

# **FORMS OF BUSINESS IN RUSSIA, ENGLAND, USA**

# Forms of business in Russia

*Forms of business is: sole proprietorship, partnership, corporation.*

**Individual business** - strong point is that easy to create and manage such a business. Businessman is responsible for everything. Weaknesses in the fact that there is a restriction in finance and a lot of organizational issues, which are difficult to solve alone.



**Comradeship** - a collective business, the positive side is that the association gives members a greater financial capacity and responsibility extends to all. Weaknesses in the fact that for large transactions is not always enough to finance and risk situations can arise differences between the partners.



**Stock company (State)** - has great potential to increase cash flow and expanding the scope of its activities. Weaknesses in the fact that it is the most complicated and expensive for the organization of business.



# Forms of businesses in the USA

Businesses in the USA may be organized as one of the following forms: individual business general partnership limited partnership corporation alien corporation.

*An individual business* is owned by one person.

*A general partnership* has got several owners. They all are liable for debts and they share in the profits.

*A limited partnership* has got at least one general owner and one or more other owners. They have only a limited investment and a limited liability.



A *corporation* is owned by persons, called stockholders. The stockholders usually have certificates showing the number of shares which they own. The stockholders elect a director or directors to operate the corporation. Most corporations are closed corporations, with only a few stockholders. Other corporations are owned by many stockholders who buy and sell their shares at will. Usually they have little interest in management of the corporations.





*Alien corporations* are corporations of foreign countries. All the corporations are to receive their charters from the state authorities. The charters state all the powers of the corporation. Many corporations try to receive their charters from the authorities of the State of Delaware, though they operate in other states. They prefer the State of Delaware because the laws are liberal there and the taxation is rather low. Such corporations, which receive their charters from an outside state are called *foreign corporations*. All the corporations require a certificate to do business in the state where they prefer to operate.





