

# Legal forms of business essay

[Business](#), [Entrepreneurship](#)



There are different forms of legal businesses, like Sole Proprietorship, Partnership, Corporation and Limited Partnership.

They all have the aspect of running a business and choosing which one is right for someone starting a new company. Each one breaks down what its sole purpose is in the business world and what benefits there are to offer. All have their own advantages and disadvantages, but doesn't everything.

Everything we choose to do in life has its good and bad outcome; it's just up to the person to choose that outcome. Keywords: different forms, new company, sole purpose, benefits, advantages, disadvantages, outcome

LEGAL FORMS OF BUSINESS There are many things being invented in the world today because people love everything that has to do with material things. The demand is high for new products because when a product is created it has a supporter behind it.

People buy these products and use them then, they have the thought why does my product not do this. Then they call into support and ask, and support tells them they were not designed to do that. AWW" there goes the idea to improve that product to reach the customer's needs. When wanting to invent something you have to have the idea that there is going to be a high demand for that product in order to make a profit. Take the time to really plan it out so that it doesn't take away from family and leaves you broke, so do everything possible to make sure there is a demand for it. Take the time to ask yourself, " Is there anything else I can do to this product that someone else might think of"? Also you should get others advice on an invention to see if they can inspire what you are creating. You want the new

product to be able to target everyone's needs so that it can benefit you as the business owner.

When creating something new there are legal forms of business that are needed to be decided on. There is Sole Proprietorship, which is a declaration to operate as a business such as an entrepreneurship, Partnership, which is a voluntary association of two or more individuals who work together for a common business purpose, and Corporation which is an entity created solely by the state, which you have to decide which one is best for you. This information comes from, (Business and Corporate Law 1999. In Great American Court Cases, Gale).

The advantages of Sole Proprietorship are that you run your own company and don't have to answer to anyone, and all the profits belong to you. The disadvantages are that you are responsible for everything that happens with your invention, and it may be hard to get the extra money you need to jump-start the invention. Partnership is different because the advantages seem a little bit better. The advantage is it's a little easier to get the money you need because it seems to be something big if you have other people involved.

You are also not held responsible as much if something goes wrong. The disadvantage is you have to share your profit among others, but not many. Then there is corporation which means you want your invention to really be out there world-wide. Going corporate has its advantages you are not responsible for company problem, all you do is sit back and collect money, and you get to hear new ideas that could potentially improve your invention.

The disadvantage is that you have to share a huge profit of your money with share holders and you get taxed double on money made.

All of these can work for a person it's just choosing the best plan of action to make a profit. The advantages that these legal forms of business have to each other are that one way or another you are going to make money. You may not make as much through whichever one you choose but you are going to profit somehow.

The disadvantage is that when something happens within the business someone is held responsible no matter what. Each one has to pay a tax some just more than others, but the government is going to get their share. This information comes from, (forms of business organization 1995. In Dictionary of Economic, Wiley).

I have two management decisions the first is Sole Proprietorship and the second is Corporation. I decided on Sole Proprietorship because that's how I plan to run my business at first, when I get started. My dad runs his own Airbrushing business and has been for 13 years now, and has made a great deal of money.

He didn't go to school for it or anything, he just decided one day he was tired of working for someone else and took a leap of faith and he succeeded. I'm going to school because I want to have all the knowledge I can about running a business, because my business is going to involve food. My goal is making it work on my own so that I can make a great deal of money. The thing is I now being the only owner can be done, but it's going to take a lot of work.

The reason I chose Corporation also is because one day I'm going to want to expand my business to other states, but I will not be able to live in every state so I need someone watching over the business and handling the financials. When I expand I want to have other people that are in control to help me keep my businesses afloat.

I think either of these forms can be of success it's just all about how you approach the situation.