



# Cheatsheet: The most common business forms in the USA

Which form you register as determines certain risks and benefits.

## Sole Proprietorship

Personal Income Taxed

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The sole proprietor is personally liable for debts and expenses of the company.

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## Partnership

Personal Income Taxed

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Basically two or more sole proprietorships forming a partnership together.

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## S-Corporation

Personal Income Taxed

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Same as the C-Corporation, only with reduced taxation (no corporate tax).

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## LLC

Personal Income Taxed

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The owner or owners are not personally liable for debts and costs of the company.

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## C-Corporation

Personal & Business Income Taxed

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The company is liable for actions & finances, but shareholders are not.

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