Comparison of Business Organizations

Questions:	Sole Proprietorships:	Partnerships:	Corporations:
1. What is the owner's liability?			
2. How long is the life of the business?			
3. What kind of control do the owners have?			
4. Do the owners keep all the profits?			
5. Can the company sell stock?			
6. Can the company sell bonds?			

Directions: Here is a list of characteristics of the three major types of business organizations in the United States. Write each characteristic under the appropriate heading in the table below. Some characteristics belong under more than one heading.

- Ease of start-up
- Exclusive rights to profit
- Full control
- Lack of control for owners
- Lack of longevity
- Limited growth potential
- Limited liability
- Longevity
- More government regulations
- Potential for conflicts
- Profits taxed twice
- Relative ease for money to be raised
- Separation of owners from managers
- Shared business loses
- Shared decision making
- Slow process of decision making
- Sole responsibility
- Specialization
- Unlimited liability

Sole Proprietorships	Partnerships	Corporations