STARTING AN IMPORT/EXPORT BUSINESS? WHAT TYPE OF OWNERSHIP SHOULD YOU CONSIDER?

SOLE PROPRIETORSHIP:
This is the simplest business organization to establish, as well as the oldest and most common form of ownership. It is capitalized by the individual owning the business, and that individual has the sole responsibility (financial and otherwise) for the business.

Advantages:	The Sole Proprietor controls the company and has no partners to consult.
Disadvantages:	The Sole Proprietor has unlimited personal liability, both for debts and tax liabilities.

GENERAL PARTNERSHIP:
This business organization is owned by two or more individuals.

Advantages:	Partners can pool their capital to start or buy a business that may be beyond the financial reach of any of the individual partners, share the workload, and the managing of the company can combine the individual skills for the growth of the business.
Disadvantages:	Partners have unlimited liabilities, and are responsible for each of the other general partners' debts. Difficulty finding suitable partners. Conflicts between partners can create unresolvable issues.

LIMTED PARTNERSHIPS:
This business organization is owned by two or more individuals in which some of the partners have limited liability.

Advantages:	The limited liability of partners for the actions and debts of the company. General partner controls the business.
Disadvantages:	Unlimited liability of the General Partner.

CORPORATIONS:
Corporations are legal entities that are separate from the people that create it. They are owned by the shareholders and operated by a Board of Directors elected by the shareholders. Corporations pay taxes and are liable for all corporate debts.

Advantages:	Limited liability of stockholders, tax advantages, unlimited life, typically easily transferable ownership, capital can be raised more easily through the sale of stock.
Disadvantages:	Subject to potential double taxation (C corp vs. S corp.); expensive to organize. Requires extensive recordkeeping.

LIMITED LIABILITY COMPANIES:
Limited Liability Companies (LLC) are referred to as "S" corporations and combine the tax benefits of a partnership with the liability benefits of a corporation. An LLC differs from a corporation in the formation requirements and the tax treatment.

Advantages:	Shields personal assets from business liability, highly flexible management structure, limited liability of stockholders. Easier to set up than a corporation with fewer corporate formalities and greater tax flexibility - single taxation.
Disadvantages:	Closely regulated by state governments. Requires extensive record keeping.