

Should I Register My Business As A Company?

A lot of business owners contemplate whether they should register as a company or not, especially as their business grows and they become more serious about it. These are a few questions you might consider when thinking about whether you should register as a business or not...

How serious are you about your business? How serious do you want others to think you are?

If you are very serious about your business and what others think about your business you might want to register as a company to show that. It costs time and money to register as a company and by doing so you can prove to others just serious you are about your business.

Do you want more options for your business?

As you grow you might be interested to know that when you register as a company you get the following bonuses:

Tax Cut: Depending on what you are making with your business you could receive a large tax break. As a company you will only be taxed 30% instead of up to 46.5% that can be charged to citizens.

Limited Liability Bonus: When you own a company you can own land, and assets in the name of the company, as well as loans, and more. This means if you ever have a problem with the company and paying the bills, your personal money is not at stake. This means your home, and other assets that belong to you. All assets that are owned by the company can be used to pay off debts but not your belongings.

More Investors Bonus: Because you are not looking for partners to go into business with, investors might find you a better fit to work with and lend money to. This is because you have taken the steps to become a company and there is a lot less liability on them than if you were going to become partners.

Back to the questions:

Do you have the money to invest to register as a company?

The costs can vary when you register as a company but the price is much more than if you were to just register a business name. There are also on going costs of being registered as a company that you have to take into account. The prices can be from \$527 to register as a company and up.

Do you ever plan to sell?

If you want to be able to sell your business you have to have it registered as a company first. There is too much hassle any other way and when you sell you will most likely want your name off the business. The only way to do this is by having the business as a company.

You can see there is a lot to take into consideration when you are thinking about whether you want to register as a company or not. You should take the time to consult with tax and legal advisers before you make a decision one way or the other.

If you want to know more about registering your company visit www.companiesnow.com.au