**Is Incorporating Your Company Right For You?**

To incorporate or not incorporate? That is the issue facing many small companies as they embark on what they hope to be a successful business path. Most accountants will advise that entering into an official corporation or sole proprietorship can be of great benefit for an individual who is embracing their entrepreneurship spirit.

The key to choosing the right business structure is determining how much you want to protect yourself from liability when doing business. Even a family run business operating in as a neighborhood service needs protection. Good intentions aside, you want to make sure that your personal assets like a home or savings account won’t be impacted by incidents that might threaten your business. Smart businesses need to plan for success by expecting the worst. Your corporation can become your personal shield against those downward turns.

**The Benefits of a Corporation/Sole Proprietorship**

The following is a list of the important benefits of incorporating your business.

**Tax Policy:** Diving into the business tax policy can find you swimming in turbulent waters. The common complaint among business and individuals is that the tax code is too complicated. While that might be true and while the government wrestles with simplifying the code, you’re going to need to understand the benefits you can apply by using the existing rules. A qualified business accountant will help you find the deductions you can take that apply to purchases made for your business as well as company salaries.

**Personal Asset Protection:** Being a restaurant owner means buying business insurance. The plan isn’t to intentionally cause harm but to be protected in the case of a lawsuit. It’s just a smart business practice. Savvy entrepreneurship means that you should keep your personal assets separate from your business. Yes, you can make investments in your business but if someone should sue a company they should only be suing that company and not you. This asset protection also applies to debts. If you are a corporation then your company could file for bankruptcy but your house wouldn’t be seized unless it was part of the business.

**Added Integrity:** Although filing to become a corporation is not a complicated process, adding the “Inc.” after you company name provides you with instant credibility. Many customers and potential vendors simply prefer working with a professional incorporated company. Call it a status symbol but it’s a symbol that works.

**Ongoing Brand Protection**: The moment you incorporate your company name you are protecting your business name all across the country. That’s why there is only one Apple, one HP, one IBM, etc. This protection also extends through the generations. Successful corporations and limited partnerships can outlive the original founders by years and even centuries. Ask the Ford Motor Company.

Tapping into your own version of entrepreneurship can be fraught with many ups and downs as you navigate through the marketplace with your ideas and company brand. Before entering into that realm you really should consider all the benefits of incorporation.