

Payment options for business owners

Business entity type	Payment type	Tax return form	Self-employment tax	FICA and FUTA taxes
Sole proprietor	Owner's draw	N/A	No	No
Single-member LLC	Owner's draw	N/A	No	No
Multiple-member LLC	Distribution	Schedule K-1 (Form 1065)	No	No
	Guaranteed partner payment	Schedule K-1 (Form 1065) Form 1040	Yes	No
Partnership	Distribution	Schedule K-1 (Form 1065)	No	No
	Guaranteed partner payment	Schedule K-1 (Form 1065) Form 1040	Yes	No
S corporation	Salary	Form W-2 Form 1040	No	Yes
	Distribution	Schedule K-1 (Form 1065)	No	No
C corporation	Salary	Form W-2 Form 1040	No	Yes
	Dividend	Form 1099-DIV Form 1040	No	No