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| --- | --- | --- |
| **Proposed Buckets for ppp$`business type`** | | |
| Non-profit | For-profit, group: | For-profit, individual: |
| * 501(c)3 - Non Profit: * 501 (c)6 – Non profit Membership: * Non profit child care center: * Non profit organization * Professional Association (per [CU](https://www.law.cornell.edu/wex/non-profit_organizations)) * Housing Co-op * Cooperative | * Corporation * Limited Liability Company (LLC): * Limited Liability Partnership * Qualified Joint Venture * Subchapter S Corporation * Tribal Concerns:   + Tribal entities/corporations have different tax distinctions that the tribe itself.   + The borrower(s) in this case were ‘Café Duvan’ on Wisconsin Avenue NW. * Joint Venture * Trust | * Independent contractors: * Singles Member LLC * Sole Proprietorship * Self-Employed Individuals |

*501(c)3 - Non Profit:*

* Charitable, religious, educational, scientific, literary, testing for public safety, fostering national or international amateur sports competition, and preventing cruelty to children or animals.
  + [Irs.gov](https://www.irs.gov/charities-non-profits/charitable-organizations/exempt-purposes-internal-revenue-code-section-501c3)

*501 (c)6 – Non profit Membership:*

* Business leagues, chambers of commerce, real estate boards, boards of trade and professional football leagues, which are not organized for profit and no part of the net earnings of which insures to the benefit of any private shareholder or individual.
  + [Irs.gov](https://www.irs.gov/charities-non-profits/other-non-profits/types-of-organizations-exempt-under-section-501c6)

*Housing Co-op:*

* Varies by state, considered non-profit in Washington DC

*Corporation*:

* A corporation is formed under state law by the filing of articles of incorporation with the state. The state must generally date-stamp the articles before they are effective. You may wish to consult the law of the state in which the organization is incorporated.
  + [Irs.gov](https://www.irs.gov/charities-non-profits/definition-of-a-corporation)
* Any corporation as defined by the laws of the District or organization of any kind treated as a corporation for tax purposes under the laws of the District, wherever located, which, were it doing business in the District, would be subject to the tax imposed by this chapter;
  + **(B)** A joint-stock company, trust, association and S corporation as defined in section 1361(a) of the Internal Revenue Code of 1986, or other organization that is taxable as a corporation under federal income tax law.
  + [DC Code](https://code.dccouncil.gov/us/dc/council/code/sections/47-1801.04)

*Independent contractors:*

* People such as doctors, dentists, veterinarians, lawyers, accountants, contractors, subcontractors, public stenographers, or auctioneers who are in an independent trade, business, or profession in which they offer their services to the general public are generally independent contractors. However, whether these people are independent contractors or employees depends on the facts in each case. The general rule is that an individual is an independent contractor if the payer has the right to control or direct only the result of the work and not what will be done and how it will be done.
  + [Irs.gov](https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-defined)

*Limited Liability Company (LLC):*

* An entity created by state statute. Depending on elections made by the LLC and the number of members, the IRS will treat an LLC either as a corporation, partnership, or as part of the owner's tax return (a "disregarded entity").
  + [Irs.gov](https://www.irs.gov/businesses/small-businesses-self-employed/single-member-limited-liability-companies)

*Limited Liability Partnership*

* Per the IRS, this is same thing as an LLC.

*Non profit child care center:*

* ‘The revenue ruling provides that a nonprofit organization formed to operate a day care center for young children of needy working parents, who have no means to provide care for their children during the day, ***qualifies for exemption under IRC 501(c)(3).*** The organization charged a nominal fee and was largely dependent on contributions for support. ‘
  + [Irs.gov](https://www.irs.gov/pub/irs-tege/eotopicd86.pdf)

*Non profit organization*

* ‘Organizations that are organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary, educational or other specified purposes.’
  + [Irs.gov](https://www.irs.gov/charities-and-nonprofits)

*Professional Association*

* ‘In general, an association is a group of persons banded together for a specific purpose. To qualify under section 501(a) of the Code, the association must have a written document, such as **articles of association**, showing its creation. At least two persons must sign the document, which must be dated.’
  + [Irs.gov](https://www.irs.gov/charities-non-profits/definition-of-an-association)

*Qualified Joint Venture:*

* ‘An unincorporated business jointly owned by a married couple is generally classified as a partnership for Federal tax purposes. For tax years beginning after December 31, 2006, the Small Business and Work Opportunity Tax Act of 2007 (Public Law 110-28) provides that a "qualified joint venture," whose only members are a married couple filing a joint return, can elect not to be treated as a partnership for Federal tax purposes.’
  + [Irs.gov](https://www.irs.gov/businesses/small-businesses-self-employed/election-for-married-couples-unincorporated-businesses)

*Singles Member LLC*

* See LLC discussion above.

*Sole Proprietorship:*

* A sole proprietor is someone who owns an unincorporated business by himself or herself. However, if you are the sole member of a domestic limited liability company (LLC), you are not a sole proprietor if you elect to treat the LLC as a corporation.

*Subchapter S Corporation:*

* ‘S corporations are corporations that elect to pass corporate income, losses, deductions, and credits through to their shareholders for federal tax purposes. Shareholders of S corporations report the flow-through of income and losses on their personal tax returns and are assessed tax at their individual income tax rates. This allows S corporations to avoid double taxation on the corporate income. S corporations are responsible for tax on certain built-in gains and passive income at the entity level’
  + [Irs.gov](https://www.irs.gov/businesses/small-businesses-self-employed/s-corporations)

*Tribal Concerns:*

* There is no definition on IRS website, but these entities are treated the same as local governments.
  + [Irs.gov](https://www.irs.gov/government-entities/indian-tribal-governments)

Trust:

* ‘In general, a trust is a relationship in which one person holds title to property, subject to an obligation to keep or use the property for the benefit of another.’
  + [Irs.gov](https://www.irs.gov/charities-non-profits/definition-of-a-trust)

*Cooperative:*

* No IRS definition.

*Joint Venture:*

* See ‘Qualified Joint Venture’

*Self-Employed Individuals:*

* ‘Generally, you are self-employed if any of the following apply to you.
  + You carry on a trade or business as a [sole proprietor](https://www.irs.gov/businesses/small-businesses-self-employed/sole-proprietorships) or an [independent contractor](https://www.irs.gov/businesses/small-businesses-self-employed/independent-contractor-defined).
  + You are a member of a [partnership](https://www.irs.gov/businesses/partnerships) that carries on a [trade or business](https://www.irs.gov/businesses/small-businesses-self-employed/business-activities).
  + You are otherwise in business for yourself (including a [part-time business](https://www.irs.gov/businesses/small-businesses-self-employed/business-activities) or a [gig worker](https://www.irs.gov/businesses/gig-economy-tax-center)).