

Choosing a Business Structure



How your company should be structured is one of the first decisions you will have to make as a business owner? This decision is important, because the type of business you create determines the types of applications you'll need to submit. You should also research liability implications for personal investments you make into your business, as well as the taxes you will need to pay.

It's important to understand each business type and select the one that is best suited for your situation and objectives. Keep in mind that you may need to contact several federal agencies, as well as your state business entity registration office. In making a choice, you will want to take into account the following:

- Your vision regarding the size and nature of your business.
- The level of control you wish to have.
- The level of structure you are willing to deal with.
- The business' vulnerability to lawsuits.
- Tax implications of the different ownership structures.
- Expected profit (or loss) of the business.
- Whether or not you need to reinvest earnings into the business.
- Your need for access to cash out of the business for yourself.

Your type of business determines which income tax form(s) you have to file. Common business structures are sole proprietorship, partnership, corporation, S corporation, and limited liability company (LLC). Legal and tax considerations enter into selecting a business structure.

Sole proprietor

An individual who owns an unincorporated business by himself/herself.

Advantages of a Sole Proprietorship

- Easiest and least expensive form of ownership to organize.
- Profits from the business flow directly to the owner's personal tax return.

Disadvantages of a Sole Proprietorship

- Sole proprietors have unlimited liability and are legally responsible for all debts against the business. Their business and personal assets are at risk.
- May be at a disadvantage in raising funds and are often limited to using funds from personal savings or consumer loans.

Federal Tax Forms for Sole Proprietorship (only a partial list and some may not apply)

- Form 1040: Individual Income Tax Return
- Form 1065: Partnership Return of Income
- Form 1065 K-1: Partner's Share of Income, Credit, Deductions

- Form 4562: Depreciation
- Form 1040: Individual Income Tax Return
- Schedule E: Supplemental Income and Loss
- Schedule SE: Self-Employment Tax
- Form 1040-ES: Estimated Tax for Individuals
- Employment Tax Forms

Corporation

A relationship where prospective shareholders exchange money, property, or both, for the corporation's capital stock. Profits are taxed to the corporation when earned and then taxed to the shareholders when distributed as dividends.

Advantages of a Corporation

- Shareholders have limited liability for the corporation's debts or judgments against the corporations.
- Corporations can raise additional funds through the sale of stock.

Disadvantages of a Corporation

- The process of incorporation requires more time and money than other forms of organization.
- Corporations are monitored by federal, state and some local agencies, and as a result may have more paperwork to comply with regulations.

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SMALL BUSINESS EXCHANGE

SBE OUTREACH SERVICES

With half a million businesses in our database, SBE is California's #1 source for diversity outreach.

Advertisements

Placed in the Small Business Exchange newspaper, SBE Today newsletter, and online at www.sbeinc.com

Faxed Solicitations

Targeted mailings sent to businesses per your criteria.

Telemarketing

Telephone follow-up calls that follow a script of 5 questions you create.

Computer Generated Reports

Will fit right into your proposal, along with a list of interested firms to contact.

Call Toll FREE for more information: 800-800-8534

BIDDING OPPORTUNITIES

REQUESTING BIDS FROM QUALIFIED DBE SUBCONTRACTORS AND SUPPLIERS FOR THE FOLLOWING PROJECT:

**Route 50 Sly Park Road Undercrossing Replacement
El Dorado County, Caltrans Project #03-0F2204
Bid Date: January 29, 2014 at 2:00 pm**

This is a highway project with the typical items of work associated, but not limited to: Aggregate, Rip Rap Material, Bridge Deck Overlay, CIDH Pile, Clear and Grubbing, Concrete Barrier, Concrete Crack Sealing, Construction Area Signs, Consult - Enviro Compliance, Core and Saw, Demo Bridge, Demo Minor, Earthwork and Base, Imported Borrow, Electrical H'Way, Fence & MBGR, Minor Flat Concrete, Joint Seals, K-Rail, Landscape, Erosion Control, Metal Bridge Rail, Minor Concrete Structure, Pavement Grinding, Paving PCC, Plane A C, Paving ASPH Concrete, A C Dike and Misc, Pile Drive, Pipe - Coor Steel, Precast Concrete Pipe, Prestress Concrete, Ready Mix Concrete, Rebar, Rock Slope Protect, Sign Structures, Signs Roadside, Stripe and Mark, Structure Excavate Bridge, Structure Excavate Site, Traffic Control, Trucking.

