The continued intrusion, overregulation and complete lack of interest towards the betterment of American businesses shown by Federal and State government agencies has had a crippling effect on their ability to compete, profit and survive. The mutually beneficial relationship that existed for decades between American business and Federal agencies is but a memory for today’s business owners. Governing agencies have taken a much more adversarial position and their recent actions have done nothing to improve or alter that perception in the business community.

Federal and State agencies are systematically removing the incentives, programs and potential rewards that motivated millions of people to work hard, sacrifice much and risk everything to open their own business, take charge of their future and turn their American Dream into reality. Federal and State agencies have made it abundantly clear to American business that there are no plans in the foreseeable future for favorable state or federal taxation initiatives, profit retention legislation, cost of doing business limitations or pro-growth initiatives.

This leaves today’s business owners in a rather precarious position. When all is said and done, business owners will decide on one of the three following courses of action:

- They will sell or liquidate because the odds of economic growth & acceptable profit margins are unrealistic based on the adverse conditions facing ownership in today’s business environment.

- They will consciously or sub-consciously make the decision to do nothing. Hope may spring eternal, but working hard doesn’t offset the loss of owner benefits and tax incentives that they used to receive from Federal and State agencies. Over time, profitability slips away as does the possibility of simply breaking even. Increased expenses and taxes continue to grow and suck the life out of what once was a proud and profitable business. Game Over!

- Statistics show that business owners who have found success in less than ideal circumstances have certain characteristics in common. Confidence, self-reliance, perseverance, strong beliefs and the ability to succeed where others have failed are all high on the list. These business owners make the decision to find a way to not only survive, but thrive under such adverse conditions and they found a way to do just that.

The overwhelming majority of business owners saw initial modifications/reductions to past benefits and incentives as temporary, but nothing could have been farther from the truth. With or without agency incentives or benefits, ownership is still ultimately responsible for the success or failure of that business. It was up to them to find a new way of doing business that was profitable, protected from government intrusion and fell within the legal guidelines and tax codes set by our Federal and State governing agencies.

What 99% of business owners didn’t know was that this “New Way of Doing Business” already existed, but was used so rarely and improperly that it went undetected. In all likelihood, it would have remained buried in the bowels of our legal system without the intervention of an enterprising Law Firm that believed it could be solution that American business owners were looking for.

The solution for business owners came in the form of a highly specialized Copyrighted Business Trust and a series of accompanying legal documents and Proprietary Systems. The intended ramifications and expected benefits of using a Copyrighted Business Trust, Accompanying Specialized Legal Documents and Proprietary Systems include limiting liability, deferring income taxes, the elimination of withholding and employer paid Social Security benefits, eliminate unemployment tax, eliminate workman’s compensation tax, increase business profitability and the reduction or elimination of liability insurance.

**New Way of Doing Business Using a Copyrighted Business Trust** – Using a service business as an example, the Trust would generate leads, sell to the accounts and generate the business.

In a service business for example, the Trust generates all leads, sells the accounts, and generates the business. The Trust is allowed to conduct business and provide services through Independent Agents. The Independent Agents provide all sales and services for the Trust. If the Independent Agents need certain supplies to sell the Trust’s services, the Trust will provide or sell those supplies to the Agents at a set published cost.

The Independent Agents are required to sell and service the Trust’s accounts, customers and clients, but they have no ownership, claim or equity position. The accounts, customers and clients sold and serviced by the Agents belong to the Trust, not the Independent Agents.
The Independent Agents are required to sell and service the Trusts accounts, customers and clients, but they have no ownership, claim or equity position. The accounts, customers and clients sold and serviced by the Agents belong to the Trust, not the Independent Agents.

To solidify this arrangement, the Trust creates a Binding Independent Agents Agreement. This Agreement clearly outlines the work related duties and responsibilities that are to be performed by the Agents on behalf of the Trust. The Agents Agreement also includes a strict, enforceable non-compete and non-circumvention clause that prevents Agents from converting or attempting to convert Trust customers to other like-kind service businesses. The Agreement also includes the Trusts job related expectations of the Agents, the relationship between the Agents and the Trust, the location or locations where the work is to be performed and a standard itemized Cost of Doing Business breakdown.

Payments for all services performed by the Agents on behalf of the Trust are due and payable at the time of service. Accounts are permitted to pay the Agents for services performed at the time they are rendered via Credit Cards, Debit Cards, Cash or Check. In turn, the Trust collects the payments received by the Agents and then pays the Agents as Independent Contractors after deducting any expenses for supplies that were provided to the Agents by the Trust in order for them to perform the services as outlined in the Independent Agents Agreement.

All Independent Agents are required to provide their own transportation, insurance, part or full time help if applicable, supplies and are responsible for any normal cost of doing business. Independent Agent compensation is based on a pre-negotiated percentage of each payment collected for services rendered on behalf of the Trust. The average pre-negotiated percentage for Agent compensation is between 25-40% of the total price for services performed, less any agree upon reimbursable expenses.

Based on the agreed upon negotiated percentage as outlined in the Agents Agreement, the Trust will retain a minimum of sixty (60) percent and up to seventy five (75) percent of the payment for each job.

This “New Way of Doing Business” structure allows the Trust to retain the majority of revenue generated from the service jobs that it provides to its Agents, thus eliminating or significantly reducing the hidden cost of business. The additional retention of revenue and increased profit margins afforded by this structure allows the Trustees of the Trust, the owners of the business, to compensate themselves in a much more deserving and equitable manner. Without this structure, paying for employee insurance, transportation allowances, sales bonuses, lease payments and a plethora of other normal and accepted cost of doing business expenses would put a tremendous strain on company’s cash flow and cash reserves.

