

Limited Liability Company

- Pros:
- Personal Asset Protection
 - Pass-Thru Taxation
 - Outside-In Asset Protection Depending on Jurisdiction
 - Easy and Inexpensive to Form

- Cons:
- Less Developed Case Law

- Constitutional Documents Needed:
- Certificate of Organization; Operating Agreement; Minutes; EIN Application

Sole Proprietorship

- Pros:
- Easy to Form
 - Inexpensive to Form

- Cons:
- Unlimited Personal Liability

- Constitutional Documents Needed:
- No Formation Documents

General Partnership

- Pros:
- Easy to Form
 - Inexpensive to Form

- Cons:
- Unlimited Personal Liability
 - Liability for Acts of Other Partners
 - More Signatures Needed To Transfer Property

- Constitutional Documents Needed:
- Statement of Partnership Authority; Partnership Agreement

S Corporation

- Pros:
- Personal Asset Protection
 - Pass-Thru Taxation
 - Eligible for Qualified Plans, ESOPs, and Other Benefits

- Cons:
- Ownership Restrictions
 - Personal Creditors May Be Able To Get At Business

- Constitutional Documents Needed:
- Articles of Incorporation; Bylaws; EIN Application; S Election

Limited Partnership

- Pros:
- Personal Asset Protection
 - Pass-Thru Taxation
 - Can Separate Control

- Cons:
- Expensive to Form
 - Less Used; Less Developed Case Law

- Constitutional Documents Needed:
- Certificate of Limited Partnership; Partnership Agreement

C Corporation

- Pros:
- Personal Asset Protection

- Cons:
- Personal Creditors May Be Able To Get At Business
 - Double Taxation

- Constitutional Documents Needed:
- Articles of Incorporation; Bylaws; Minutes; EIN Application