C.C. Myers, Inc. is willing to break down items of work into economically feasible units to encourage DBE participation. If you are interested in any of this work, please provide us with a scope letter or contact us immediately. Plans and Specifications are available from Caltrans at: www.dot.ca.gov/hq/esc/oe.

Conditions or exceptions in Subcontractor's quote are expressly rejected unless expressly accepted in writing. Subcontractor and Supplier quotes are required 24 hours prior to the bid date to enable thorough evaluation.



C.C. Myers, Inc.

3286 Fitzgerald Rd. • Rancho Cordova, CA 95742
916-635-9370 • Fax 916-635-1527

Each Subcontractor shall be prepared to submit faithful performance and payment bonds equal to 100% of their quotation. The Contractor will pay standard industry rates for these bonds.

Contact C. C. Myers, Inc. for assistance with bonds, insurance, lines of credit, equipment, supplies or project plans and specifications. C.C. Myers, Inc., is a Union Contractor.

AN EQUAL OPPORTUNITY EMPLOYER.

Requesting SBE (including DBE, DVBE, LBE) Subcontractors and Suppliers for:

**Transbay Transit Center Project • Trade Package TG18.1 • Bus Ramp Package
Location: San Francisco, CA
Bid Date: February 6, 2014 @ 2:00PM**

Walsh Construction is interested in soliciting in Good Faith all subcontractors as well as certified D/L/SBE companies for this project. All interested subcontractors, please indicate all lower tier D/L/SBE participation offered on your quotation as it will be evaluated with your price. Please call if we can assist you in obtaining bonding, lines of credit, insurance, necessary equipment, materials and/or supplies. Walsh Construction will also review breaking out scope packages and adjusting schedules to help permit maximum participation.

Seeking: AC Paving, Aggregates, Bridge Bearings, Bridge Demolition, Bridge Joint Seals, CIDH Piling, Concrete Barrier, Construction Area Signs, Demolition, Drainage, Electrical, Erosion Control, Fencing, Hazardous Material Disposal, Imported Borrow, Minor Concrete, Misc. AC, Miscellaneous Metal, MSE Walls, Prestressing, Ready Mix Concrete, Rebar, Roadside Signs, Sign Structures, Striping, Structural Steel Bridge, Traffic Control, Trucking, Underground Utilities, Metal Bridge Railing, Deck Drainage Systems, Cast In Place Retaining Walls, SWPPP.

Instructions for bidders: For information on plans and specs and/or receive an Invitation to Bid, please submit your information to transbay@walshgroup.com. Plans and Specs are also available to review at our office. Refer to page A1-2 – A1-5 of the IFB for the schedule of bid prices.

Subcontractors may be required to furnish performance and payment bonds in the full amount of their subcontract and subject to approval by Walsh Construction. Walsh Construction will pay bond premium up to 1.5%. Quotations must be valid for the same duration as specified by the Owner for contract award.

There is a PLA agreement for this job. It can be found at:

<http://transbaycenter.org/tjpa/doing-business-with-the-tjpa/project-labor-agreement>.

Walsh Construction is signatory to the Operating Engineers, Laborers, Cement Masons, Carpenters and Iron Workers. Subcontractor scope/prices (including any conditions or exceptions) is required 24 hours prior to bid deadline to allow proper evaluation.

Walsh Construction

1777 Oakland Blvd Suite 300 • Walnut Creek, CA 94596

Phone: 925-627-1700 • Fax: 925-944-9860

Contact Person: Jay Simms

An Equal Opportunity Employer

Contact Walsh Construction at Transbay@walshgroup.com for assistance in obtaining bonds, lines of credit and/or insurance if necessary.