That’s no longer the case with this “New Way of Doing Business” structure in place. It opens up a whole new world of opportunities for business owners who couldn’t afford to maintain, improve or expand their businesses based on the increased taxation and decreased incentive mentality of today’s governing agencies. This structure allows ownership to reinvest in their own businesses, create new jobs and most importantly, it takes control of our destines out of the hands of faceless bureaucrats and puts it back where it belongs, in the hands of hard working American business owners.

The infographic (1.1) to the left shows the basic structure of the Business Trust and further reinforces the relationship between Independent Agents and the Business Trust.

In summary, the Independent Sales/Service Agents that are contracted by the Business Trust to provide services, perform sales, sell supplies, manufacture goods, resell merchandise and conduct business of any kind on behalf of the Business Trust are in total compliance with the Internal Revenue Code and completely within the law.

As mentioned above, the “New Way of Doing Business” included in a series of accompanying legal documents and proprietary systems. This is an extremely unique and completely legal method to defer taxes and preserve the profits of the Business Trust.

The Special Beneficial Trust is an essential part of the overall structure. By law, all profits held in a Business Trust must be passed through on an annual basis. Profits held and not passed through annually are subject to taxation at a very high rate. The law allows only a very small amount of “operational” money to be retained in a Business Trust from one year to another.

(1.1)
To avoid excessive taxation at a very high rate, the net income of the Business Trust must pass through to a Specialized Beneficial Trust in the following manner:

The Business Trust creates an Operations and Services Manual that outlines the duties and responsibilities of the Independent Sales and Service Agents. The manual includes detailed descriptions of the work that is to be performed, the terms and conditions of how those services will be performed, a detailed strategic business plan or outline, relevant price lists, Sales Agent geographic territory breakdowns, sales methods, training procedures, dress codes, lists of reimbursable and non-reimbursable expenses as well as any other data deemed relevant by the Business Trust.

Upon completion, two copies of the Business Trust Operations and Services Manual are bound and published. One published copy is for the copyright and the other is to be held secure but the Business Trust. The Business Trust Operations and Services Manual is then copyrighted in the name of the Beneficial Trust.

The Beneficial Trust then leases the Business Trust Operations and Services Manual to the Business Trust. This allows the Beneficial Trust to charge the Business Trust for using the Operations and Services Manual to operate and conduct its business via a lease payment for using the copyright. Detailed and complex Lease Agreements that setup legal leases between two Trusts are provided. This legal Lease Agreement allows the income flowing into the Beneficial Trust to be declared Extraordinary Dividends, a royalty which is not considered income to the Trust.

Thus, income flowing into the Beneficial Trust is not legally considered income, nor is it considered a taxable event. The Internal Revenue Code allows special Trusts, constructed according to their Code, the ability to do this legally. All equipment and business assets are owned by the Beneficial Trust and leased to the Business Trust are included in the Lease Agreement.

The structure of the Copyright Business Trust is applicable to any type of business. For professional reasons, some businesses require that business be conducted through a Corporation, Limited Liability Corporation (LLC), Limited Liability Partnership (LLP), Sole Proprietorship or other legal entity.

The infographic (1.2) to the right illustrates the Special Beneficial Trust as a Beneficiary of the Business Trust, the basic structure of the Business Trust and further reinforces the relationship between Independent Agents and the Business Trust.

Our Masters Copyright Business Trust package includes:

- All legal work to compile the Operations and Services Manual for the Business Trust
- Preparing the copyright
- Filing the copyright with the Library of Congress to obtain the required copyrighted material
- Independent Agent Agreements
- Lease Agreements
- Miscellaneous legal documents to complete this comprehensive package
- Full ongoing support is provided for consultations, documents and other support services

As an added value, we also provide an introduction to a licensed tax advisor and an experienced Certified Public Accountant/CPA. They can handle all the tax work and filings with the IRS as well as filing the annual tax returns for both Trusts should you wish to engage their services.

Using professionals in these areas is highly recommended and a prudent manner in which to keep your Trusts in compliance with all state and federal tax laws. It’s also an intelligent way to maintain, track and store Trust business records and transactions.
Masters Business Trust

A NEW WAY OF DOING BUSINESS

The cost of keeping your Trusts in total compliance with all state and federal regulations is more than reasonable and as an added value, you’ll receive a set-up copy of Quick Books, the worldwide leader in accounting software.

Our Special Copyrighted Business Trusts truly represent a “New Way of Doing Business.” It can help a struggling business survive, help a surviving business prosper and take a prospering business to a whole new level of profitability.

From eliminating liability and reducing company expenditures to deferment of taxes and increased profitability; no other legal structure provides a more extensive array of benefits than our Special Copyrighted Business Trusts, accompanying legal documents and Proprietary Systems.

The General Partner of Masters Copyrights, LLC, Attorney Paul Rosen, provides the legal service work for all of our clients, creates the Trusts, provides all legal documents and, through his paralegal and accounting associates, provides support services for all Trust clients.

All services and legal documents must be provided by and through a licensed Attorney to comply with Federal and State laws. Only documents prepared by an Attorney or a Law Firm are considered legal documents! The use of non-legal documents to conduct business, used for bank accounts or used in the banking business can be considered fraudulent or illegal transactions.

Become one of the very few with the character and vision to structure themselves, their businesses and their futures in the most profitable, secure and legal manner available in the society of today.