

Business Formation Assignment

1. **The name of the formation:** Limited liability company (LLC).
2. **Business name:** *Aesthetically Appealing*.
3. **Pros of selected formation:** The pros of having an LLC is that you get to operate your business like a sole or general partnership where you have control over how you want to run things. You have personal protection for you to where if somebody wants to sue you, they're suing the design firm and not taking my personal assets. I can avoid double taxation because of the pass through entity. Easy to apply a form also.
4. **Cons of selected formation:** Members of firms are gonna have to pay self employment taxes since they are working for themselves. Loss of employees can hurt the business.
5. The reason why I believe that having an LLC is the best business formation to me to have is because number one I already had familiarity with it, the number two I love the fact that an LLC protects my personal assets from being taken away from me. And although I was close to choosing sole partnership or s corporation because of the freedom of management, profit and tax benefits, I look at having an LLC as having that happy middle ground. You still get your tax benefits because of how the government can look at you as a asset to society while also having that flexibility to how your profits will work.
6. **WORK CITED:** "Professional Practice for Interior Designers" Chapter 22 page 466.

"7 benefits of starting an LLC" [LLC Benefits - Advantages of an LLC | TRUiC](#)
(howtostartanllc.com)

