (New York County) and Brooklyn (Kings County), statutory designated papers (such as the New York Law Journal) command monopolistic ad rates. By designating a professional registered agent in Albany County (NYS Capital), the LLC designates Albany as its statutory county of office, publishing in Albany newspapers where total compliance costs average $85.

County of Office	Newspapers Designated	Average Publication Fee	NYS Filing & Certificate	Total Formation Cost	Albany Arbitrage Savings
New York (Manhattan)	2 (Daily + Weekly)	$1,350	$250 ($200 + $50)	$1,600	Baseline ($0)
Kings (Brooklyn)	2 (Daily + Weekly)	$1,150	$250	$1,400	**+$1,065 savings**
Nassau (Long Island)	2 (Daily + Weekly)	$1,100	$250	$1,350	**+$1,015 savings**
Westchester	2 (Daily + Weekly)	$920	$250	$1,170	**+$835 savings**
Albany (Registered Agent)	2 (Designated Local)	**$85**	$250	**$335**	**$1,265 (93% Savings)**

2. Delaware Assumed Par Value Capital Method (8 Del. C. § 503)

Delaware corporations with 10,000,000 authorized shares routinely receive tax bills of $85,000 under the Authorized Shares Method ($85 for first 5k, $0.01 per share over). By filing under the Assumed Par Value Capital Method—dividing total gross assets by total issued shares—the franchise tax is capped at $400 for typical seed-stage startups, preventing severe liquidity drain.

3. Interactive Corporate & Entity Simulators

- NY LLC Section 206 62-County Calculator: https://eastcorpcapital.com/ny-section-206-albany-llc-publication/
- Delaware Franchise Tax Assumed Par Value Simulator: https://eastcorpcapital.com/delaware-franchise-tax-llc/
- LLC vs S-Corp & PTET SALT Workaround Calculator: https://eastcorpcapital.com/llc-scorp/
- Corporate Formation & Franchise Hub: https://eastcorpcapital.com/llc-cost-franchise-tax-hub/

Statutory Precedents: Barklee Realty LLC v. Pataki, 309 A.D.2d 310; IRS Notice 2020-75; Del. Code Ann. tit. 8, § 503; NYS Tax Law Article 24-A (PTET).