

The Passionate Shepherd

The power of the purse ...

- I. Listen and fill the gaps

Limited Liability Company.

Such drawbacks led to the emergence in the 1990s of yet another business form, the limited liability company (LLC). Now available in a majority of states, the LLC may represent the

(1) _____ of business characteristics. The LLC is an entity, and thus

(2) _____ limited liability to its owners, just as a corporation does. Unless the entity requests otherwise, however, the entity does not pay income taxes on its profits. Thus, it carries the benefit of

(3) _____ - _____ taxation, just as a partnership does. (4) _____ a partnership or limited partnership, no individual need be liable for business acts or debts.

Moreover, although there are governing (5) _____, LLCs allow great flexibility; operation of the LLC can be governed by the "operating agreement" among the

(6) _____. The remaining drawback of the LLC is the formal nature of its formation, but such (7) _____ to the state seems small price to pay for such an (8) _____ combination of features.



Business Organizations as a Healthy Development.

The development of various business organizations in the United States reflects a (9) _____ effort of businesspeople to maximize the advantages (such as (10) _____ in profits and exercising management (11) _____ and to minimize the disadvantages (such as liability for losses and taxation) that are (12) _____ in any business. It also reflects changes in the societal view of (13) _____ of capital and increasing acceptance of the notion that the state should facilitate the desires of those who are engaged in the business, while (14) _____ some prescriptions for the protection of the public.