

The Characteristics of Sole Proprietorship Study Guide

Directions: Use section one of the reading to fill out the study guide. Turn it in to be checked.

1. A _____ is an enterprise that produces goods and or provides services.
2. Most business are established to earn a _____.
3. Business organizations provide _____ and income that can be used for spending and saving. They also pay _____ to finance government groups.
4. In the United States the most common business organization is _____.
5. Sole proprietorship account for about _____ percent of businesses in the United States.

Advantages and Disadvantages

1. When a business ceases due to death of an owner or retirement, this gives the business _____.
2. Sole proprietorship gives business owners _____, in which the owner becomes responsible for any losses or deficits.
3. Sole proprietors are fully _____ given them complete control for running the business and receiving the profits.
4. List four advantages of sole proprietorship (use Bart's story)
 - a. _____
 - b. _____
 - c. _____
 - d. _____
5. List three disadvantages Bart experienced
 - a. _____
 - b. _____
 - c. _____

6. Mary Kay Ash began her business as a sole proprietorship but grew it into a

_____.