

Why Should I Use An LLC?!

The Quick 'N' Dirty

Limited liability companies ("LLCs") are the MOST COMMON type of entity we see for new businesses and investors. So, if you're going to start a business of any kind, WHY should you use an LLC? Because:

- An LLC will protect you from PERSONAL LIABILITY - absolutely CRITICAL
- An LLC will allow you to EASILY POOL RESOURCES and do business with other people
- An LLC is very FLEXIBLE

If you just go out and start doing business without a legal structure (like an LLC), you will be what's known as a "sole proprietor". Sole proprietors are fully personally liable for all debts and mistakes of their business, and so are their spouses.

Partnerships and joint-ventures are great, but they aren't a separate legal entity. This means they don't give you any protection from personal liability. Not only that, but they can expose you to personal liability for the mistakes and actions of your partners or joint-venturers. Not good!

Finally, corporations are great, but they are also more complicated and expensive than LLCs. While a corporation is the correct entity to use in some situations, that is not the case for most new businesses.

So, don't put your personal assets (and those of your spouse) on the line when you go into business. Let us help you set up your LLC, with a customized OPERATING AGREEMENT, so you can tackle the business world with confidence.

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