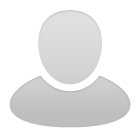
1 hour ago

**Kristen Miller**

**Discussion 6**

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The main types of business are sole proprietorship, partnership and corporation. In order to have a good business you must be able to identify and understand each of these. Sole proprietorship is the most common type of business and is usually found in small businesses. Within the types of businesses there are different partnerships. They include Limited partnership, general partnership and limited liability partnership.

The first type of business is sole proprietorship is when one single person has control over the business. By having one person in charge there is little conflict and that one person knows exactly what is going on and can make the final decision by themselves at any time. The disadvantages include that that one person is also the only one liable, so, if anything went wrong it is 100% on them to fix it and take credit for what went wrong.

Next, partnerships are another type of business. This would include more than one owner to a business. The advantages of having a partnership include not paying income tax, so that anything they make doesn't need to be through anyone by themselves. Also, they will have another person to help make a decision and have many inputs instead of just one. The disadvantages include if something were to happen to the company it is now on two people and will effect both of them which could cause for double fines. If one owner were to do something illegal, both owners pay for it. There could also be lots of conflict if the two people were to not get along.

Lastly, Corporation is a business that is owned by stakeholders instead on individuals which means they do not have any control over debts but they get the income. The advantages to this is that no one is in charge of the debt but they still make money off it. A disadvantage is that taxes on the corporation can get confusing and can even get doubled.

So, this case scenario with Jane and Josh is considered a limited partnership because Josh is the general partner while Jeb is the limited partner. Their business is Arcadia Sports, where Josh runs the day to day store and Jeb provides money to run the store. Because it is a partnership they are both liable for the debt. In the case that Jane would sue the store then they are both in trouble. Based on this case, Jeb is free from the ownership forms because he is only allowing money because Jeb and Josh didn't confirm the business together.

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