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US common types of business entities include sole proprietorships, partnerships (general and limited), Limited Liability Companies (LLCs), corporations (C corps and S corps), and Limited Liability Partnership (LLP) and SMLLC each structure has different tax implications and liability protections. LLC vs. S Corp? Both LLC and S Corps are business structures offering limited liability protections and allowing pass-through taxation. However, there are advantages and drawbacks to both. Similarities vs. limitations: Separation of business from individual, offers limited liability protection, no double taxation like C corporation, stockholders in corporation, subject to state requirements such as annual fees, reports, and registration. Ownership LLC could have unlimited members, with any entity or foreign person to be a member of LLC. S corporation limited to 100 US citizens or permanent US residents. S corporation stockholders cannot be another LLC, trust (only certain trust), partnership, or corporation. LLC can have any member choose regardless of nature of entities. S corporation can have officers president, V P, Treasurer run the corporation, LLC can have members or managing member running the LLC. Non-passive LLC members pay 15.3 % self-employment on net of pass through; S corporation pay salary no self-employment on net of pass through. S corporation can issue only one class of stock to shareholders voting rights. Sole proprietorships vs. General partnerships: Unlimited liabilities to owner or owners. Sole proprietorship files on 1040 Schedule C all income and detailed expenses and pays self-employment taxes. General partnership has passed through to individuals like LLC and S corporations and pays self-employment taxes if non-passive activities. LLP is designed mostly for law firms or medical firms with number of members to protect other members from lawsuits. It has characteristics of LLC on tax matters. SMLLC is a disregarded entity from federal taxation and only one LLC member and not having the same LLC protection for one member. One member files Schedule C or E on Form individual 1040. Only state files SMLLC not federal.