**What Is Business Incorporation?**

**Business incorporation is the process where you legally separate your personal affairs from your business.** Incorporating your farm can be a good idea if you want to reduce your overall risk. For example, if you lose money in your farm and go into debt, having a legally separate business means your farm debt will not affect your personal ability to take out a loan for your family car or house. There are many kinds of incorporation you can choose from.

**What are the benefits?**

Business incorporation reduces your risk if something happens with your farm or personal finances.

**What are the drawbacks?**

Business incorporation requires paperwork. It also means you are committing to operating your business in a particular way, which can limit you if you are not careful about how you structure the business. Incorporation also requires a fee to file, an annual renewal fee, and a fee to dissolve.

**How much does it cost?**

Costs in Georgia range as below:

* Original filing fees are $100 flat fee.
* Annual registration (required) is $50.
* Name reservations (optional and valid for 30 days) are $25.
* If you fail to pay the annual registration fee for your business entity, your entity will be legally dissolved. Reinstating a dissolved business costs $250.

**Does every business have to do this?**

 No! Business incorporation is a very good idea for a lot of businesses, but not all. If you don’t incorporate, your business falls into a “default setting” if you ever go to court, etc.

**How do I get started?**

To choose a type of incorporation for your business, we recommend doing your own research (farmcommons.org is a good site) as well as talking to your attorney and accountant. The more research you do on your own, the lower your fees to these professionals will be. However, they will be required to fill out certain kinds of paperwork, but you can determine what that paperwork is before you call them up.