



Department  
of the  
Treasury

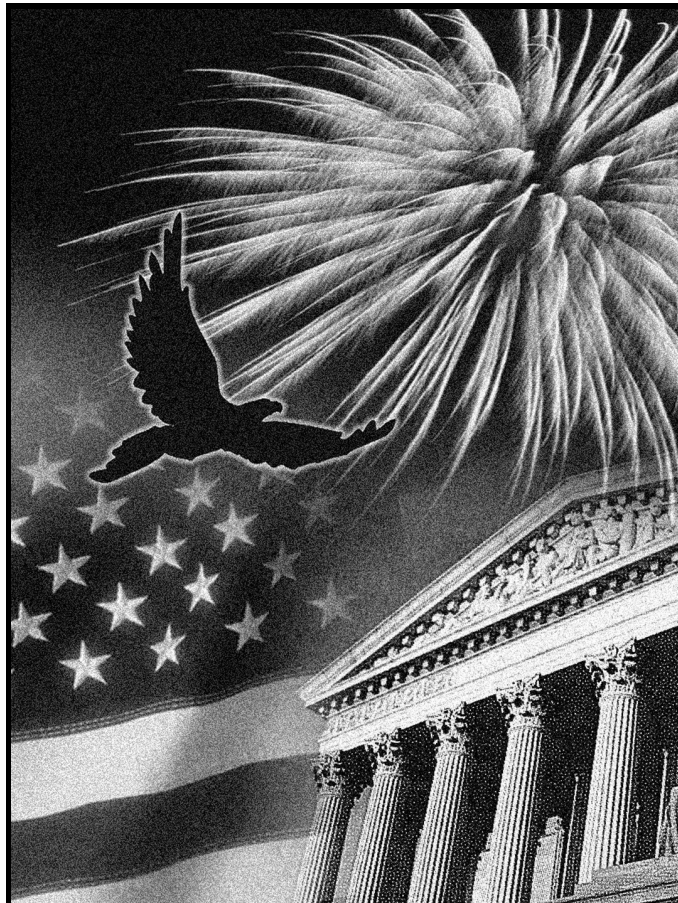
Internal  
Revenue  
Service

**Publication 3402**

(Rev. March 2010)

Cat. No. 27940D

# Taxation of Limited Liability Companies



**Get forms and other information  
faster and easier by:**

**Internet** [www.irs.gov](http://www.irs.gov)

## Contents

Reminder . . . . .	1
Introduction . . . . .	1
What is a Limited Liability Company? . . . . .	2
Classification of an LLC . . . . .	2
LLCs Classified as Partnerships . . . . .	2
LLCs Classified as Disregarded Entities . . . . .	3
LLCs Classified as Corporations . . . . .	3
Subsequent Elections . . . . .	4
How To Get More Information . . . . .	4

## Reminder

**Photographs of missing children.** The Internal Revenue Service is a proud partner with the National Center for Missing and Exploited Children. Photographs of missing children selected by the Center may appear in this publication on pages that would otherwise be blank. You can help bring these children home by looking at the photographs and calling 1-800-THE-LOST (1-800-843-5678) if you recognize a child.

## Introduction

This publication provides federal income, employment, and excise tax information for limited liability companies. This publication does not address state law governing the formation, operation, or termination of limited liability companies. This publication does not address any state taxes.

**Comments and suggestions.** We welcome your comments about this publication and your suggestions for future editions.

You can write to us at the following address:

Internal Revenue Service  
Business Forms and Publications Branch  
SE:W:CAR:MP:T:B  
1111 Constitution Ave. NW, IR-6526  
Washington, DC 20224

We respond to many letters by telephone. Therefore, it would be helpful if you would include your daytime phone number, including the area code, in your correspondence.

You can email us at [\\*taxforms@irs.gov](mailto:taxforms@irs.gov). (The asterisk must be included in the address.) Please put "Publications Comment" on the subject line. Although we cannot respond individually to each email, we do appreciate your feedback and will consider your comments as we revise our tax products.

