

## Overview of More Corporate Advantages

The limited liability a corporation provides its shareholders is certainly one vital reason to incorporate. However, a corporation provides additional benefits that may not be available through other entities:

- Employees can participate in corporate profits and defer their income in corporate retirement plans.
- Corporations frequently enjoy lower tax rates than individual taxpayers.
- Tax brackets may be split among several corporations.
- Social Security payments are 50% tax deductible to the corporation.
- Trusts, limited partnerships, LLCs, and other protective entities can own a C corporation.
- One can frequently consolidate the income and losses of one corporation with those of other corporations to reduce overall income taxes.
- Corporate shares can be donated to maximize deductible charitable contributions.
- Certain tax deductible fringe benefits are available only through a C corporation.

The advantages of incorporating are significant. But an LLC may give you all the corporate advantages and other advantages that corporations do not provide. For the pros and cons of the LLC versus the corporation, click: [Limited Liability Companies](#).