

Advantages and Disadvantages of Limited

The formation of any kind of company requires capital. The UK Limited is a growing alternative to other accepted company corporations.

One of the advantages is that such a formation can easily be done over the internet, but it also means that a company's registered address is automatically placed in the UK. Thanks to the freedom of establishment within the EU, businesses have the right to domicile in Austria and will therefore be added to the Austrian commercial register.

The following paragraph consists of a list of various advantages as well as disadvantages in forming a Limited:

Advantages:

- No min. requirement of capital stock
- inexpensive establishment
- fast procedure of foundation
- limited liability for company assets
- possibility of an establishment as well as a change of ownership without 'Notariatsakt'
- no bureaucratic administrative barriers for companies
- possibility for exemption of compulsory pension insurance scheme (in Germany)
- inexpensive corporation tax

Disadvantages:

- public authority post sent to address in UK
- UK annual account requirements
- Possibility of clash in company laws
- Scepticism amongst other business associates