**Ordering forms and publications.** Visit [www.irs.gov/formspubs](http://www.irs.gov/formspubs) to download forms and publications, call 1-800-829-3676, or write to the

address below and receive a response within 10 days after your request is received.

Internal Revenue Service  
1201 N. Mitsubishi Motorway  
Bloomington, IL 61705-6613

**Tax questions.** If you have a tax question, check the information available on [www.irs.gov](http://www.irs.gov) or call 1-800-829-1040. We cannot answer tax questions sent to either of the above addresses.

## Useful Items

You may want to see:

### Publication

- 15** (Circular E), Employer's Tax Guide
- 334** Tax Guide for Small Business
- 505** Tax Withholding and Estimated Tax
- 535** Business Expenses
- 541** Partnerships
- 542** Corporations
- 544** Sales and Other Dispositions of Assets
- 583** Starting a Business and Keeping Records
- 925** Passive Activity and At-Risk Rules

### Form (and Instructions)

- 1065** U.S. Return of Partnership Income
- 1120** U.S. Corporation Income Tax Return
- 1120S** U.S. Income Tax Return for an S Corporation
- 2553** Election by a Small Business Corporation
- 8832** Entity Classification Election

See *How To Get More Information* near the end of this publication for information about getting publications and forms.

## What is a Limited Liability Company?

For purposes of this publication, a limited liability company (LLC) is a business entity organized in the United States under state law. Unlike a partnership, all of the members of an LLC have limited personal liability for its debts. An LLC may be classified for federal income tax purposes as a partnership, corporation, or an entity disregarded as separate from its owner by applying the rules in Regulations section 301.7701-3.

The information in this publication applies to LLCs in general, and different rules may apply to special situations, including banks, insurance companies, or nonprofit organizations that are LLCs or that own LLCs. Check your state's requirements and the federal tax regulations for further information.

## Classification of an LLC

**Default classification rules.** An LLC with at least two members is classified as a partnership for federal income tax purposes. An LLC with only one member is treated as an entity disregarded as separate from its owner for income tax purposes (but as a separate entity for purposes of employment tax and certain excise taxes). Also, an LLC's federal tax classification can subsequently change under certain default rules discussed later.

**Elected classification.** If an LLC does not choose to be classified under the above default classifications, it can elect to be classified as an association taxable as a corporation or as an S corporation. After an LLC has determined its federal tax classification, it can later elect to change that classification. For details, see *Subsequent Elections*, later.

## LLCs Classified as Partnerships

If an LLC has at least two members and is classified as a partnership, it generally must file Form 1065, U.S. Return of Partnership Income. Generally, an LLC classified as a partnership is subject to the same filing and reporting requirements as partnerships. For certain purposes, members of an LLC are treated as limited partners in a limited partnership. For example, LLC members are treated as limited partners for purposes of material participation under the passive activity limitation rules (see Temporary Regulation section 1.469-5T(e)). See the Instructions for Form 1065 for reporting rules that apply specifically to LLCs.

**Member manager.** Only a member manager of an LLC can sign the partnership tax return. And only a member manager can represent the LLC as the tax matters partner under the consolidated audit proceedings in sections 6221 through 6234. A member manager is any owner of an interest in the LLC who, alone or together with others, has the continuing authority to make the management decisions necessary to conduct the business for which the LLC was formed. If there are no elected or designated member managers, each owner is treated as a member manager.

**Change in default classification.** If the number of members in an LLC classified as a partnership is reduced to only one member, it becomes an entity disregarded as separate from its owner under Regulations section 301.7701-3(f)(2). However, if the LLC has made an election to be classified as a corporation (discussed later) and that elective classification is in effect at the time of the change in membership, the default classification as a disregarded entity will not apply.

Other tax consequences of a change in membership, such as recognition of gain or loss,

are determined by the transactions through which an interest in the LLC is acquired or disposed of. If a partnership that becomes a disregarded entity as a result of a decrease in the number of members makes an election to be classified as a corporation, the applicable deemed transactions discussed under *Subsequent Elections*, later, apply.

