
Learn the
secret to
knowing
it's time
to become
an LLC



Your friendly legal eagle

Meet Kiffanie Stahle



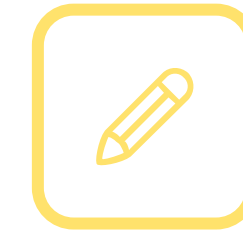
The background of the slide features a photograph of a concrete wall with a textured, vertically-lined surface. The wall is light gray and shows signs of wear, including some staining and small holes. At the base of the wall, there is a patch of vibrant green grass. The overall scene is brightly lit, suggesting an outdoor setting.

GOAL

**Evaluate
if it's time
to become
an LLC**



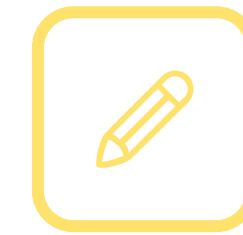
Four Business Buckets



Sole proprietorship



Partnership



LLC



Corporation

What is an *s corp*?





DANGER, WILL ROBINSON

It's not a replacement for
business liability insurance



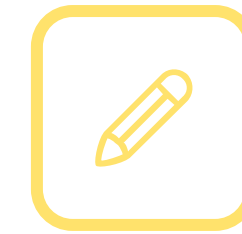
How an LLC *can* protect you + your business



Studio visitor slips
and falls



Relationship with
employee goes bad



Someone's biz tanks
after your e-course



Your client isn't
happy with the
quality of your work

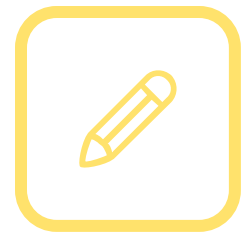


You get sick and
can't pay your
hospital bills



Your spouse gets laid
off and you can't pay
all your household bills

When an LLC *won't* protect you



Your landlord requires you to personally guarantee your lease



You signed a contract as you *not* your LLC



You used your home as collateral



You (or your employee) commits copyright infringement



You don't tell the whole truth when getting a loan/line of credit



You don't keep the required records once you become an LLC



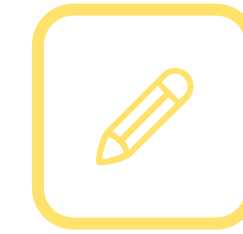
WHICH OF THE FOUR
BUCKETS IS RIGHT
FOR YOU?

**Do any of the
business owners
have significant
assets they
want to protect?**

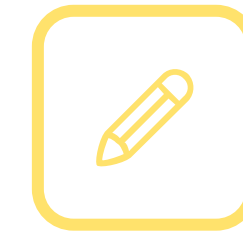




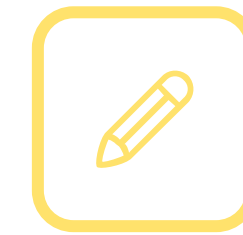
Questions to answer



How many business owners?



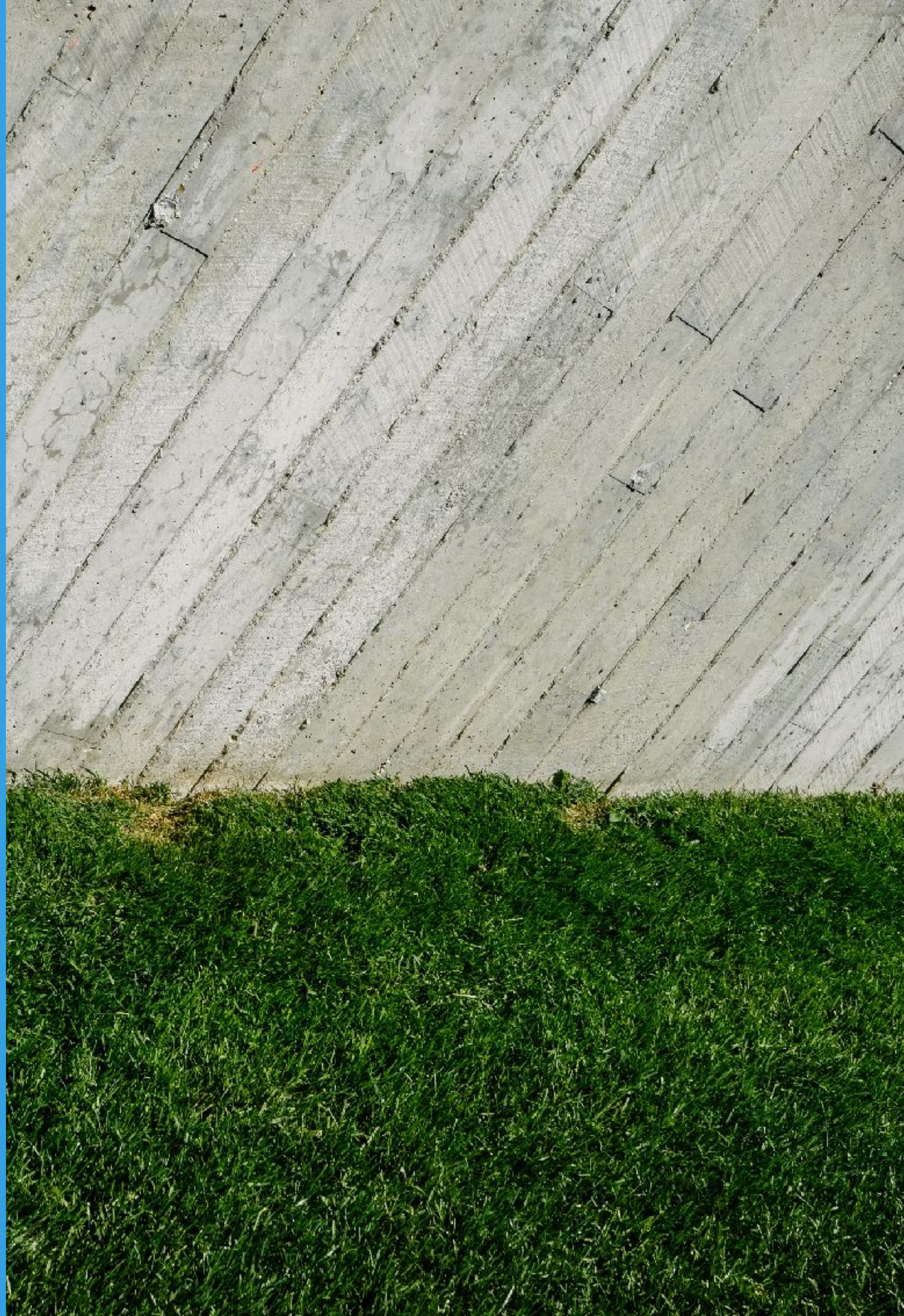
Are they all U.S. citizens?