SKANSKA

Sub-Bids Requested From Qualified DBE Subcontractors & Suppliers

**Cold Plane Overlay, Near Big Bear Lake
Caltrans Contract No.: 08-0G6204**

District 08 on Route 38

DBE Goal: 5%

Bid Date: January 30, 2014 – 2:00PM

Plans and Specifications are available for view at our main office in Riverside or on the Caltrans website: http://www.dot.ca.gov/hq/esc/oe/weekly_ads/index.php

Quotes requested for contractors, suppliers and service providers include, but are not limited to:

asphalt concrete material & paving, bridge removal, fencing, imported borrow, reinforcing steel, traffic control system, AC Dike, Aggregate base, Biologist monitoring, CIDH piling, Concrete Barrier, construction area signs, Erosion Control, Fish protection, Hydro-seeding, Isolation Casing, Joint Seal, Metal beam guard rail, Minor concrete, Precast Girders, Roadway Excavation, Rock Slope protection, Steel Bridge Railing, Storm drainage, Structure excavation, Temporary & permanent striping, Temporary signal system, Trucking, Waterproofing.

Skanska is interested in soliciting in Good Faith all subcontractors as well as certified DBE companies for this project. All interested subcontractors, please indicate all lower tier DBE participation offered on your quotation as it will be evaluated with your price. Please call if we can assist you in obtaining bonding, lines of credit, insurance, necessary equipment, materials and/or supplies. Skanska will also review breaking out scope packages and adjusting schedules to help permit maximum participation.

Subcontracting Requirements: Skanska's insurance requirements are Commercial General Liability (GL): \$1M ea. occ., \$1M personal injury, \$2M products & completed operations agg. and general agg.; \$1M Auto Liability; \$5M Excess/Umbrella and \$1M Workers Comp. Endorsements and waivers required are the Additional Insured End., Primary Wording End., and a Waiver of Subrogation (GL & WC). Other insurance requirements may be necessary per scope. Subcontractors may be required to furnish performance and payment bonds in the full amount of their subcontract by an admitted surety and subject to approval by Skanska. Skanska will pay bond premium up to 1%. Quotations must be valid for the same duration as specified by the Owner for contract award. Conditions or exceptions in Subcontractor's quote are expressly rejected unless accepted in writing. Skanska is signatory to the Operating Engineers, Laborers, Cement Masons, Carpenters Unions and Teamsters. Subcontractors must provide weekly, one original and one copy of all certified payrolls, including non-performance and fringe benefit statements if required by law or by the Prime Contract. Subcontractor scope (including any conditions or exceptions) is required 24 hours prior to bid deadline to allow proper evaluation.

Skanska is an Equal Opportunity Employer

**Skanska Estimating Dept: 1995 Agua Mansa Rd,
Riverside, CA 92509**

**Ph: (951) 684-5360, Fax: (951) 788-2449 Email:
al.artega@skanska.com**

BIDDING OPPORTUNITIES



591 Camino de la Reina, Suite 900 | San Diego, CA 92108

TEL: (619) 814-3705 | FAX: (619) 814-3770

acale@pulice.com

Equal Opportunity Employer

Invitation to Bid from certified DBE

Subcontractors, Material and/or Suppliers, and Professional Services for:

WESTSIDE SUBWAY EXTENSION PROJECT ADVANCED UTILITY RELOCATIONS (FAIRFAX STATION)

OWNER: Los Angeles County Metropolitan Transportation Authority

LOCATION: Los Angeles, CA

COUNTY: Los Angeles

BID DEADLINE: January 28, 2013

DBE Goal: 10%

Quotes for Services & Supplies requested for the following items for bid including, but not limited to:

