

## Business Formation Options

<b>Sole Proprietorship</b>	A Sole Proprietorship is easy to form, but it offers little liability protection, funding options, and opportunities for future growth.
<b>General Partnership</b>	A General Partnership is the most basic form of partnership. It is comparable to a sole proprietorship, but it must have at least two owners or partners.
<b>C Corporation</b>	The C Corporation is the most common form of corporate entity. The C Corporation is owned by shareholders. The shareholders elect a board of directors to create and direct the high-level policies of the business.
<b>S Corporation</b>	An S Corporation is different from a C Corporation in two significant ways: (1)An S Corporation makes an election to be taxed as a “pass-through entity” and (2)An S Corporation has limitations on ownership.
<b>Limited Liability Company</b>	A Limited Liability Company is a popular business structure because it combines the liability protection offered by incorporation while retaining some of the tax advantages of a Partnership or Sole Proprietorship.
<b>Professional Corporation</b>	Individuals who provide a professional service can also benefit from forming a Professional Corporation. Where a business provides a professional service, most states have special filing requirements when incorporating.