

DELAWARE COMPANIES LIST: THE EXODUS

50+ Companies Fled Delaware After Chancery Ruling

Then Meyer Made It Permanent With HB 255

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EXECUTIVE SUMMARY: THE \$2.5 TRILLION EXODUS

"Approximately 60 U.S. public companies have changed their jurisdiction of incorporation since January 1, 2024. Delaware lost. Texas and Nevada won. Meyer's HB 255 ensured they will never come back."

On January 30, 2024, Delaware Chancery Court Chancellor Kathaleen McCormick voided Elon Musk's \$56 billion Tesla compensation package. Musk's immediate response on X: 'Never incorporate your company in the state of Delaware.' The exodus began that day.

Twenty-three months later, the numbers tell the story. According to Mondaq research published January 2026, approximately 60 U.S. public companies have reincorporated since January 1, 2024. Analysis Group research published in the Harvard Law School Forum on Corporate Governance confirms that during 2024 through June 2025, Delaware experienced a net loss of 11 large public firms (market cap over \$250 million) due to reincorporation. That was before the second half of 2025 brought Coinbase, Dillard's, and a wave of Dolan family companies.

The combined market capitalization of companies that have left or announced departure from Delaware now exceeds \$2.5 trillion. Texas captured approximately 40% of the reincorporations. Nevada captured approximately 35%. Delaware captured zero.

The Three-Act Tragedy

ACT 1 (January 30, 2024): Chancery Court voids Musk's pay. Tesla, SpaceX, Neuralink flee within weeks. The exodus begins.

ACT 2 (June-December 2025): Delaware Legislature passes Senate Bill 21, the most comprehensive corporate law overhaul in half a century. Meta Platforms (\$1+ trillion) stays. Delaware Supreme Court reverses Musk ruling on December 19, 2025. Delaware's institutions try to self-correct.

ACT 3 (November 19, 2025): Governor Matt Meyer signs House Bill 255, breaking 68 years of federal tax conformity, extracting \$328 million from businesses, and confirming Delaware's 50th-out-of-50 corporate tax ranking. Thirty days before the Supreme Court tried to fix the Chancery problem, Meyer destroyed Delaware's tax competitiveness. Now Delaware has two problems, not one.

THE COMPLETE EXODUS: 50+ COMPANIES BY CATEGORY

CATEGORY 1: MUSK COMPANIES (5 Companies, \$1.3+ Trillion)

Company	Market Cap	Destination	Date	Reason Cited
Tesla	\$1+ trillion	Texas	Feb 2024	Chancery ruling on pay
SpaceX	\$180+ billion	Texas	Feb 2024	Following Tesla
Neuralink	Private	Nevada	Feb 2024	Liability protections
The Boring Company	Private	Texas/Nevada	2024	Following other Musk cos
X (Twitter)	Private	Nevada	Already NV	Never moved to DE

CATEGORY 2: MAJOR PUBLIC COMPANIES - COMPLETED (16 Companies)

Company	Market Cap	Destination	Date	Reason Cited
Coinbase	\$82 billion	Texas	Nov 2025	Unpredictable outcomes
Dropbox	\$8 billion	Nevada	Mar 2025	Litigation risk
Roblox	\$25+ billion	Nevada	May 2025	Statute-focused law
The Trade Desk	\$60+ billion	Nevada	Nov 2024	No longer business-friendly
Simon Property Group	\$60+ billion	Indiana	2025	Clearer standards
Dillard's	\$7 billion	Texas	2025	Litigation concerns
Trump Media	Varies	Florida	Apr 2025	Controlling shareholder risk
TripAdvisor	\$3+ billion	Nevada	Feb 2024	Liability

				exclusions
Affirm	\$10+ billion	Nevada	2025	Business climate
Cannae Holdings	~\$1 billion	Nevada	2024	Legal environment
Fidelity National Financial	\$15+ billion	Nevada	2025	Litigation risk
Tempus AI	\$10+ billion	Nevada	Aug 2025	Predictability
Zion Oil & Gas	<\$1 billion	Texas	2025	Business judgment rule
XOMA Royalty	<\$1 billion	Nevada	2025	Legal environment
BAIYU Holdings	<\$1 billion	Nevada	2025	Director protections
Sonoma Pharmaceuticals	<\$500 million	Nevada	2024	Litigation climate

CATEGORY 3: DOLAN FAMILY COMPANIES (4 Companies)

Company	Market Cap	Destination	Date	Reason Cited
AMC Networks	\$1+ billion	Nevada	2025	Franchise taxes, legal
Madison Square Garden Entertainment	\$4+ billion	Nevada	2025	Litigation frequency
Madison Square Garden Sports	\$5+ billion	Nevada	2025	Director/officer risk
Sphere Entertainment	\$5+ billion	Nevada	2025	Legal environment

Note: All four Dolan family companies cited decreased franchise taxes, legal environment concerns, and litigation risk. Only two (MSG and SPHR) received majority support from unaffiliated shareholders, suggesting controlling shareholder interests drove these decisions (Glass Lewis, 2025).

CATEGORY 4: VENTURE CAPITAL EXODUS

Andreessen Horowitz (a16z): Announced July 2025 that its primary business, AH Capital Management, would reincorporate from Delaware to Nevada. The firm published a blog post titled 'We're Leaving Delaware, And We Think You Should Consider Leaving Too,' criticizing Delaware's Court of Chancery for injecting 'an unprecedented level of subjectivity' into its rulings. This is devastating: a16z advises hundreds of startups. When a top-tier VC firm tells portfolio companies 'don't incorporate in Delaware,' the long-term damage is immense.

