

# [Legal underpinnings of business law assignment](https://assignbuster.com/legal-underpinnings-of-business-law-assignment/)

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It is important to be able to recognize possible situations that make a company vulnerable. Knowing all possible significant aspects of any liability associated to the type of business an owner wants to participate in is vital. A business owner should always understand and have working knowledge of all laws that apply to your business to prevent liabilities. Personal Business Venture My future personal business venture would a clothing line for curvy women. As a curvy woman, it is very difficult to find non-geometric, non-tent like, flower patterned, ugly business and casual clothing.

The best business organizational form for this business would be an LLC. All’s are easy to set up. Chose a business name that incorporates LLC, file an article of organization, create an operating agreement, obtain licenses and permits, hire employees, and finally open the doors. I would have variety of partners from textiles, designers, clothing producers, managers, and finally marketing specialists. The personal liability exposure would be minimal. With an LLC if I messed up the partners would not be responsible. The consequences are tot as bad is if I was in a corporation.

The LLC is more flexible. The positives are less record keeping and more profit sharing. The state would have some say into my company so I would have to keep up with guidance regularly. The negative of this company is that once a member leaves, the entire company must complete their duties and responsibilities and then dissolve. Another down fall is that self- employment tax contributions towards Medicare and Social Security. “ The net By Incommunicable LLC as a business entity for taxation purposes, all LLC must file as a corporation, readership, or sole proprietorship tax return.