



## TF EMPIRES

### Entity Comparison Guide

Understand the tradeoffs before choosing your structure.

#### Sole Proprietorship

- Simplest structure with no legal separation
- Owner personally liable for business obligations
- Income taxed on personal return
- Best for very low-risk activities

#### Limited Liability Company (LLC)

- Separate legal entity
- Personal liability protection when maintained properly
- Flexible tax treatment
- Fewer formalities than corporations

#### Corporation (C-Corp / S-Corp)

- Strong liability protection
- Formal governance requirements
- C-Corp taxed at entity level; S-Corp pass-through (if eligible)
- Well-suited for high-growth or investor-backed businesses

#### How to Think About Your Choice

- Risk exposure
- Ownership structure
- Tax preferences
- Growth and capital plans

Structure is a strategic advantage when chosen intentionally.