



Make It Official Business Entity Options

Structure Type	Separate Business Return	Income Reported on Form 1040	Liability Protection	Legal Setup and Maintenance	Owner Wage (W-2) Payments	Owner Non-Wage Paryments	SE Tax FICA/MCARE Manipulation	Retirement Funding Opportunities
Sole Proprietorship with legal trade name	No	Schedule C	No	Simple	N/A	Draws - Non-Taxable	Very Limited	Good
Single-member Limited Liability Company	No	Schedule C	Yes	Simple	N/A	Draws - Non-Taxable	Very Limited	Good
Multi-member Limited Liability Company	Yes - 1065	Schedule E, pg 2	Yes	Complex	Depends	Draws - Depends	Limited	Better
Partnership (two or more partners)	Yes - 1065	Schedule E, pg 2	No	Complex	Depends	Draws - Depends	Limited	Better
S Corporation (single or multiple shareholders)	Yes - 1120S	Schedule E, pg 2	Yes	Complex	Yes	Distributions - Non-Taxable	Limitless	Best
Single-member LLC electing S Corp status	Yes - 1120S	Schedule E, pg 2	Yes	Complex	Yes	Distributions - Non-Taxable	Limitless	Best
C Corporation (single or multiple shareholders)	Yes - 1120S	N/A	Yes	Complex	Yes	Dividends - Taxable	Limitless	Best