

Wilson's Income Taxes and Payroll Services

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Start a Business

Incorporate or form an LLC or Sole proprietorship.

We do the work.

<u>Entity Type</u>	<u>Liability</u>	<u>Taxation</u>	<u>Formation</u>	<u>Corporate Maintenance</u>
Regular C-Corporation	Owners have limited personal liability for business debts.	<p>Owners can split corporate profit among owners and corporation, paying lower overall tax rate</p> <p>Separate taxable entity</p> <p>Fringe benefits can be deducted as business expense</p>	<p>May have an unlimited number of shareholders.</p> <p>More expensive to create than partnership or sole proprietorship.</p>	<p>Shares of stock may be sold to raise capital</p> <p>Formality requirements (e.g. annual reports, minutes, meetings) are required to maintain corporate status.</p>
S-Corporation	Owners have limited personal liability for business debts	<p>Owners report their share of corporate profit or loss on their personal tax returns</p> <p>Income must be allotted to owners according to their ownership interests.</p> <p>Owners can use corporate loss to offset income from other sources.</p> <p>Fringe benefits limited for owners who own more than 2% of shares</p>	More expensive to create than partnership or sole proprietorship.	More formality requirements than for a limited liability company which offers similar advantages.
Professional Corporation	Owners have no personal liability for malpractice of other owners. Owners have liability for their own acts of malpractice.		<p>Option when certain states do not allow professionals to form a C- Corp.</p> <p>More expensive to create than partnership or sole proprietorship.</p> <p>All owners must belong to the same profession</p>	Formality requirements (e.g. annual reports, minutes, meetings) are required to maintain corporate status.

Non-Profit Corporation		<p>Full tax advantages available only to groups organized for charitable, scientific, educational, literary or religious purposes.</p> <p>Fringe benefits can be deducted as business expenses</p>		<p>Formality requirements (e.g. annual reports, minutes, meetings) required to maintain corporate status.</p> <p>Property transferred to the corporation stays</p> <p>There; If corporation ends, property must go to another non-profit</p>
Limited Liability Company	Combines a corporation's liability protection and pass-through tax structure of a partnership.	IRS rules now allow LLCs to chose between being taxed as partnership or corporation.	More expensive to create than partnership or solo proprietorship.	<p>Sale of member interests may take place per company policy.</p> <p>Significantly easier to maintain than a corporation</p>
Professional Limited Liability Company	<p>Same advantages of a regular limited liability company.</p> <p>Members have no personal liability for malpractice of other members; however, they are liable for their won acts of malpractice.</p>		<p>Gives state licensed professionals a way to enjoy those advantages.</p> <p>Members must all belong to the same profession.</p> <p>Not available in all states.</p>	
Sole Proprietorship	Owner personally liable for business debts.	Owner reports profit or loss on his or her personal tax return.	Simple and inexpensive to create and operate. No filing necessary	
General Proprietorship	Owner (partners) personally liable for business debts.	Owners (partners) reports profit or loss on his or her personal tax returns.	Simple and inexpensive to create and operate. No filing necessary	
Limited Partnership	Limited partners have limited personal liability for business debts as long as they don't participate in management.		<p>Suitable mainly for companies that invest in real estate.</p> <p>More expensive to create than general partnership.</p>	<p>General partners can raise cash without involving outside investors in management of business.</p> <p>General partners personally liable for business debts.</p>

Setup Sheet

Sole Proprietorship

Name: _____ DOB: _____

Business Name: _____

Address: _____

Tel. # : _____ Fax #: _____ Email: _____

County: _____

Kind Of Business: _____

Need EFIN: Yes No

For EFIN, Your SS # or ITNI # : _____

Documents Needed:

1. Photo ID
2. Proof Of Address
(Mail or Utility Bills To The Address)

You will get a Business Certificate registered in your county, and an EIN # from IRS.

Cost: \$ _____

Partnership:

Name: _____ DOB: _____

Name: _____ DOB: _____

Cost: \$ _____

You will get a Business Certificate registered in your county, EIN # from IRS .

Setup Sheet

Corp and LLC

Name: _____ DOB: _____

Name: _____ DOB: _____

Your Address: _____

Business Name: _____

Business Address: _____

Telephone #: _____ Fax #: _____

Email: _____ Website: _____

Kind Of Business : _____

You SS # For The EIN # : _____

You will get Corporation Kit/ LLC Kit , Tax ID/ EFIN

Cost:\$ _____

