

## Chart of Florida Business Entities

	Ownership	Management	Liability	Title	Tax Status	Formed	Statute
<b>Corporation</b> (Corp., Inc. Company, Co., Incorporated)	Equity is owned by shareholders usually represented by stock certificates. If the corp. elects to be treated as an "S" corp. there are limitations on the number of shareholders and foreign ownership is prohibited. A "C" corp. can have multiple classes of stock. An "S" corp. can only have a single class of stock, but can distinguish shares with voting rights from shares without voting rights.	Shareholders elect board of directors. Directors select President, Secretary, Treasurer and other officers. Only one person is required for management and can also hold all offices.	Generally no personal liability for shareholders or management.	Title is held in the name of the corporation. Every corporation has the inherent power to own, sell, lease or mortgage property unless restricted in the articles of incorporation.	A corporation is treated as a "C" corporation and taxed as a separate entity unless form 2553 is timely filed with the IRS electing "S" status. If a corporation properly elects to be treated as an "S" corporation then all income and losses pass through to the shareholders.	Articles of incorporation filed with the Department of State. Sometimes a subscription agreement is signed by the prospective shareholders prior to filing. After formation, shareholders hold organizational meeting to select directors, issue stock and adopt bylaws.	Chapter 607 The Florida Business Corporation Act
<b>Sole Proprietorship</b>	Not a separate entity. Principal conducts business as an individual.	Not a separate entity. Principal conducts business as an individual.	Full personal liability for all obligations.	Title is held in the name of the natural person who is the owner.	Income and losses taxed on personal tax return.	Not a separate entity from the principal. Must comply with the Fictitious Name Act if doing business under a name other than the name of the owner.	
<b>Limited Liability Company</b> (LLC, Ltd. Liability Co.)	Equity is owned by members as personal property. Membership interests may be memorialized by certificates of membership, but this is not required. Voting rights and rights to distributions are as provided in the operating agreement.	Member-managed unless the articles of organization or operating agreement provide for one or more managers elected by the members.	Generally no personal liability for members or managers.	Title is held in the name of the LLC. Every LLC has the inherent power to own, sell, lease or mortgage property unless restricted in the articles of organization or operating agreement.	An LLC with a single member is a disregarded entity for federal income tax purposes. An LLC with two or more members can elect to be treated as a partnership, a "C" corp. or, if eligible, as an "S" corp. Income and losses are attributed to the owner of a disregarded entity, passed through to the owners if treated as a partnership or "S" corp., or are attributable to the entity if organized as a "C" corp.	Articles of organization filed with the Department of State. Members adopt an operating agreement in a pre-organizational or post-organizational meeting. Certificates of membership are issued if provided for in the articles of incorporation or operating agreement.	Chapter 608 The Florida Limited Liability Company Act
<b>Professional Service Corporation</b> (P.A., Professional Association, Chartered, Professional Limited Company, P.L., L.C.)	Same as a Corporation or LLC except the entity is organized to provide a professional service and all shareholders or members must be licensed or legally authorized to perform that same professional service.	Same as a Corporation or LLC.	Same as a Corporation or LLC except all persons remain liable for personal professional malpractice.	Same as a Corporation or LLC.	Same as a Corporation or LLC.	Same as a Corporation or LLC.	Chapter 621 The Professional Service Corporation and Limited Liability Company Act

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<b>Limited Partnership</b> (Ltd., L.P.)	Equity is owned by general partner(s) and limited partner(s) as personal property.	Each general partner has equal rights in the management and conduct of activities. Limited partners have no authority to act on behalf of the limited partnership.	Generally no personal liability for limited partners. General partners jointly and severally liable for all obligations. [But see LLLP]	Title is held in the name of the partnership.	Income and losses pass through to the partners.	Certificate of limited partnership filed with the Department of State. Parties prepare and execute a limited partnership agreement.	Chapter 620 Part I The Florida Revised Uniform Limited Partnership Act of 2005
<b>Limited Liability Limited Partnership</b> (LLLP)	Equity is owned by general partner(s) and limited partner(s) as personal property.	Each general partner has equal rights in the management and conduct of activities. Limited partners have no authority to act on behalf of the limited partnership.	Generally no personal liability for limited or general partners provided the entity is properly identified to the public as an LLLP.	Title is held in the name of the partnership.	Income and losses pass through to the partners.	Certificate of limited partnership filed with the Department of State containing an election to be a limited liability limited partnership. Parties prepare and execute a limited partnership agreement.	Chapter 620 Part I The Florida Revised Uniform Limited Partnership Act of 2005
<b>General Partnership</b>	Equity is owned by partners as personal property.	Each partner has equal rights in the management of the partnership.	All partners jointly and severally liable for all obligations. [But see LLP]	Title is held in the name of the partners or the partnership. If acquired with partnership assets presumption that it is partnership property.	Income and losses pass through to the partners.	An association of two or more persons to carry on as co-owners a business for profit. Partnership agreement may be written but may even be implied. No filing with Department of State required.	Chapter 620 Part II The Revised Uniform Partnership Act of 1995
<b>Registered General Partnership</b>	Equity is owned by partners as personal property.	Each partner has equal rights in the management of the partnership. May file a statement of partnership authority to identify partners authorized to transfer real property.	All partners jointly and severally liable for all obligations.	Title is held in the name of the partners or the partnership. If acquired with partnership assets presumption that it is partnership property.	Income and losses pass through to the partners.	Formation as a General Partnership then filing a partnership registration statement with the Department of State.	Chapter 620 Part II The Revised Uniform Partnership Act of 1995
<b>Limited Liability Partnership</b> (LLP)	Equity is owned by partners as personal property.	Each partner has equal rights in the management of the partnership.	Generally no personal liability for partners provided the entity is properly identified to the public as an LLP.	Title is held in the name of the partners or the partnership. If acquired with partnership assets presumption that it is partnership property.	Income and losses pass through to the partners.	Formation as a General Partnership then registration with the Department of State then filing a statement of qualification with the Department of State.	Chapter 620 Part II The Revised Uniform Partnership Act of 1995
<b>Trust</b>	Equitable title to trust assets owned by beneficiaries as personal property.	Typically trustee can only act at direction of beneficiaries, but to avoid recording the trust agreement conveyances to trustee usually grant powers to the trustee.	Generally no personal liability for beneficiaries or trustee to third parties beyond the assets of the trust.	Title held in name of trustee.	Typically taxes based on beneficiaries. Varies with the nature of the trust including powers of the trustee or settlor.	Written agreement by settlor. No filing with Department of State required. Granting of powers in the conveyance to the trustee.	\$689.071, Fla. Stat. The Florida Land Trust Act
<b>Foreign Entities</b>	As provided for in jurisdiction where entity is formed.	As provided for in jurisdiction where entity is formed.	As provided for in jurisdiction where entity is formed.	As provided for in jurisdiction where entity is formed.	As provided for in jurisdiction where entity is formed.	In accordance with the laws of the foreign jurisdiction. Registration with the Department of State is a prerequisite to doing business in Florida, but not required for marketable title.	Corporations: §§607.1501 - 607.1532 LLCs: §§608.501 - 608.514 Ltds: §§620.1901 - 620.1910 LLPs: §§620.9101 - 620.9902