

Comparison of Business Entity Options

	Proprietorship	Partnership	S Corporation	C Corporation
Federal tax rate on profits (2018)	10.00% - 37.00%	10.00% - 37.00%	10.00% - 37.00%	21.00%
Subject to double tax	No	No	No	Yes
FICA tax on profits	Yes	Yes	No	No
Cost of Setup/Ongoing Admin	Low	Moderate	Higher	Higher
Liability protection	No	Generally no	Yes	Yes
Advantage of LLC umbrella	Liability protection	Liability protection	Simpler governance	Simpler governance

