1 Lecture - MGT401

Important Mcqs

- 1. Which of the following is a type of business entity that offers limited liability protection to its owners? A) Sole proprietorship B) Partnership C) Limited liability company (LLC) D) Corporation Answer: C
- 2. Which type of business entity is owned and operated by a single individual? A) Partnership B) LLC C) Corporation D) Sole proprietorship Answer: D
- 3. Which type of business entity is taxed as a pass-through entity, meaning that the profits and losses are passed through to the owners' personal tax returns? A) Corporation B) Partnership C) LLC D) Sole proprietorship Answer: B
- 4. Which of the following is a type of business entity that is owned and operated by two or more individuals? A) Sole proprietorship B) Partnership C) LLC D) Corporation Answer: B
- 5. Which type of business entity allows for an unlimited number of owners and has the ability to issue stock? A) Sole proprietorship B) Partnership C) LLC D) Corporation Answer: D
- 6. Which of the following is a type of business entity that combines the liability protection of a corporation with the tax benefits of a partnership? A) Sole proprietorship B) Partnership C) LLC D) Corporation Answer: C
- 7. Which type of business entity is often used by professional service providers, such as doctors and lawyers? A) Sole proprietorship B) Partnership C) LLC D) Corporation Answer: C
- 8. Which of the following types of business entities is governed by a board of directors? A) Sole proprietorship B) Partnership C) LLC D) Corporation Answer: D
- 9. Which type of business entity requires a formal written agreement, outlining the terms of ownership and management? A) Sole proprietorship B) Partnership C) LLC D) Corporation Answer: B
- 10. Which of the following types of business entities allows for profit sharing between its owners? A) Sole proprietorship B) Partnership C) LLC D) Corporation Answer: B