

Can I Take a Loan With Interest For My LLC That Has No Assets?

Rabbi Shmuel Honigwachs

Question: I have an idea for a startup and need capital. Although I don't have any assets yet, I opened an LLC and want to take a loan with interest, but without signing any personal guarantee. Do I need a *heter iska*?

Answer: We have previously discussed the concept of corporation and the halachic dispute regarding whether a corporation is considered a true owner or not.

That entire discussion would only apply if the corporation has some assets. If there are assets, some Poskim hold that even though the shareholders make no personal guarantee, they are liable for losses through the corporation's assets, which is sufficient to be considered a debt obligation in the eyes of the Torah. If, however, an LLC has no assets and the stakeholder takes no responsibility, this would not be considered a loan at all, and all would agree that there is no *ribbis* problem.