

# LOCAL LEARNING LAB

## LEGAL BUSINESS STRUCTURE RESOURCE GUIDE - S/C CORP

When starting a business, you choose a business entity type, which determines the tax return you file. Standard options include sole proprietorship, partnership, corporation and S corporation. A limited liability company (LLC) is another option established under state law. Your decision considers both legal and tax implications, consult with a tax or legal adviser to inform your decision.

Please note that Local First Arizona cannot provide tax or legal advice and is not liable for such matters. This guide is solely a resource for informational purposes.

- [Sole Proprietorships](#): A single-owner business with no distinction between the owner and the business.
- [Partnerships](#): A business owned by two or more people sharing profits, losses and responsibilities.
- [Corporations](#): A separate legal entity offering limited liability but subject to corporate taxes.
- [S Corporations](#): A corporation with special tax status to avoid double taxation, subject to eligibility rules.
- [Limited Liability Company \(LLC\)](#): A flexible entity that combines features of a corporation and a partnership, with limited liability and pass-through taxation.

Other less common structures:

- [Benefit Corporations \(B-Corps\)](#): A for-profit corporation that is legally required to consider the impact of its decisions on all stakeholders, not just shareholders. B-Corps balance purpose and profit, making them a good option for businesses focused on social and environmental impact.
- [Cooperatives \(Co-ops\)](#): Businesses owned and operated by a group of individuals for their mutual benefit. Co-ops are common in industries such as agriculture, retail and housing, where members share profits and decision-making responsibilities.

Carefully review these business structures to identify the one that aligns best with your business goals and needs. If you have additional questions, consult a legal or tax professional for guidance. Additionally, check out our [Local First Arizona Directory](#) for a list of legal professionals who can support you in making informed decisions for your business.

## [NOW CHOOSE YOUR BUSINESS STRUCTURE!](#)

Additional Resources:

- [Arizona Corporation Commission](#)
- [Arizona Secretary of State](#)

### **MAXIMIZE YOUR LEGAL CONSULTATION PREPARATION GUIDE:**

#### **How to Prepare for a Business Legal Consultation**

Proper preparation for a business legal consultation ensures you maximize the value of your meeting with an attorney. This guide outlines key steps to help you stay organized and make the most of your time.

### **WHY PREPARATION MATTERS**

Attorneys charge by the hour, so having everything ready can save you both time and money. A well-prepared consultation allows your attorney to assess your needs more efficiently and provide tailored legal advice.

### **CHECKLIST FOR PREPARING YOUR LEGAL CONSULTATION**

#### **1. Define Your Goals and Questions**

- Clarify the purpose of your consultation. For example:
  - Do you need help forming an LLC or corporation?
  - Are you seeking guidance on contracts or business agreements?
  - Do you have questions about intellectual property or trademarks?
- Write down specific questions to ask the attorney.

#### **2. Gather Important Documents**

- Bring all relevant paperwork, such as:
  - Business formation documents (if applicable)
  - Contracts, agreements, or proposals
  - Financial statements and tax returns
  - Employment agreements or policies
  - Any correspondence related to the issue you're consulting about

#### **3. Organize Your Business Details**

- Prepare a brief overview of your business:
  - Business name and address
  - Type of business (e.g., LLC, sole proprietorship, corporation)
  - Nature of your business activities

Number of employees, if any

#### 4. Prepare a List of Key Contacts

- Names and roles of business partners, investors, or key stakeholders
- Contact information for existing legal counsel (if any)

#### 5. Be Ready to Discuss Budget and Fees

- Understand your budget for legal services and ask about:
  - Hourly rates or flat fees
  - Retainer agreements
  - Payment plans

### ADDITIONAL TIPS

- **Be Honest and Transparent:** Share all relevant details with your attorney, even if they seem minor.
- **Take Notes During the Consultation:** Write down important points and next steps.
- **Follow Up:** After the meeting, review what was discussed and take action on any recommendations.

By preparing ahead of time, you'll walk into your legal consultation with confidence, ready to address your business needs effectively.

### FINAL NOTES

The information provided in this guide is for general educational purposes only and should not be considered legal, financial, or professional advice. Every business is unique, and we strongly recommend consulting with a qualified professional, such as an accountant, attorney, or business advisor, for guidance tailored to your specific situation. For additional support, we encourage you to explore Local First Arizona's Business Coalition Directory to connect with trusted local experts. You can also reach out to us at [info@localfirstaz.com](mailto:info@localfirstaz.com) for further resources and assistance.