Pershing Square Capital Management: Bill Ackman announced February 1, 2025 that he would reincorporate in Nevada. His statement on X: 'We are

reincorporating our management company in Nevada for the same reason. Top law firms are recommending Nevada and Texas over Delaware.'

CATEGORY 5: ADDITIONAL DEPARTURES (15+ Companies)

Based on UNLV Professor Benjamin Edwards' running scorecard (as of December 2025): 28 public companies have submitted proposals to reincorporate in Nevada, and 6 have submitted proposals to reincorporate in Texas. Many of these have completed or are pending shareholder approval.

Company	Market Cap	Destination	Date	Reason Cited
FG Financial Group	\$1.27 billion	Nevada	2023	First major departure
Applied UV	<\$500 million	Nevada	2023	Director protections
Viewbix Inc.	<\$100 million	Nevada	2024	Legal environment
TransPerfect	Private	Nevada	2018	Chancery treatment
Forward Industries	<\$100 million	Nevada	2025	Proposal (not approved)
Revelation Biosciences	<\$100 million	Nevada	2025	Twice failed to pass
Netcapital Inc.	<\$100 million	Nevada	2025	Failed by ~1M votes

COMPANIES CONSIDERING OR EVALUATING DEPARTURE

Meta Platforms (\$1+ trillion): Considered leaving in early 2025. Contemplated move to Texas. Delaware Legislature passed Senate Bill 21 specifically to address Meta's concerns. Meta stayed. This proves Delaware CAN retain companies when leadership responds to business concerns.

Walmart (\$600+ billion): Reportedly considering leaving (Semafor, early 2025). Current status unknown; no formal announcement. If Walmart leaves, it will be the largest departure by market capitalization.

MercadoLibre (\$80+ billion): Filed proxy materials in April 2025 seeking shareholder approval to reincorporate in Texas. Cited Delaware's 'less predictable' decision-making. Withdrew proposal before annual meeting. May refile.

Archer Aviation (EVTOL developer): General Counsel Eric Lentell stated Delaware judges 'have become kind of activist in nature.' Still evaluating options even after Supreme Court reversed Musk ruling.

Multiple Fortune 500 companies: Private discussions ongoing. Industry sources indicate boards are actively reviewing Delaware incorporation as part of governance assessments. HB 255's tax implications factor into these evaluations.

THE FINANCIAL IMPACT: WHAT DELAWARE LOST

"Franchise tax losses from high-profile departures total under \$10 million annually. But that number misses the point. The real cost is the \$2.5 trillion in market capitalization that chose to incorporate elsewhere, the professional services ecosystem that depends on those companies, and the future Teslas that will never consider Delaware."

Direct Revenue Losses

Delaware's franchise tax is the state's second-largest revenue source, generating approximately \$2 billion annually (about 29% of the state's general fund revenue). Large corporations pay up to \$250,000 annually in franchise fees.

Estimated annual franchise tax loss from departed companies: \$10-50 million (depending on how smaller departures are counted)

Over 10 years at current trajectory: \$100-500 million in franchise tax revenue lost

Indirect Costs

Professional Services Ecosystem: Delaware has an entire economy built around corporate services. Law firms, accounting firms, registered agents (Corporation Service Company, CT Corporation), compliance services. When companies leave, this ecosystem shrinks.

Reputation Damage: Before 2024, Delaware was 'The Corporate Capital of America.' After 2025, Delaware is '50th out of 50 in corporate tax climate.' Andreessen Horowitz now advises startups to avoid Delaware. This reputation damage compounds over decades.

Future Revenue Never Realized: The startups that would have incorporated in Delaware, the expansions that would have happened, the relocations that would have been considered. These invisible losses dwarf the visible ones.

GOVERNOR MEYER'S CONTRIBUTION TO THE EXODUS

"The Chancery problem is not Meyer's fault. The response to the Chancery problem was mixed. The tax competitiveness problem is entirely Meyer's fault. He took Delaware's one competitive problem and added a second. That is how you turn an exodus into a permanent migration."

What Meyer Inherited (January 2025)

Damaged Chancery Court reputation (Musk ruling, January 30, 2024). Tax Foundation 50th-out-of-50 ranking (November 2024). Exodus already underway (28+ companies departed by end of 2024). Legislature working on fix (Senate Bill 21 passed June 2025).

What Meyer Did

November 19, 2025: Signed HB 255. Broke 68-year tradition of federal tax conformity. Forced businesses to delay R&D and depreciation deductions. Extracted \$328 million from businesses over three years. Created policy uncertainty (expires 2030). Ignored warnings from Delaware Chamber of Commerce, Business Roundtable, BioScience Association. Ignored Tax Foundation's explicit warning.

The Devastating Combination

Before Meyer: Delaware had ONE competitive problem (Chancery reputation). Companies might return when Chancery reputation recovered.

After Meyer: Delaware has TWO competitive problems (Chancery reputation AND 50th-out-of-50 tax climate). Companies will not return because tax climate is 50th regardless of Chancery recovery.

Delaware Supreme Court tried to fix the Chancery damage on December 19, 2025. Meyer had already destroyed tax competitiveness on November 19, 2025. Supreme Court reversal plus HB 255 equals Delaware cannot compete.

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