



Entity Selection

	Sch C (Sole proprietor)	Partnership	LLC	LLP	Sub S	Sub C (regular corp)
IRS form filing	1040 Sch C	1065	1065	1065	1120S	1120
Extension	4868 - 4 months	8736 - 3 mths	8736 - 3 mths	8736 - 3 mths	7004 - 6 mths	7004 - 6 mths
2nd Extension	2688 - 2 months	8800 - 3 mths	8800 - 3 mths	8800 - 3 mths	N/A	N/A
Fed ID number	SS-4 if employees OR soc sec #	SS-4	SS-4	SS-4	SS-4	SS-4
Additional filing					2553 Application	
Legal limited liability	No	No	Yes	Yes	Yes	Yes
Items flow to 1040 (avoid double taxation)	Yes	Yes K-1	Yes K-1	Yes K-1	Yes K-1	No
Max. number owners	1	unlimited	unlimited	unlimited	75	unlimited
Subject to SE tax	Yes	Yes	Yes	Yes	Partial	N/A
Fringe benefits deductible	No	No	No	No	No	Yes
Passive Losses	Cash basis	Loans and capital	Loans and capital	Loans and capital	Capital	N/A
Retirement Plan Contrib.	Deductible 1040	Deductible 1040	Deductible 1040	Deductible 1040	Deductible 1040	Deductible 1120
Allocate losses/profit	N/A	Ownership	Variable	Variable	By shareholding	N/A
Annual minutes	N/A	N/A	Yes	Yes	Yes	Yes
Formation documents	N/A	No	Yes	Yes	Yes	Yes
Corporations, foreign entities, nonresident aliens, trusts as investors	N/A	Yes	Yes	Yes	No	Yes