

Anil Melwani:

So in this next video, we're going to talk about what the best structure is, formation-wise, entity-wise for an e-commerce store.

Anil Melwani:

Now, I'd say obviously, but you know, maybe it's not so obvious. When it comes to e-commerce, you can probably operate with little to no overhead in terms of rent and where you're located, things like that. When it comes to entity selections, it's where you're based out of.

Anil Melwani:

If you have the flexibility to work out of a non-tax state like Florida, Nevada, Texas, Washington, as opposed to a high tax state like New York or California and you could personally do that, you could save a lot of money doing that. A lot of money, not only when it comes to income taxes, when it comes to payroll taxes. Sales taxes, no. That's going to be where you ship to.

Anil Melwani:

So when it comes to entity selection, really a first question is where can you base yourself out of? Because if you have to base yourself in a place like New York City, or LA, or San Francisco, it's going to cost you more money, not only in rent and maybe payroll, but it's going to cost you more money in taxes. So it's really a geographical question when it comes to entity selection, entity formation, and how you're going to set yourself up in the best way to save on taxes.

Anil Melwani:

So when it comes to entity selection for Ecommerce, it's really something you want to talk to an accountant and probably also a lawyer about, as soon as possible, to make sure you're setting yourself up for success in the right jurisdiction.