

Name _____

S Corporations: Unveiling the Secrets of Small Business Superheroes

Short Answer

1. How does limited liability benefit shareholders in an S Corporation?
2. Explain one advantage and one disadvantage of the pass-through taxation feature of S Corporations.
3. What happens if an S Corporation exceeds the limit of 100 shareholders or issues multiple classes of stock?
4. What types of rules and regulations must S Corporations follow to maintain their status?
5. Can you give an example of a situation where setting up an S Corporation might be a better choice than other business structures? Explain your answer.

