

Six types of business entities are reflected in the table below. Attributes describing advantages and disadvantages of the six types of business entities are listed in (a) thru (o) below. Place the letter associated with the advantage or disadvantage of each entity. Some of the attributes may apply to several types.

- a. Limited liability
- b. Business treated as a separate entity
- c. Owner(s) share in profits and losses
- d. Owner(s) share control of the business
- e. Two or more owners to assist with business operations and to contribute capital
- f. Limited ability to raise capital for the business
- g. Responsible for the debts and taxes for the business
- h. Ability to be your own boss and direct the business as you please
- i. Must be at least one general partner
- j. Some owners have limited liability
- k. Business can choose to be taxed as a partnership or corporation
- l. Ease of raising capital
- m. Responsible for the debts of the business
- n. Double taxation
- o. More government regulation

Business Entity	Advantages	Disadvantages
Sole proprietorship		
Partnership		
Limited liability partnership		
Limited liability company		
Corporation		
S corporation		