POTHOLING, SAW CUTTING, TRUCKING, UNDERGROUND UTILITY, AC PAVING, EQUIPMENT RENTAL, STRIPING, TRAFFIC CONTROL, STREET SWEEPING, REBAR PIPE WELDING, CATHOTIC PROTECTION, CLORINATION, PRE-CONSTRUCTION SURVEY, QA/QC TESTING, SHORING, SAND & GRAVEL SUPPLY, ASPHALT SUPPLY, CONCRETE SUPPLY, PIPE & WATER WORKS SUPPLY, CONCRETE FLATWORK, SWPPP, SIGNS & BANNERS, LANDSCAPE / IRRIGATION / TREES, NOISE & VIBRATION MONITORING, SURVEYING CONTROL MONUMENTS, TRAFFIC SIGNS, ELECTRICAL TRAFFIC SIGNALS, TRAFFIC LOOPS, HAZ. SOILS DISPOSAL, JOBS COORDINATOR

Opportunities for quotations will be needed throughout the life of the project. Terms and conditions should be made part of the quotations.

100% performance and payment bonds may be required for the full amount of the subcontract price. Pulice Construction, Inc. will assist with obtaining bonding, lines of credit, insurance by encouraging the DBE to work with state supportive services programs. All responsive subcontractors must possess a current contractor's license, insurance, and worker's compensation coverage complying with Pulice Construction, Inc. requirements and will be required to sign the standard Subcontract Agreement

Pulice Construction, Inc. will analyze and consider each DBE quote received, including those that are broken down into economically feasible units to facilitate bidding. Quotes must be valid for the same period of time as specified by Owner for contract award. Any conditions or exceptions in Subcontractor's quote are expressly rejected unless accepted in writing. **Required Forms (3 , 4 & 5 no later than 1/14/14) Plans and Specifications** available online at www.pulice.sharefile.com. Send DBE certification (CUCP) with quote. Non DBE- Subs/Suppliers: Indicate 2nd tier DBE participation offered on your quotation as it will be evaluated with your price.

Pulice Construction, Inc. is committed to ensuring that DBE has the maximum opportunity to successfully perform on this project, and to making good faith efforts to achieve the DBE goal.

REQUEST FOR DBE SUBCONTRACTORS AND SUPPLIERS FOR:

Hwy 101-Install TOS, Ramp Metering an Ramp Widening

Santa Clara County - Caltrans #04-153304

BID DATE: February 4, 2014 @ 2:00 PM

We are soliciting quotes for (including but not limited to): Trucking, Lead Compliance Plan, Construction Area Signs, Traffic Control System, Type III Barricade, Portable Changeable Message Sign, SWPPP, Rain Event Action Plan, Storm Water Sampling & Analysis, Storm Water Annual Report, Sweeping, Asbestos Compliance Plan, NOA Burial Location Report, ADL Burial Location Report, Noise Monitoring, Dust Control Plan (Naturally Occurring Asbestos), Cold Plane AC, Clearing & Grubbing, Temporary & Permanent Erosion Control, Roadway Excavation (Type Y-1 Aerially Deposited Led), Planting & Irrigation, Hydroseed, AC Dike, Tack Coat, CIDH Concrete Pile, Minor Concrete (Minor Structure), Sign Structure, Roadside Signs, Minor Concrete (Misc.), Misc. Iron & Steel, Delineator, Object Marker, Midwest Guardrail System, Striping & Marking, Lighting, Sign Illumination, Traffic Operation Systems and Construction Materials

O.C. Jones & Sons, Inc.

1520 Fourth Street • Berkeley, CA 94710 • Phone: 510-526-3424 • FAX: 510-526-0990

Contact: Greg Souder

100% Performance & Payment Bonds may be required. Worker's Compensation Waiver of Subrogation required. Please call OCJ for assistance with bonding, insurance, necessary equipment, material and/or supplies. OCJ is willing to breakout any portion of work to encourage DBE Participation. Plans & Specs are available for viewing at our office or through the Caltrans Website at www.dot.ca.gov/hq/esc/oe/weekly_ads/index.php.