Are they all people?



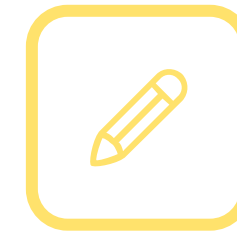
Will they share profits and losses equally?



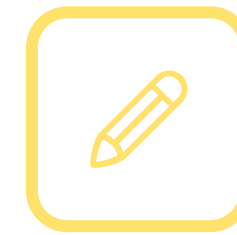
Questions to answer



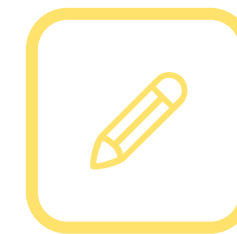
Will all of the owners be *running* the business?



Will you be getting funding?



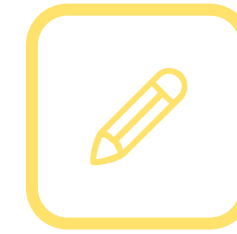
Will the net revenue be more than \$20,000?



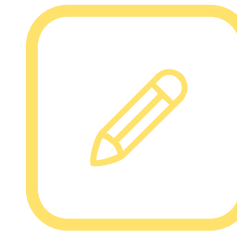
Does the business have a high risk of being sued?



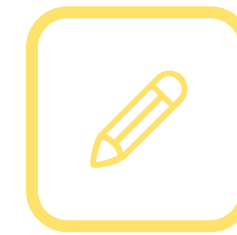
Questions to answer



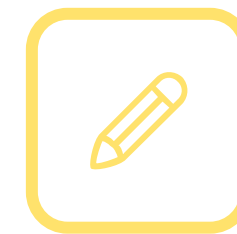
Will you have employees within the next year?



Do you want to minimize taxes?



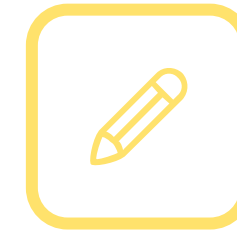
Do you want to minimize legal red tape?



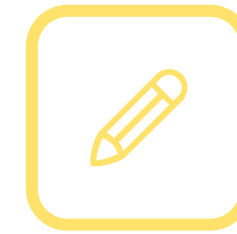
Do you want your business to continue without you?



Other ways to protect



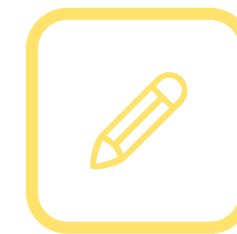
Limit your liability
via your contract
and TOS



Workshop waivers
or releases



Business insurance



Business policies
and rules

Molly the Maker

- Molly needs production help
- Found a student
- Molly will hire her as an employee
- Employee will be coming to Molly's home studio to do her job

Create an LLC



Courtney the Coach

- Helps women create meal plans
- She rents and doesn't have significant assets
- But she's nervous because of a friend's experience

Create an LLC



Thomas the Teacher

- Most of his income comes from his “How to take awesome brand photos” e-books and courses
- Earning close to \$80,000 a year

**Use his TOS +
insurance until s-corp
taxation makes sense**



Frank the Freelancer

- Frank's business has good months and bad months
- In the bad months, he barely has enough to pay his bills
- Frank is still paying off his student loan debt

**Use his client
contract + insurance
to reduce liability**



Claire the Curator

- Going from an online store to a brick and mortar shop
- Her mother is going to invest in her business

Create an LLC to protect her mother's investment in her business



TAKE THE NEXT STEP

1. Grab your copy of the business type workbook so *you can quickly decide if it's time to make the switch.*
2. Register for next week's In Session so *you can learn exactly what's involved in creating your LLC.*
3. Connect with me via Facebook or Instagram (@theartistsjd) so *you can add ease to the legalese of running your creative business!*