

<b>Corporate Structure</b>	<b>Sole Proprietorship</b>	<b>Partnership</b>	<b>Corporation</b>	<b>Limited Liability Corporation</b>
<b>Incorporated</b>	No	No	Yes	Yes
<b>Liability</b>	No Liability Protection	No liability protection. Co-owners are jointly and severally liable.	Shareholders are protected from Liability	Owner are protected from Liability
<b>Corporate Formalities</b>	Filing in the appropriate county, no need to file with State of Michigan's Department of Licensing and Regulatory Affairs.  No formal Entity.	Filing in the appropriate county, no need to file with State of Michigan's Department of Licensing and Regulatory Affairs.  No formal entity.	Must file with the State of Michigan's Department of Licensing and Regulatory Affairs.  Additionally, corporations must adhere to corporate formalities and ensure that their business is being operated appropriately so shareholders do not lose liability protection. The repercussions of not adhering with formalities is the shareholders could become personally liable.	Must file with the State of Michigan's Department of Licensing and Regulatory Affairs.  No corporate formalities, LLC's are more flexible from an income tax perspective because they are allowed to be taxed as a sole proprietorship, partnership, C-Corporation, or S-Corporation. LLC's have quickly become the preferred business entity choice.