

## Your Ohio For-Profit Corporation Can Now Do Good; The Benefit Corporation

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Historically and legally, for-profit corporations have been restricted in pursuing social goals because, generally, corporate leadership was fiduciarily obligated to pursue wealth for its owners and shareholders.

With Governor DeWine's signing of [Senate Bill 21](#) on December 21, 2020, Ohio Corporation Law now permits the formation of a "Benefit Corporation" which can pursue both profit and beneficial social goals.

A "Benefit Corporation" can be formed and pursue both socially beneficial purposes and wealth for its owners and shareholders. These purposes can include those traditionally pursued by non-profit entities, such as in the areas of the arts, education, social services and health. Of course, the special tax benefits which often pertain to non-profit corporations will not accrue to the benefit of an Ohio Benefit Corporation and any contributors thereto.

The ability to be a benefit corporation is available both by creating a new benefit corporation or converting from a standard Ohio for-profit corporation to a benefit corporation.

If you have any questions about benefit corporations, please contact Dana Rose or your Weston Hurd attorney.



### About the Author

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