W06 Prepare: Legal Structure

The best legal structure for my business would be a sole proprietorship. My business is a blog with an advertisement model, so the simplest structure would be best. I would be doing business under my own name, and by myself so I don’t need a business partnership, or a corporation owned by shareholders. Sole proprietorships are also very flexible and can include different types of businesses. I would also own all the assets and profits, and since I wouldn’t have any employees, that would be the simplest thing too.

With a sole proprietorship I would also be responsible for any liabilities and debts, which is also better. Since my business requires little money investment and I won’t be getting into debt for it, I don’t need the extra protection that a Limited Liability Corporation would provide.

I’m in Utah, so to start a sole proprietorship I would need to register with the state government. I need to choose a business name, register the name with the Department of Commerce, obtain any necessary licenses, permits and zoning clearance needed, and then obtain an employer identification number.