

	C Corporation	Limited Liability Company	S Corporation	Sole Proprietorship/ Partnership
Limited Liability	Yes	Yes	Yes	No
Flexibility in Ownership	Yes	Yes	No	Yes
Taxation				
• Eliminates Double Taxation/Flow-Through (losses, sale)	No	Yes	Yes	Yes
• Tax-Free mergers on sale	Yes	No	Yes	No
• Section 1202 tax favorable treatment	Yes	No	No	No
Flexibility In Structure	Yes	Yes	No	Yes
IPO Favorable	Yes	No	No	No
VC Favorable	Yes	No	No	No
Employer Eligible	Yes	No	Yes	No
Ease of Use	Yes	No	Yes	Yes
Ease of Switching	No	Yes	Yes	Yes