**Example 1.** Ethel and Francis are members of an LLC classified as a partnership for federal tax purposes. Each holds an equal membership interest. The LLC does not hold any unrealized receivables or substantially appreciated inventory. Ethel sells her entire interest in the LLC to Francis for \$10,000. After the sale, the business is continued by the LLC, which is owned solely by Francis. No entity classification election is made after the sale to treat the LLC as a corporation for federal tax purposes. The partnership terminates when Francis buys Ethel's entire interest. Ethel must treat the transaction as the sale of a partnership interest and must report gain or loss, if any, resulting from the sale of her partnership interest.

For purposes of determining the tax treatment of Francis, the partnership is deemed to make a liquidating distribution of all of its assets to Ethel and Francis, and after this distribution, Francis is treated as acquiring the assets deemed to have been distributed to Ethel in liquidation of Ethel's partnership interest. Francis's basis in the assets attributable to Ethel's one-half interest in the partnership is \$10,000, the purchase price for Ethel's partnership interest. Upon the termination of the partnership, Francis is considered to receive a distribution of those assets attributable to Francis's former interest in the partnership. Francis must recognize gain or loss, if any, on the deemed distribution of the assets to the extent required by Internal Revenue Code section 731(a). See *Partnership Distributions* in Publication 541.

**Example 2.** George and Henrietta are members of an LLC classified as a partnership for federal tax purposes. Each holds an equal membership interest. The LLC does not hold any unrealized receivables or substantially appreciated inventory. George and Henrietta each sell their entire interests in the LLC to Ian, an unrelated person, in exchange for \$10,000. After the sale, the business is continued by the LLC, which is owned solely by Ian. No entity classification election is made after the sale to treat the LLC as a corporation for federal tax purposes. The partnership terminates when Ian purchases the entire interests of George and Henrietta in the LLC. George and Henrietta must report gain or loss, if any, resulting from the sale of their partnership interests. For purposes of classifying the acquisition by Ian, the partnership is deemed to make a liquidating distribution of its assets to George and Henrietta. Immediately following this distribution, Ian is deemed to acquire, by purchase, all of the former partnership's assets.

For more details on the preceding two examples, see Revenue Ruling 99-6, 1999-6 I.R.B. 6. You can find Revenue Ruling 99-6 at [www.irs.gov/pub/irs-irbs/irb99-06.pdf](http://www.irs.gov/pub/irs-irbs/irb99-06.pdf).

---

## LLCs Classified as Disregarded Entities

If an LLC has only one member and is classified as an entity disregarded as separate from its owner, its income, deductions, gains, losses, and credits are reported on the owner's income tax return. For example, if the owner of the LLC is an individual, the LLC's income and expenses would be reported on the following schedules filed with the owner's Form 1040:

- Schedule C, Profit or Loss from Business (Sole Proprietorship);
- Schedule C-EZ, Net Profit From Business (Sole Proprietorship);
- Schedule E, Supplemental Income and Loss; or
- Schedule F, Profit or Loss From Farming.

### Employment tax and certain excise taxes.

A single-member LLC that is classified as a disregarded entity for income tax purposes is treated as a separate entity for purposes of employment tax and certain excise taxes. For wages paid after January 1, 2009, the single-member LLC is required to use its name and employer identification number (EIN) for reporting and payment of employment taxes. A single-member LLC is also required to use its name and EIN to register for excise tax activities on Form 637; pay and report excise taxes reported on Forms 720, 730, 2290, and 11-C; and claim any refunds, credits, and payments on Form 8849. See the employment and excise tax returns for more information.

### Self-employment tax rule for disregarded entity LLCs.

An individual owner of a single-member LLC classified as a disregarded entity is not an employee of the LLC. Instead, the owner is subject to tax on the net earnings from self-employment of the LLC which is treated in the same manner as a sole-proprietorship.

