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Assignment

List and discuss at least five other reasons (apart from privacy and cost of operations) why it may be beneficial to convert a limited liability company to a partnership business.

▪ Appointment: In a partnership, if the partners decide to admit a new partner, the do not need to go through a lengthy procedure unlike a limited liability.

▪ Taxes: A partnership can file for a "partnership tax return" every year under Form 1065 but members of a limited liability cannot.

▪ Easy dissolution: Unlike limited liability companies, partnerships dissolve easily which reduce stress and procedures.

▪ Paperwork: A partnership doesn't require a written document to function while a limited liability company must have written documents before it can function.

▪ Lack of Rigidity: limited liability companies mostly have flexibility in profit sharing, Interest on capital,etc, which can have downside that can end up requiring a lawyer to untangle. Unlike a partnership that don't need a partnership because the Partnership Act can give them a default way to operate.