

Pick your Entity

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We are forming a Limited Liability Company named Paws and Tails LLC which will be formed in the State of Florida. We selected an LLC company because it gives many advantages to a businessperson. The liability of members is limited to the amount of their investments and the LLC can be liable for losses or injury caused by the wrongful acts or omissions of its members. Additionally, members are normally not personally liable. Another advantage is the flexibility of taxation because an LLC with two or more members can be taxed as a partnership or as a corporation. This will definitely be a benefit for our business as we have seven members. Due to this the IRS (Internal Revenue Service) could tax our business as a partnership if we chose to have the two of us become partners that manage the company so our entity pays no taxes, or we could prefer to be taxed as a corporation. This is a benefit as income tax rates for a corporation may be lower than personal tax rates. Also, it offers flexibility in business management and operations and foreign investors can be members of the LLC. Through our understanding of how we hope to run our business we hope to be taxed as a corporation and all seven of us become the organizers and managers of our entity.

We chose this idea since mental health is rapidly decreasing in America. As a result, to combat that illness, Paws and Tails LLC provides patients with dogs trained to help them overcome this illness by providing support, comfort, and safety to their owners. Paws and Tails LLC was established with the primary objective of supporting individuals battling mental illness by utilizing the unique benefits that dogs can offer. The name Paws and Tails was selected since

paws represent the face of the company dogs who eagerly are willing to serve patients. The tails represent that dogs are excited to be of service and they provide joy to the clients.

References:

Roger LeRoy Miller - Business Law Today, Comprehensive (MindTap Course List)-Cengage Learning