

## COMPARISON OF VARIOUS BUSINESS ENTITIES

	Sole-Proprietorship	Partnership	Limited Partnership (LP)	Limited Liability Partnership (LLP)	Company
Definition	A business owned by 1 person	An association of 2 or more persons carrying on a business	A partnership of 2 or more partners, with at least 1 general partner and 1 limited partner	A partnership where liability of each partner is generally limited	A separate legal entity Distinct from its directors and members
Owned by	1 person	Generally between 2 and 20 partners	At least 2 partners; 1 general partner and 1 limited partner  No maximum limit	At least 2 partners  No maximum limit	Exempt Private Company – up to 20 members with no corporate beneficiary  Private – up to 50 members Public – can have more than 50 members
Legal Status	Not a separate legal entity  Owner has unlimited liability  Can sue or be sued in owner's name  Can own property in owner's name  Owner personally liable for debts and losses of business	Not a separate legal entity  Partners have unlimited liability  Can sue or be sued in the partnership  Can not own property in partnership's name  Partners personally liable for partnership's debts and losses incurred by other partners	Not a separate legal entity  General partner has unlimited liability Limited partner has limited liability Can probably sue or be sued in LP's name  Can not own property in LP's name  General partner personally liable for debts and losses of the LP  Limited partner not personally for the debts and losses of the LP beyond amount of agreed contribution	A separate legal entity from its partners  Partners have limited liability  Can sue or be sued in LLP's name  Can own property in LLP's name  Partners personally liable for debts and losses resulting from their own wrongful actions  Partners not personally liable for debts and losses of LLP incurred by other partners	A separate legal entity Distinct from its directors and members Members have limited liability  Can sue or be sued in company's name  Can own property in company's name  Members not personally liable for debts and losses of company

## COMPARISON OF VARIOUS BUSINESS ENTITIES

	Sole-Proprietorship	Partnership	Limited Partnership (LP)	Limited Liability Partnership (LLP)	Company
<b>Registration Requirements</b>	<p>Individual owner of 18 years or above - Singapore citizen / Singapore permanent resident / EntrePass holder</p> <p>Legal person - Company / LLP</p> <p>Appoint an authorised representative who is ordinarily resident in Singapore if owner is not a resident in Singapore</p> <p>Self-employed individual must top-up Medisave account with the CPF Board before register a new business name, become registrant of existing business name or renew business name registration</p> <p>Undischarged bankrupts cannot manage the business without approval from the Court or Official Assignee</p>	<p>Individual partners of 18 years or above - Singapore citizen / Singapore permanent resident / EntrePass holder</p> <p>Legal person - Company / LLP</p> <p>Appoint an authorised representative who is ordinarily resident in Singapore if partners are not a resident in Singapore</p> <p>Self-employed individuals must top-up their Medisave account with the CPF Board before they register a new business name, become registrant of existing business name or renew business name registration</p> <p>Undischarged bankrupts cannot manage the business without approval from the Court or Official Assignee</p>	<p>Individual (general/limited) partners of 18 years or above - Singapore citizen / Singapore permanent resident / EntrePass holder</p> <p>Legal person - Company / LLP</p> <p>Appoint an individual manager who is ordinarily resident in Singapore if all general partners are not residents in Singapore</p> <p>Self-employed individuals must top-up their Medisave account with the CPF Board before they register as partners of a new LP, become a partner of existing LP or renew their LP registration</p> <p>Undischarged bankrupts cannot manage the business of LP without approval from the Court or Official Assignee</p>	<p>Individual partners of 18 years or above - Singapore citizen / Singapore permanent resident / EntrePass holder</p> <p>Legal person - Company / LLP</p> <p>Appoint a manager ordinarily resident in Singapore</p> <p>Undischarged bankrupts cannot manage the business of LLP without approval from the Court or Official Assignee</p>	<p>Individual member(s) of 18 years or above</p> <p>Legal person can be member but not director and other office bearer</p> <p>Individual of 18 years or above, ordinarily resident in Singapore. Foreigner wishes to act as a local director, can apply an EntrePass. Employment Pass holder shall obtain consent, where applicable</p> <p>Undischarged bankrupts cannot be director and cannot manage a company without approval from the Court or Official Assignee</p>
<b>Taxes</b>	Profits taxed at owner's personal income tax rate	Profits taxed at partners' income tax rate	Profits taxed at partners' income tax rates	Profits taxed at partners' income tax rates	Profits taxed at corporate tax rate

## COMPARISON OF VARIOUS BUSINESS ENTITIES

	Sole-Proprietorship	Partnership	Limited Partnership (LP)	Limited Liability Partnership (LLP)	Company
Continuity in Law	Exists as long as the owner is alive and desires to continue the business	Exists subject to partnership agreement	Exist subject to partnership agreement LP registration will be suspended if there is no limited partner General partners are deemed registered under the business Names Registration Act	LLP has perpetual succession until wound up or struck off	Company has perpetual succession until wound dup or struck off
Closing the business	By owner - Cessation of business	By partners - Cessation of business	By general partner - Cassation of business or dissolution of LP	Winding up - Voluntarily by partners or creditors, compulsorily by the High Court Striking off	Winding up - Voluntarily by partners or creditors, compulsorily by the High Court Striking off