

# *Pass-Thru Entities - The Basics* ©

**Objective:** This course will compare and contrast S corporations with LLCs that are taxed as a partnership. It will highlight the advantages and disadvantages of each option.

**Learning objectives:**

- List the restrictions on who qualifies as an S corporation shareholder
- Explain how the capital structure of each type of entity can be structured
- Highlight the differences in how the basis in the ownership interest is calculated
- Describe how each type of entity treats distributions of cash and property
- Assess special tax rules applicable to each type of entity
- Explain the built-in gains tax rule
- Point out the mistakes frequently made with each type of entity
- Note the lessons to be learned from court cases and IRS rulings

**CPE:** 4 hours

**Level:** Basic

**Category:** Tax

**Prerequisites:** None

**Instructor:** Dennis J. Gerschick

**Code:** PTEB