**Example 3.** LLC is a disregarded entity owned by Irene. LLC has three employees (Kent, Patricia, and Tex) and pays wages. LLC is treated as an entity separate from its owner for purposes of employment taxes. For the wages paid to Kent, Patricia, and Tex, LLC is liable for income tax withholding, Federal Insurance Contributions Act (FICA) taxes, and Federal Unemployment Tax Act (FUTA) taxes. In addition, LLC must file under its name and EIN the applicable employment tax returns; make timely employment tax deposits; and file with the Social Security Administration and furnish to LLC's employees (Kent, Patricia, and Tex) Forms W-2, Wage and Tax Statement. Irene is self-employed for purposes of the self-employment tax. Thus, Irene is subject to self-employment tax on her net earnings from self-employment with respect to LLC's activities. Irene is not an employee of LLC for purposes of employment taxes. Because LLC is treated as a sole proprietorship of Irene for income tax purposes, Irene must report the income and expenses from LLC on her Schedule C. Irene will figure the tax due on her net earnings from self-employment on Schedule SE. Irene can

also deduct one-half of her self-employment tax on line 27 of her Form 1040.

**Taxpayer identification number.** For all income tax purposes, a single-member LLC classified as a disregarded entity must use the owner's social security number (SSN) or EIN. This includes all information returns and reporting related to income tax. For example, if a disregarded entity LLC that is owned by an individual is required to provide a Form W-9, Request for Taxpayer Identification Number and Certification, the LLC must provide the owner's SSN or EIN, not the LLC's EIN.

However, most new single-member LLCs classified as a disregarded entity will need to obtain an EIN for the LLC. An LLC will need an EIN if it has any employees or if it will be required to file any of the excise tax forms listed above (see *Employment tax and certain excise taxes* earlier). See Form SS-4, Application for Employer Identification Number, for information on applying for an EIN.

**Change in default classification.** If a single-member LLC classified as a disregarded entity for income tax purposes acquires an additional member, it becomes a partnership under Regulations section 301.7701-3(f)(2). However, if the LLC has made an election to be classified as a corporation (discussed later) and that elective classification is in effect at the time of the change in membership, the default classification as a partnership will not apply.

Other tax consequences of a change in membership, such as recognition of gain or loss, are determined by the transactions through which an interest in the LLC is acquired or disposed of. If a disregarded entity that becomes a partnership as a result of an increase in the number of members makes an election to be classified as a corporation, the applicable deemed transactions discussed in *Subsequent Elections*, later, apply.

**Example 4.** Bart, who is not related to Alain, buys 50% of Alain's interest in an LLC that is a disregarded entity for \$5,000. Alain does not contribute any portion of the \$5,000 to the LLC. Alain and Bart continue to operate the business of the LLC as co-owners of the LLC. The LLC is converted to a partnership when the new member, Bart, buys an interest in the disregarded entity from the owner, Alain. Bart's buying a 50% interest in Alain's ownership interest in the LLC is treated as Bart's buying a 50% interest in each of the LLC's assets, which are treated as owned directly by Alain for federal income tax purposes. Immediately thereafter, Alain and Bart are treated as contributing their respective interests in those assets to a partnership in exchange for ownership interests in the partnership. Alain recognizes gain or loss from the deemed sale to Bart of the 50% interest in the assets. Neither Alain nor Bart recognizes any gain or loss as a result of the deemed contribution of the assets to the partnership.

**Example 5.** Charles, who is not related to Danielle, contributes \$10,000 to an LLC owned by Danielle for a 50% ownership interest in the LLC. The LLC uses all of the contributed cash in its business. Charles and Danielle continue to operate the business of the LLC as co-owners of the LLC. The LLC is converted to a disregarded entity to a partnership when Charles

contributes cash to the LLC. Charles's contribution is treated as a contribution to a partnership in exchange for an ownership interest in the partnership. Danielle is treated as contributing all of the assets of the LLC to the partnership in exchange for a partnership interest. Neither Charles nor Danielle recognizes gain or loss as a result of the conversion of the disregarded entity to a partnership.

