

Title:

Incorporation Services: What Are The Benefits And Privileges

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Summary:

In a very few years that Internet has been exiting, it has fast become a virtual shopping site where everything from the most common to the hard to find items can be found. Incorporation services are one. Most businesses choose to incorporate because of the benefits that can be derived from it.

Not long ago, only big businesses were incorporated. These businesses can provide the best compensation packages and benefits that are near to impossible in smaller establishments t...

Keywords:

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Article Body:

In a very few years that Internet has been exiting, it has fast become a virtual shopping site where everything from the most common to the hard to find items can be found. Incorporation services are one. Most businesses choose to incorporate because of the benefits that can be derived from it.

Not long ago, only big businesses were incorporated. These businesses can provide the best compensation packages and benefits that are near to impossible in smaller establishments that are not incorporated.

During the middle half of the 1900's, other smaller businesses started picking up the idea. One of the reasons that incorporated businesses enjoy is tax exemption and tax holidays that translate into big savings that can be used as additional capital.

During the 70's the reason to incorporate even small businesses had been so attractive that small businesses started to incorporate. Later however, congress started curtailing the benefits that the big corporations are enjoying that today, even small organizations can start having additional fringe benefits. This resulted in smaller entities having parity with big corporations in terms of tax deductible benefits without being incorporated.

While parity has been achieved, there are still many reasons for incorporating.

One is image. A good title like President or the CEO of a corporation can command respect among clients. Clients would normally prefer to talk with the top executives of a company than any other person with a non-corporate title to back him up.

Another is the protection of a corporation when buying services. To soften the exposure of the company, many are now requiring independent contractors to incorporate themselves before their services are accepted.

An incorporated business has a wide range of powers. It has its own legal personality separate from its stockholders, owners and investors that is mandated and protected by state laws. It can enter into contracts and buy and sell properties and goods subject to lawful transactions.

When legal problems arise, anyone from the company can represent the corporation in behalf of the company.

An incorporated company is liable for its own debts. The directors, shareholder and owners are shielded from the company's debt and can not be sued in behalf of the company. The company will have to bear the burden of its own debts from its own resources except in cases when an individual guarantees the corporate debt or as mandated by the court.

Corporations are granted a separate personality that it can go on even after the death of the owner and the shareholders.

In short, there is money to be saved privileges to be enjoyed when an entity is incorporated.

While books have been written whereby an individual can incorporate himself without a lawyer, the safest and surest way is still to have one. The expertise of a lawyer encompasses consideration for commercial law, laws on taxation, securities legislation, limited liability, local and national ordinances and a wealth of knowledge regarding business consideration. Furthermore, laws are being changed, proposed and amended from time to time that the law that a non-attorney is familiar with may already have been replaced.

A registered agent will be required for companies that are in the process of incorporation. They act as the representative for accepting service processes that include official government communication that are presented to the company, legal proceedings and legal notices.

Incorporation services can also provide you a registered agent when you require one.