REQUEST FOR QUALIFIED D/M/WBEs
SUBCONTRACTORS AND SUPPLIERS
FOR:

**Grant Avenue Sidewalk and Drainage Improvements in San Lorenzo, Alameda County, California
Specification No. 2156**

**Owner: County of Alameda
951 Turner Court, Hayward, CA 94545**

Bid Date: January 28, 2014 @ 2:00 P.M

We hereby encourage responsible participation of local Disadvantaged/Minority/Women Business Enterprises, and solicit their subcontractor or material and/or suppliers quotation for the following types of work including but not limited to: SWPPP Prep/Erosion Control, Adjust Iron, Clearing and Grubbing/Tree Removals/Tree Trimming, Minor Concrete, Minor Structure, Crack Sealing, Electrical, Paving Fabric, Landscaping, Roadside Signs, Striping, Survey/Staking, Underground, Trucking - Excavation, Trucking - Asphalt Concrete, Trucking - Aggregate base, Trucking - Key-cut, Provide AC, Provide AB, Pavement Milling, Trucking - Pavement Milling, Water Trucks, Street Sweeping.

100% Performance and Payment Bonds may be required for full amounts of the subcontract price. Surety company will have to be approved by Gallagher & Burk, Inc. Gallagher & Burk, Inc. will pay bond premium up to 2%. Subcontractors must possess current insurance and worker's compensation coverage meeting Gallagher & Burk, Inc.'s requirements. Please call if you need assistance in obtaining bonding, insurance, equipment, materials and/or supplies. Plans and specifications are available for review at our Dublin office.

Gallagher & Burk, Inc.

344 High Street • Oakland, CA 94601

Phone: (510)261-0466 • FAX (510) 261-0478

Estimator: Frank Augustson

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DL Falk Construction is requesting subcontractor / supplier bids from certified SBE, DBE, MBE & WBE Companies for the above project:

San Rafael Bus

Administration Building Improvements

Location: 1011 Andersen Drive,

San Rafael, CA 94901

Bid Date: January 28, 2014 at 2:00 PM

Scope includes selective demo, rough carpentry, caseworks, insulation, floor/wall/ceiling finishes, metal doors & hardware, specialties, equipments, HVAC, plumbing, electrical and etc...

D.L Falk Construction, Inc.

3526 Investment Blvd

Hayward, CA 94545

Contact: **Joey Gita - joeyg@dlfalk.com**

Ph: 510-887-6500 Fax: 510-887-6501



CONTRACTING OPPORTUNITIES

NOTE: FOR BIDS NATIONWIDE PLEASE VISIT OUR WEBSITE
DIRECT LINK: http://www.sbeinc.com/database/bid_database/

These are samples of bid opportunities from federal, state and local jurisdictions in 4 categories: Construction, Architecture/Engineering, Business Services and Commodities. All are available in electronic format. [See Subscription Form on page 16]

EL DORADO COUNTY

REPLACE BRIDGE

1st reported in SBE: 11/28/13

Location: El Dorado, CA

Date: 1/29/14

Ref#: 03-0F2204

License Reqd: A

Estimate: \$6,000,000 - \$6,000,000

Owner: CA TRANSPORTATION, DEPART,

DENISE SILVAS, (916)227-6293

E:MAIL DENISE_SILVAS@DOT.CA.GOV

FRESNO COUNTY

REPLACE THE EXISTING METAL BEAM GUARD RA

Location: Fresno, CA

Date: 2/12/14

Ref#: 06-0M4204

Description available through electronic services.

License Reqd: A

Estimate: \$990,000 - \$990,000

Owner: CA TRANSPORTATION, DEPART,

DENISE SILVAS, (916)227-6293

E:MAIL DENISE_SILVAS@DOT.CA.GOV

LASSEN COUNTY

REPAIR WASH RACK

Location: Herlong, CA

Date: 2/11/14

Ref#: W912GY14B0005

Description available through electronic services.

Owner: Department of the Army, Building 74, Herlong,

CA, 96113-5009, Tamara Gage

SIC: 237110

SBSA

MENDOCINO COUNTY

CONSTRUCT MBGR & CENTERLINE RUMBLE STRIP

Location: Mendocino, CA

Date: 2/12/14

Ref#: 01-484704

Description available through electronic services.