For more details on the preceding two examples, see Revenue Ruling 99-5, 1999-6 I.R.B. 8. You can find Revenue Ruling 99-5 at [www.irs.gov/pub/irs-irbs/irb99-06.pdf](http://www.irs.gov/pub/irs-irbs/irb99-06.pdf).

---

## LLCs Classified as Corporations

An LLC with either a single member or more than one member can elect to be classified as a corporation rather than be classified as a partnership or disregarded entity under the default rules discussed earlier. File Form 8832, Entity Classification Election, to elect classification as a C corporation. File Form 2553, Election by a Small Business Corporation, to elect classification as an S corporation. LLCs electing classification as an S corporation are not required to file Form 8832 to elect classification as a corporation before filing Form 2553. By filing Form 2553, an LLC is deemed to have elected classification as a corporation in addition to the S corporation classification.



*If the LLC elects to be classified as a corporation by filing Form 8832, a copy of the LLC's Form 8832 must be attached to the federal income tax return of each direct and indirect owner of the LLC for the tax year of the owner that includes the date on which the election took effect.*

**Example 6. Classification as a corporation without an S election.** Wanda and Sylvester are members of an LLC. They agree that the LLC should be classified as a corporation but do not want to elect to have the LLC be treated as an S corporation. The LLC must file Form 8832.

**Example 7. Classification as a corporation with an S election.** Evelyn and Carol are members of an LLC. They agree that the LLC should be classified as an S corporation. The LLC must file Form 2553 instead of Form 8832.

If the LLC is classified as a corporation, it must file a corporation income tax return. If it is a C corporation, it is taxed on its taxable income and distributions to the members are includible in the members' gross income to the extent of the corporation's earnings and profits (double taxation). If it is an S corporation, the corporation is generally not subject to any income tax and the income, deductions, gains, losses, and credits of the corporation "pass through" to the members.

Corporations generally file either:

- Form 1120, U.S. Corporation Income Tax Return; or
- Form 1120S, U.S. Income Tax Return for an S Corporation.

For more information on the income taxation of corporations and their shareholders, see Publication 542, Corporations. For more information on the income taxation of S corporations and their shareholders, see the Instructions for Form 1120S, U.S. Income Tax Return for an S Corporation.

---

## Subsequent Elections

An LLC can elect to change its classification. Generally, once an LLC has elected to change its classification, it cannot elect again to change its classification during the 60 months after the effective date of the election. An election by a newly formed LLC that is effective on the date of formation is not considered a change for purposes of this limitation. For more information and exceptions, see Regulations section 301.7701-3(c) and the Form 8832 instructions.

An election to change classification can have significant tax consequences based on the following transactions that are deemed to occur as a result of the election.

**Partnership to corporation.** An election to change classification from a partnership to a corporation will be treated as if the partnership contributed all of its assets and liabilities to the corporation in exchange for stock and the partnership then immediately liquidated by distributing the stock to its partners.

For more information, see *Partnership Distributions* in Publication 541 and *Property Exchanged for Stock* in Publication 542.

**Corporation to partnership.** An election to change classification from a corporation to a partnership will be treated as if the corporation distributed all of its assets and liabilities to its shareholders in liquidation and the shareholders then immediately contributed all of the distributed assets and liabilities to a new partnership.

For more information, see *Contribution of Property* in Publication 541 and *Distributions to Shareholders* in Publication 542.

**Corporation to disregarded entity.** An election to change classification from a corporation to a disregarded entity will be treated as if the corporation distributed all of its assets and liabilities to its single owner in liquidation.

For more information, see *Distributions to Shareholders* in Publication 542.

**Disregarded entity to corporation.** An election to change classification from a disregarded entity to a corporation will be treated as if the owner of the disregarded entity contributed all of the assets and liabilities to the corporation in exchange for stock.

For more information, see *Property Exchanged for Stock* in Publication 542.

