

What Structure should I choose?

	 SOLE TRADER	 PARTNERSHIP	 COMPANY	 TRUST
Setup costs	<ul style="list-style-type: none"> • Low 	<ul style="list-style-type: none"> • Medium 	<ul style="list-style-type: none"> • Medium to high 	<ul style="list-style-type: none"> • High
How is it Taxed?	<ul style="list-style-type: none"> • Individual Marginal Rate 	<ul style="list-style-type: none"> • Split between Partners then Individual Marginal Rate 	<ul style="list-style-type: none"> • Flat Tax Rate 	<ul style="list-style-type: none"> • Beneficiary pays tax at their rate
Risk Protection	<ul style="list-style-type: none"> • Low - Individually Liable 	<ul style="list-style-type: none"> • Low - Jointly and Severally Liable 	<ul style="list-style-type: none"> • High- Separate Identity 	<ul style="list-style-type: none"> • High - Separate Identity
Owner	<ul style="list-style-type: none"> • Individual 	<ul style="list-style-type: none"> • Each Partner owns share 	<ul style="list-style-type: none"> • Shareholders 	<ul style="list-style-type: none"> • Trustee
Responsibility for debts or losses	<ul style="list-style-type: none"> • Individual 	<ul style="list-style-type: none"> • Jointly and Severally as partners 	<ul style="list-style-type: none"> • Typically the company, however directors can be personally liable in some circumstances 	<ul style="list-style-type: none"> • Trustee
Complexity of administration and reporting	<ul style="list-style-type: none"> • Low 	<ul style="list-style-type: none"> • Low 	<ul style="list-style-type: none"> • High 	<ul style="list-style-type: none"> • High