

BUSINESS ENTITY 101

Course Outline:

1. Types of Business Entities and Pros/Cons:
 - a. Define your Choices
 - i. Sole Proprietorship
 - ii. General Partnership
 - iii. Limited Liability Company
 - iv. Corporation
 - b. Advantages/ Disadvantages of each business type
 - i. Liability coverage
 - ii. Record keeping requirements
 - iii. Attorney fees
 - iv. Tax preparation and bookkeeping costs
2. Tax Treatment: Comparison of each business entity type
 - a. Self-Employed vs. Employee
 - b. Tax deductions and tax rates
 - c. Special allocation of profits and losses
 - d. Employee status and fringe benefits
 - e. State taxes
3. Deducting business losses (i.e. *start-up years*)
4. How to cost effectively limit your liability
 - a. Limited-liability may be *illusory*
 - b. Role of insurance