---

## How To Get More Information

This section describes the help the IRS and other federal agencies offer to taxpayers who operate their own businesses.

## Internal Revenue Service

You can get help with unresolved tax issues, order free publications and forms, ask tax questions, and get information from the IRS in several ways. By selecting the method that is best for you, you will have quick and easy access to tax help.

**Contacting your Taxpayer Advocate.** The Taxpayer Advocate Service (TAS) is an independent organization within the IRS whose employees assist taxpayers who are experiencing economic harm, who are seeking help in resolving tax problems that have not been resolved through normal channels, or who believe that an IRS system or procedure is not working as it should.

You can contact the TAS by calling the TAS toll-free case intake line at 1-877-777-4778 or TTY/TDD 1-800-829-4059 to see if you are eligible for assistance. You can also call or write to your local taxpayer advocate, whose phone number and address are listed in your local telephone directory and in Publication 1546, Taxpayer Advocate Service — Your Voice at the IRS. You can file Form 911, Request for Taxpayer Advocate Service Assistance (And Application for Taxpayer Assistance Order), or ask an IRS employee to complete it on your behalf. For more information, go to [www.irs.gov/advocate](http://www.irs.gov/advocate).

**Low Income Taxpayer Clinics (LITCs).** LITCs are independent organizations that provide low income taxpayers with representation in federal tax controversies with the IRS for free or for a nominal charge. The clinics also provide tax education and outreach for taxpayers with limited English proficiency or who speak English as a second language. Publication 4134, Low Income Taxpayer Clinic List, provides information on clinics in your area. It is available at [www.irs.gov](http://www.irs.gov) or at your local IRS office.

**Small business workshops.** Small business workshops are designed to help the small business owner understand and fulfill their federal tax responsibilities. Workshops are sponsored and presented by IRS partners who are federal tax specialists. Workshop topics vary from a general overview of taxes to more specific topics such as recordkeeping and retirement plans. Although most are free, some workshops have fees associated with them. Any fees charged for a workshop are paid to the sponsoring organization, not the IRS.

For more information, visit [www.irs.gov/businesses/small](http://www.irs.gov/businesses/small).

**Subscribe to e-news for small businesses.** Join the e-News for Small Businesses mailing list to receive updates, reminders, and other information useful to small business owners and self employed individuals. Visit the website at [www.irs.gov/businesses/small](http://www.irs.gov/businesses/small) and click on "Subscribe to e-News."

**Free tax services.** To find out what services are available, get Publication 910, IRS Guide to Free Tax Services. It contains a list of free tax publications and describes other free tax information services, including tax education and assistance programs and a list of TeleTax topics.

Accessible versions of IRS published products are available on request in a variety of alternative formats for people with disabilities.



**Internet.** You can access the IRS website at [www.irs.gov](http://www.irs.gov) 24 hours a day, 7 days a week, to:

- *E-file* your return. Find out about commercial tax preparation and *e-file* services available free to eligible taxpayers.
- Check the status of your refund. Go to [www.irs.gov](http://www.irs.gov) and click on *Where's My Refund*. Wait at least 72 hours after the IRS acknowledges receipt of your e-filed return, or 3 to 4 weeks after mailing a paper return. If you filed Form 8379 with your return, wait 14 weeks (11 weeks if you filed electronically). Have your tax return available so you can provide your social security number, your filing status, and the exact whole dollar amount of your refund.
- Download forms, instructions, and publications.
- Order IRS products online.
- Research your tax questions online.
- Search publications online by topic or keyword.
- View Internal Revenue Bulletins (IRBs) published in the last few years.
- Figure your withholding allowances using the withholding calculator online at [www.irs.gov/individuals](http://www.irs.gov/individuals).
- Determine if Form 6251 must be filed using our Alternative Minimum Tax (AMT) Assistant.
- Sign up to receive local and national tax news by email.
- Get information on starting and operating a small business.



