

Type of Business	Sole Proprietorship	Corporation	Partnership	Limited Liability Company
Definition	A business owned and operated by one person	An organization formed under state or federal law. An artificial entity separate from its owners, who are shareholders.	Two or more people who jointly own or operate a business	A business entity created by statute where the owners are called members. It is taxed like a partnership or a corporation but has liability like a corporation
Ease of Formation	Easiest form of business to establish. If necessary, acquire licenses and permits and obtain taxpayer identification.	File certificate of incorporation with the Oklahoma Secretary of State, prepare bylaws and observe corporate formalities, such as meetings.	<i>General Partnership:</i> Easy to set up and operated. A written partnership agreement should be used and must acquire an employer ID number. <i>Limited Partnership:</i> File certificate of limited partnership with Oklahoma Secretary of State. Written agreement must be used.	File articles of organization with Oklahoma Secretary of State.
Key Documents		Certificate of Incorporation; Bylaws; Corporate minutes of meetings	Certificate of Limited Partnership	Articles of Organization; Operating Agreement
Period of existence	Terminates at will or on death of proprietor	Continues until formal dissolution	Terminates by agreement or death of partner	Terminated by agreement or withdrawal of member.
Liability	The proprietor and his personal assets are subject to liability.	Liability limited to corporate assets unless person executes personal guarantee or basis established for avoiding corporate form.	General Partnership: each partner's personal assets are at risk Limited Partnership: limited partner liable only to extent	Same as corporation.

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