

# How business work

Business



How business work Businesspeople seek to engage in different sorts of business probably due to the nature of the businesses or the requirements considered when choosing a certain business enterprise. Corporate businesses are complex types of enterprises and require various things before starting them. Before starting a corporate business, entrepreneurs face important yet manageable tasks that they must comply with in order to avoid collusions while in the process. First, one has to choose a name for the corporation, it must comply with the rules, and regulations set herein by the state. Secondly, one must appoint the corporate initial directors and then go ahead to pay a filing fee that varies from \$100 to \$800 after compiling the “articles of incorporation” (lifford and Ralph 35). Forming a corporation also requires those involved to create the corporate “by -laws” that help set forth the working regulations of the corporation. After that, holding the first board of director’s meeting is a requirement, which is followed by issuing of stock certificates to shareholders and finally obtaining permits and licenses required for the corporate to start.

The articles of incorporation require information such as the name of the corporation, at times the names of the directors, and the principle office of the corporation. In some states such as Delaware and Connecticut, people refer to it as the certificate of incorporation while other states also use different names. It appears that, every state in the US has its corporate income tax rate. For instance, Ohio’s corporate income tax rate is 0. 26 percent of every individual’s gross revenue commonly referred to as the Commercial Activity Tax (CAT) (51). The corporate fees and taxes for states differ from one another. My state’s corporate taxes and fees differ from others in terms of the gross revenue. Some states have a minimum payment

<https://assignbuster.com/how-business-work-essay-samples/>

of \$150 per entity even of the fact that it is either a Corporation or a Partnership.

#### Works Cited

lifford, Denis and Ralph, Warner. Form a Partnership: The Complete Legal Guide. Berkeley, CA: Nolo, 2012. Print.