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# S-Corps, LLPs, LLCs

## Overview

Flow-through entities are operating structures required to pass income, deductions, gains, losses, and credits through to the owners of the entity. This "flow-through" of income eliminates a layer of taxation, as the flow-through entity typically will pay little or no tax itself. Choosing which structure is best suited to a particular business requires intimate knowledge of each entity type and the client's business. BPM specializes in the following:

## S-Corporations

S-Corporations present significant tax advantages and BPM has the technical expertise to maximize these advantages for you. Taking a comprehensive approach, we not only assist you in the preparation of Form 1120S and Schedule K-1, we will help prepare tax planning strategies to minimize your tax liability in years to come.

## Limited Liability Partnerships (LLPs)

BPM professionals understand the tax code intricacies relating to your LLP; including partner allocations, capital accounts, basis, at-risk rules, debt allocations, and substantial economic effect. We apply this knowledge to your business to provide comprehensive guidance in the areas of partner compensation, transfers of ownership interests, and redemption of retiring partner interests. We prepare your LLP tax returns and Schedule K-1s while taking into account the Value Added Tax (VAT) and Pay As You Earn (PAYE) systems as they may apply to your business.

## Limited Liability Companies (LLCs)

Proper application of the tax code is critical to ensuring that income/deduction and gain/loss allocations are sustainable under audit. BPM's tax professionals have knowledge and experience in the unique requirements of Internal Revenue Code Section 704(b) involving distributive shares of income, gain, loss, deduction, or credit. We prepare numerous LLC tax returns, including Schedule K-1s, for our clients, many of whom require complex calculations of basis, amounts at risk, passive activity limitations, and debt allocations. BPM has assembled a Real Estate Industry Group that specializes in the specific needs of our real estate clients.

## Contact

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