

# LLC & LLP

## What Is It?

*LLC— Limited Liability Company*

*LLP— Limited Liability Partnership*

This is a popular legal form that allows most protections from incorporating while being as simple as a sole proprietorship.

## Things to Consider

Protects personal assets against most business losses

Simple and inexpensive to startup and maintains

LLP partners can manage and participate in the business

Each owner can enter contracts and incur debts for entire LLC

Partnership or operating agreement are needed for either LLP or LLC

## Tax Structure

- Depending on number of members and elections made by the LCC, the IRS will view LLC as a corporation, partnership, or part of the owner's tax return
- Learn more about LLC's and the IRS [here](#)

## Examples

- Farms
- Tour Operators
- Convenience/Grocery/Liquor Store
- Rentals
- Snow Removal/Landscaping

## Resources

- [Internal Revenue Service— Filing an LLC as a corporation or partnership](#)
- [Alaska Division of Corporations, Business and Professional Licensing](#)

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