

Do you Co-mingle?

Keeping Personal and Business Funds Separate

Many business owners register their business as an LLC-Limited Liability Company, due to the “limited liability” it affords them. However, many of them use business funds for personal expenses and vice versa. The limited liability factor can be jeopardized by this co-mingling. Keeping personal and business transactions separate can help maintain this limited liability protection.

In addition, keeping a separate checking account for business purposes gives the business respectability as a professionally run business as opposed to a hobby.

Any questions regarding this issue should be discussed with your CPA.