



Michael A. Gordon, CPA, LLC (an S corporation)
“Not Your Basic Bean Counter”
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Date

HAVE YOU HEARD ALL THE BUZZ? **ABOUT LIMITED LIABILITY COMPANIES?**

Greetings!

This is just a short letter to alert you to what we call the “LLC” issue. “LLC” stands for “Limited Liability Company”. If you are getting this letter, it is because you have either some rentals or an unincorporated business...or both! So, please read this letter carefully and give some thought to what we are presenting here.

IF YOU HAVE RENTALS...consider separate LLC's

Many attorneys we deal with have told us that clients who own rentals should own them as *separate* LLC's. Their reasoning is that this method of ownership will provide superior liability protection in the event of a successful lawsuit.

Since we are NOT attorneys, our only purpose here is to notify you that this is an issue that we recommend you talk to your attorney about. Even though this is not a tax issue we thought it significant enough to bring to your attention.

IF YOU HAVE AN UNINCORPORATED BUSINESS... consider an LLC

Here, as well, most attorneys we deal with tell us that clients who are unincorporated should be an LLC (or maybe an S corporation). A classic example is the client operating a small business where he/she is the sole proprietor with an employee or two (or more). These attorneys say that this business should, at the minimum, be operated as an LLC. Again, their reason is for superior liability protection.

Again, we are NOT attorneys and only want to bring this to your attention since it appears that a lot of attorneys agree on this.

If you have any questions about this, please feel free to bring a copy of this letter to your attorney. If you like, we can be there with you and your attorney...just let us know. Also, you can always sit down with us separately before or after (after is better, of course) that meeting.

Sincerely,

Michael Gordon, CPA

