CHIEF FINANCIAL OFFICER
JIMMY PATRONIS
STATE OF FLORIDA

	S Corporation	**LLC**	**Partnership**
Who owns it?	Shareholders	Members	Partners
Who controls it?	Board of Directors	Member(s) or Manager(s)	Partners
How is income distributed?	Dividends are paid to shareholders	Profits and losses are allocated among members based upon their contributions	Partners share in profits and losses based upon share percentages
Taxation	Corporation generally pays taxes on its income	Pass-through taxation: LLC pays no business income taxes; all taxes paid by members at an individual level	Pass-through taxation: Partnership pays no business income taxes; all taxes paid by partners at an individual level
Liability of owners	Shareholders bear no liability for corporation's debts and liabilities	Members bear no liability for other members' or LLC's actions	Each partner shares debts and liabilities of the partnership and is responsible for the actions of other partners
Foundational document	Articles of incorporation	Articles of organization	Partnership agreement
Governing statutes	Chapter 607, Florida Statutes	Chapter 605, Florida Statutes	Chapter 620, Florida Statutes

Note: The term "principals" is not defined in Florida Statutes in the context of business entities. This term is used in the Board rules as a general descriptor for any person with an ownership or management interest in a business.

Prepared by Kimberly Marshall, Office of General Counsel
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