**Phone.** Many services are available by phone.

- *Ordering forms, instructions, and publications.* Call 1-800-829-3676 to order current-year forms, instructions, and publications, and prior-year forms and instructions. You should receive your order within 10 days.
- *Asking tax questions.* Call the IRS with your tax questions at 1-800-829-1040.
- *Solving problems.* You can get face-to-face help solving tax problems every business day in IRS Taxpayer Assistance Centers. An employee can explain IRS letters, request adjustments to your account, or help you set up a payment plan. Call your local Taxpayer Assistance Center for an appointment. To find the number, go to [www.irs.gov/localcontacts](http://www.irs.gov/localcontacts) or look in the phone book under *United States Government, Internal Revenue Service*.
- *TTY/TDD equipment.* If you have access to TTY/TDD equipment, call

1-800-829-4059 to ask tax questions or to order forms and publications.

- **TeleTax topics.** Call 1-800-829-4477 to listen to pre-recorded messages covering various tax topics.
- **Refund information.** To check the status of your 2009 refund, call 1-800-829-1954 during business hours or 1-800-829-4477 (automated refund information 24 hours a day, 7 days a week). Wait at least 72 hours after the IRS acknowledges receipt of your e-filed return, or 3 to 4 weeks after mailing a paper return. If you filed Form 8379 with your return, wait 14 weeks (11 weeks if you filed electronically). Have your 2009 tax return available so you can provide your social security number, your filing status, and the exact whole dollar amount of your refund. Refunds are sent out weekly on Fridays. If you check the status of your refund and are not given the date it will be issued, please wait until the next week before checking back.

**Evaluating the quality of our telephone services.** To ensure IRS representatives give accurate, courteous, and professional answers, we use several methods to evaluate the quality of our telephone services. One method is for a second IRS representative to listen in on or record random telephone calls. Another is to ask some callers to complete a short survey at the end of the call.



**Walk-in.** Many products and services are available on a walk-in basis.

- **Products.** You can walk in to many post offices, libraries, and IRS offices to pick up certain forms, instructions, and publications. Some IRS offices, libraries, grocery stores, copy centers, city and county government offices, credit unions, and office supply stores have a collection of products available to print from a CD or photocopy from reproducible proofs. Also, some IRS offices and libraries have the Internal Revenue Code, regulations, Internal Revenue Bulletins, and Cumulative Bulletins available for research purposes.
- **Services.** You can walk in to your local Taxpayer Assistance Center every business day for personal, face-to-face tax help. An employee can explain IRS letters, request adjustments to your tax account, or help you set up a payment plan. If you need to resolve a tax problem, have questions about how the tax law applies to your individual tax return, or you are more comfortable talking with someone in person, visit your local Taxpayer Assistance Center where you can spread out your records and talk with an IRS representative face-to-face. No appointment is necessary—just walk in. If you prefer, you can call your local Center and leave a message requesting an appointment to resolve a tax account issue. A representative will call you back within 2 business

days to schedule an in-person appointment at your convenience. If you have an ongoing, complex tax account problem or a special need, such as a disability, an appointment can be requested. All other issues will be handled without an appointment. To find the number of your local office, go to [www.irs.gov/localcontacts](http://www.irs.gov/localcontacts) or look in the phone book under *United States Government, Internal Revenue Service*.



**Mail.** You can send your order for forms, instructions, and publications to the address below. You should receive a response within 10 days after your request is received.

Internal Revenue Service  
1201 N. Mitsubishi Motorway  
Bloomington, IL 61705-6613



**DVD for tax products.** You can order Publication 1796, IRS Tax Products DVD, and obtain:

- Current-year forms, instructions, and publications.
- Prior-year forms, instructions, and publications.
- Tax Map: an electronic research tool and finding aid.
- Tax law frequently asked questions.
- Tax Topics from the IRS telephone response system.
- Internal Revenue Code—Title 26 of the U.S. Code.
- Fill-in, print, and save features for most tax forms.
- Internal Revenue Bulletins.
- Toll-free and email technical support.
- Two releases during the year.
  - The first release will ship the beginning of January.
  - The final release will ship the beginning of March.

