Table 1. New Business Checklist

Checklist for Setting up a New Business	
✓	Choose a name
✓	Obtain a Web domain
✓	Decide on your legal form of business
✓	Apply for a tax identification number
✓	Apply for a sales tax permit
✓	Set up a separate bank account
✓	Determine your tax year and accounting method
✓	Obtain permits
✓	Apply for licenses
✓	Purchase insurance
✓	Join the American Camp Association

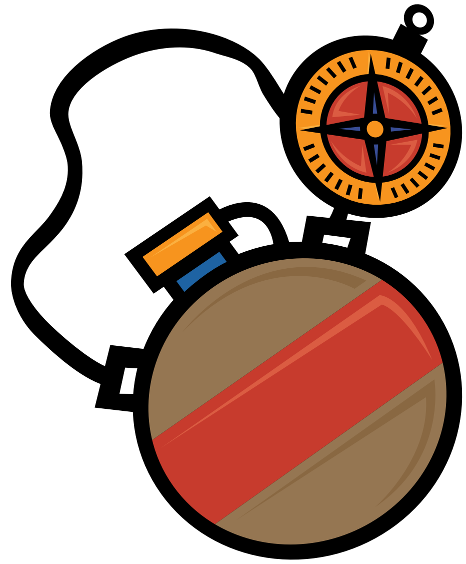

Table 2. Advantages and Disadvantages by Business Type

BUSINESS TYPE	ADVANTAGES	DISADVANTAGES
Sole Proprietorship	Easy to form Control rests completely with owner, who may mix personal and business assets Taxes are easy to figure	Personal liability is unlimited Raising money may be hard Does not retain value if the owner dies or is incapacitated
General Partnership	Easy to form Financial commitment is shared Tax liability passes to partners	Shared liability among partners Potential for disagreements Shared profits Obtaining loans can be difficult
Limited Partnership	Two classes of partners: general and limited Pass-through taxation General partners have complete control over business decisions Limited partners not personally responsible for liability Flexibility in structure of management	Unlimited liability for the general partner Limited partners cannot participate in business decisions
Limited Liability Corporation	Limited liability Not as much record keeping Profit sharing No restrictions on number of members Flexibility in how management is structured	Self-employment taxes Lifespan can be limited Little case law for precedents Specifics depend on how corporation is recognized by IRS Ownership harder to transfer
C Corporation	Liability is limited Easier to raise money Taxed at corporate rate Unlimited number of shareholders Ownership options for employees makes employment attractive Easy to transfer ownership through sale of stock	Taxes doubled Costly and takes time to form Requires extensive record keeping States may impose ongoing fees Formalities of annual meetings
S Corporation	Pass-through taxation Shareholders not personally liable Unlimited life, extending beyond the death or illness of owner Can sell shares of stock to raise more capital	No more than 100 shareholders, who must be individuals, estates, or qualified trusts All shareholders must consent to S election More expensive to form than general partnerships or sole proprietorships
Nonprofit Corporation (if recognized as tax exempt by IRS)	No income taxes Can receive charitable contributions and apply for grants Liability may be limited; depends on state laws	Ongoing formalities such as annual meetings Takes time to form Considerable paperwork Control rests with board, not with founder or camp director