1. **Tami wants to invest money in shares of stock. She would have to pay taxes on her earnings twice. Which is an ADVANTAGE of a sole proprietorship over a corporation?**
   1. **Limited capital**
   2. **Limited life**
   3. **Single taxation**
   4. **Unlimited liability**
2. **Both Bob and Jeri contributed to the expansion of their business to sell more brands of tires. They both experienced which ADVANTAGE of a partnership over a sole proprietorship?**
   1. **Limited liability**
   2. **Limited life**
   3. **More capital available**
   4. **Unlimited capital**
3. **Chun purchased 150 shares of stock in the Panasonic Company. How many votes will she have at the next stockholder’s meeting?**

|  |  |
| --- | --- |
| **A.** | **3** |
| **B.** | **30** |
| **C.** | **150** |
| **D.** | **300** |

1. **Since Jane’s corporation has become so popular, she has decided to allow other businesses to sell her products. This is an example of what type of business?**
   1. **Corporation**
   2. **Franchise**
   3. **Partnership**
   4. **Sole proprietorship**
2. **Several small businesses that sell organic foods have joined together to increase their chances to pay lower prices for inventory. This is an example of what type of business?**
   1. **Cooperative**
   2. **Corporation**
   3. **Franchise**
   4. **Sole proprietorship**
3. **Todd decided to form a corporation instead of a sole proprietorship because of which ADVANTAGE listed below?**
   1. **Limited liability**
   2. **Ease of formation**
   3. **Single taxation**
   4. **Limited life**
4. **Mary owns stock for several companies, which she plans to pass ownership to her grandchildren. She chose this form of ownership over sole proprietorship because of the ADVANTAGE of:**
   1. **limited capital.**
   2. **potential of unlimited liability.**
   3. **potential of unlimited life.**
   4. **single taxation.**
5. **Tami prefers working alone in her auto body shop and being in control of the daily activities. This type of business ownership ADVANTAGE over corporation is:**
   1. **control of decisions.**
   2. **limited capital.**
   3. **limited life.**
   4. **unlimited liability**
6. **Carlos ignores minor decisions in his business even though his name is on the sign as one of the owners. This is an example of what type of business ownership?**
   1. **Corporation**
   2. **Franchise**
   3. **Partnership**
   4. **Sole propriertorship**
7. **Hank has ownership, even without liability over his initial investment, along with George for a local business. This is an example of what type of business ownership?**
   1. **Cooperative**
   2. **Corporation**
   3. **Partnership**
   4. **Sole proprietorship**
8. **Tami opened an auto body shop after repairing a couple of cars to the high satisfaction of customers. She has experienced which ADVANTAGE over a corporation?**
   1. **Double taxation**
   2. **Ease of formation**
   3. **Limited capital**
   4. **Unlimited liability**
9. **Even though a company may sell shares of stock, it relies on a central body of people for financial directions. This is an example of what type of business?**
   1. **Cooperative**
   2. **Corporation**
   3. **Partnership**
   4. **Sole proprietorship**