Purchase the DVD from National Technical Information Service (NTIS) at [www.irs.gov/cdorders](http://www.irs.gov/cdorders) for \$30 (no handling fee) or call 1-877-CDFORMS (1-877-233-6767) toll free to buy the DVD for \$30 (plus a \$6 handling fee).

## Small Business Administration

The Small Business Administration (SBA) offers training and educational programs, counseling services, financial programs, and contract assistance for small business owners. The SBA also has publications and videos on a variety of business topics. The following briefly describes assistance provided by the SBA.

**Small Business Development Centers (SBDCs).** SBDCs provide counseling, training, and technical services to current and prospective small business owners who cannot afford the services of a private consultant. Help is available when beginning, improving, or expanding a small business.

**Business Information Centers (BICs).** BICs offer a small business reference library, management video tapes, and computer technology to help plan a business. BICs also offer one-on-one assistance. Individuals who are in business or are interested in starting a business can use BICs as often as they wish at no charge.

**Service Corps of Retired Executives (SCORE).** SCORE provides small business counseling and training to current and prospective small business owners. SCORE is made up of current and former business people who offer their expertise and knowledge to help people start, manage, and expand a small business. SCORE also offers a variety of small business workshops.



**Internet.** You can visit the SBA website at [www.sba.gov](http://www.sba.gov). While visiting the SBA website, you can find a variety of information of interest to small business owners.



**Phone.** Call the SBA Answer Desk at 1-800-UASK-SBA (1-800-827-5722) for general information about programs available to assist small business owners.



**Walk-in.** You can walk in to a Small Business Development Center or Business Information Center to request assistance with your small business. To find the location nearest you, visit the SBA website or call the SBA Answer Desk.

## Other Federal Agencies

Other federal agencies also publish publications and pamphlets to assist small businesses. Most of these are available from the Superintendent of Documents at the Government Printing Office. You can get information and order these publications and pamphlets in several ways.



**Internet.** You can visit the GPO website at [www.access.gpo.gov](http://www.access.gpo.gov).



**Mail.** Write to the GPO at the following address.

Superintendent of Documents  
U.S. Government Printing Office  
P.O. Box 979050  
St. Louis, MO 63917-9000



**Phone.** Call the GPO toll-free at 1-866-512-1800 or at 202-512-1800 from the Washington, DC area.



To help us develop a more useful index, please let us know if you have ideas for index entries. See "Comments and Suggestions" in the "Introduction" for the ways you can reach us.

<b>C</b>	<b>Classification as a Disregarded Entity</b> ..... <a href="#">3</a>	<b>Employment tax</b> ..... <a href="#">3</a>	<b>Subchapter S election</b> ..... <a href="#">3</a>
<b>Change in classification:</b>	<b>Classification as a Partnership</b> ..... <a href="#">2</a>	<b>Excise taxes</b> ..... <a href="#">3</a>	<b>Suggestions for publication</b> ..... <a href="#">1</a>
Disregarded entity to corporation	<b>Classification Election</b> ..... <a href="#">3</a>		
Disregarded entity to partnership	<b>Classification of an LLC:</b>	<b>I</b>	<b>T</b>
Partnership to corporation	Default classification	<b>Information, How to get more</b> ..... <a href="#">4</a>	<b>Tax help</b> (See Information, How to get more)
Partnership to disregarded entity	Elected classification		<b>Taxpayer Advocate</b> ..... <a href="#">4</a>
Recognition of gain or loss	<b>Comments on publication</b> ..... <a href="#">1</a>	<b>S</b>	<b>Taxpayer identification number</b> ..... <a href="#">3</a>
<b>Classification as a corporation</b> ..... <a href="#">3</a>	<b>E</b>	<b>Self-employment tax</b> ..... <a href="#">3</a>	
	<b>Employer identification number</b> (See Taxpayer identification number)	<b>Small Business Administration</b> ..... <a href="#">5</a>	
		<b>Social security number</b> (See Taxpayer identification number)	