

## **Start Your Own Business or Non-Profit Organization, Either Mock or Real**

While many people are content working for other people, where the tasks are clear and familiar and there is a modicum of job security and a predictable paycheck, others prefer to branch off on their own and start their own company or organization. Some people just don't fit neatly into other people's visions, and/or they would rather realize their own.

So, if you were to start your own business or non-profit organization, what would that business or non-profit be? To help you arrive at thoughtful answers, here are a few starter questions:

1. What is the purpose of life? Yes, this is a deep question, and yes, you will change your mind as you age:
2. What are your talents? What are you best at?
3. Imagine your future. What kind of life do you want to live? Where would you like to live? In what city? Would you like to live in an apartment or a house? Would you like to live alone or with others? Do you want to marry? Do you want to have children? Must you be rich, or will middle-class or lower-middle class suffice?
4. How would you like to spend your days? What would you like a typical workday to be like?
5. Do you want to travel regularly, or would you rather stay put in one city and in one house or apartment?
6. What do you want to be remembered for? What legacy do you want to leave? Perhaps write your own obituary (see samples):

After you have thought about how you might like to spend your days and your life, think about the attributes of a business as they are distinct from those of a non-profit and decide which you might like to set up.

Business	Non-Profit
<p>An LLC, or Limited Liability Company, is a business entity created under state law that can shield you from personal liability. LLCs are a popular way to start a business due to their ease and flexibility.</p> <p>A GP, or General Partnership, is a fast and simple way to start a business. A General Partnership can register its business name by filing a DBA ("doing business as"). This allows you to open a bank account and officially conduct business under the name of the partnership. Many business owners choose to conduct business through an LLC, though, which has the added benefit of personal liability protection (personal assets are protected when/if you get sued).</p> <p>An LP, or limited partnership, is a partnership of one or more general partners, who manage the business, and one or more limited partners, who invest in the partnership but do not manage it. Unlike partners in a general partnership, limited partners in an LP have limited liability.</p> <p>An LLP, or Limited Liability Partnership, is a business structure designed for partners who want a voice in managing their firm, but do not want to share liability. Generally speaking, a partner in an LLP is not responsible for the debts or liabilities of the other partners.</p> <p>Sole Proprietorship. Actors, writers, hairdressers, gardeners, plumbers, mechanics, etc, are typically sole proprietors. To use a company name other than your legal name, you file a DBA, ("doing business as"). An SP may hire employees but must first obtain an EIN (Employer Identification Number). The main drawback of an SP is personal liability. The company's assets are the sole proprietor's assets, which makes the SP vulnerable in the case of a lawsuit.</p> <p><i>More info at <a href="http://legalzoom.com">legalzoom.com</a> and <a href="http://sba.gov">sba.gov</a></i></p>	<p>A Nonprofit corporation is a special type of corporation that has been organized to meet specific tax-exempt purposes. To qualify for Nonprofit status, your corporation must be formed to benefit: (1) the public, (2) a specific group of individuals, or (3) the membership of the nonprofit. Examples of nonprofits include: religious organizations, charitable organizations, political organizations, credit unions and membership clubs such as the Elk's Club or a country club. With a state-recognized nonprofit corporation you can obtain private and public grants, low-cost postage rates and be exempt from income, sales and property taxes. A formal nonprofit corporation allows individuals to donate money to the nonprofit tax-free, while shielding the nonprofit's board of directors' personal assets from liability.</p> <p>Section 501(c)(3) of the IRS code exempts payment of federal income taxes for charitable, religious, scientific, literary and educational organizations. It is the most commonly used section in the IRS code granting tax exemption. Section 501(c)(3) covers organizations formed for the following purposes: 1. Charitable organizations provide services beneficial to the public interest. Examples include battered women's shelters or low-cost medical clinics. 2. Religious organizations are valid as long as the organization's directors, officers and members appear to truly and sincerely hold the values and beliefs espoused by the religion. 3. Scientific organizations are individuals and groups who conduct scientific research for public benefit. 4. Literary and educational organizations instruct the public on topics for which there are sufficient facts to permit the formation of an independent opinion or conclusion. Unless a nonprofit corporation files a 501(c)(3) application with the IRS, it will not be exempt from paying federal income taxes.</p> <p>Nonprofits that endorse politicians can't file 501(c)(3)</p> <p><i>More info at <a href="http://legalzoom.com">legalzoom.com</a> and <a href="http://sba.gov">sba.gov</a></i></p>

List your initial choice here: \_\_\_\_\_

Choose a name (DBA) for your business or non-profit: \_\_\_\_\_

Describe your business or non-profit here. What will it do? \_\_\_\_\_

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Write your business or non-profit's mission statement here (see samples): \_\_\_\_\_

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