License Reqd: A

Estimate: \$1,520,000 - \$1,520,000

Owner: CA TRANSPORTATION, DEPART,

DENISE SILVAS, (916)227-6293

E:MAIL DENISE_SILVAS@DOT.CA.GOV

MONTEREY COUNTY

METHACRYLATE DECK SEAL, POLYESTER CON-CRE

Location: Monterey, CA

Date: 1/29/14

Ref#: 05-1C9104

Description available through electronic services.

License Reqd: A

Estimate: \$590,000 - \$590,000

Owner: CA TRANSPORTATION, DEPART,

DENISE SILVAS, (916)227-6293

E:MAIL DENISE_SILVAS@DOT.CA.GOV

SACRAMENTO COUNTY

DESIGN-BUILD GENERAL PURPOSE WAREHOUSE,

1st reported in SBE: 12/26/13

Location: Sacramento, CA

Date: 2/06/14

Ref#: W91238-14-R-0001

Owner: Department of the Army, 1325 J. Street,

Sacramento, CA, 95814, Samantha Plank

SIC: 236220

SAN FRANCISCO COUNTY

MAYOR'S OFFICE OF HOUSING LEAD PROGRAM

Location: San Francisco, CA

Date: 1/28/14 4:00PM

Prebid Conf: 1/21/14 10:00AM

Description available through electronic services.

Owner: San Francisco C&Co, Michael Palmer

michael.palmer@sfgov.org

SFO-PROJECT MANAGEMENT SUPPORT SVS

Location: San Francisco, CA

Date: 1/28/14 2:00PM

Ref#: 10006.41

Prebid Conf: 1/06/14 1:00PM

Description available through electronic services.

Owner: San Francisco C&Co, Ryan Kuss, (650)831-7812

ryan.kuss@flysfo.com

SFO-PROJECT MANAGEMENT SUPPORT SVS

Location: San Francisco, CA

Date: 1/29/14 2:00PM

Ref#: 10009.41

Prebid Conf: 1/06/14 3:00PM

Description available through electronic services.

Duration: 24 months

Estimate: \$5,000,000 - \$7,000,000

Owner: San Francisco C&Co, Damian Davis, (650)821-5539

damian.davis@flysfo.com

TELEGRAPH HILL NEIGHBORHOOD CENTER

Location: San Francisco, CA

Date: 1/30/14 2:00PM

Description available through electronic services.

Duration: 12 weeks

Estimate: \$60,000

Owner: San Francisco C&Co, Ashley Latoff,

(415)421-6443 Ext 22

Choosing a Business Structure

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Federal Tax Forms for Regular or "C" Corporations

(only a partial list and some may not apply)

- Form 1120 or 1120-A: Corporation Income Tax Return
- Form 1120-W Estimated Tax for Corporation

- Form 8109-B Deposit Coupon
- Form 4625 Depreciation
- Employment Tax Forms [1]
- Other forms as needed for capital gains, sale of assets, alternative minimum tax, etc.

S corporation

A corporation, meeting certain criteria, that elects to be treated as an S corporation. Generally an S corporation is exempt from income tax; the shareholders report the S corporation's income, deductions, loss and credits on their individual tax returns.

Federal Tax Forms for Subchapter S Corporations
(only a partial list and some may not apply) *Form 1120S: Income Tax Return for S Corporation*

- 1120S K-1: Shareholder's Share of Income, Credit, Deductions

- Form 4625 Depreciation
- Employment Tax Forms
- Form 1040: Individual Income Tax Return
- Schedule E: Supplemental Income and Loss
- Schedule SE: Self-Employment Tax
- Form 1040-ES: Estimated Tax for Individuals
- Other forms as needed for capital gains, sale of assets, alternative minimum tax, etc.

Limited Liability Corporation (LLC)

An entity—statutorily authorized in certain states—that is characterized by limited liability for debts similar to that of a corporation, management by members or managers, and pass-through taxation similar to that of a partnership.

Federal Tax Forms for LLC

Taxed as partnership in most cases; corporation forms must be used if there are more than 2 of the 4 corporate characteristics, as described above.

SOURCE: The Minority Business Development Agency (MBDA)

