**4080 PARTNERSHIP**

A partnership is an association of two or more persons to carry on as co-owners a business for profit. [Persons may include any of the following: individuals, partnerships, limited liability companies, corporations, other associations] [and to the extent authorized by governing instrument or court order, personal representatives and trustees]. A business includes any trade, occupation, or profession.

Four elements must be present for you to find a partnership exists:

1. The persons intended to form a partnership and agreed to accept the legal requirements and duties of that relationship.

2. The persons have a shared interest in the partnership property.

3. The persons have an equal right in management and conduct of the partnership.

4. The persons share and distribute profits and losses from the partnership and its property.

[The receipt of a share of the profits of a business by a person is evidence that person is a partner in the business except if the profits were received for the following reasons:

a. As payment for a debt;

b. As wages of an employee or rent to a landlord;

c. As an annuity to a surviving spouse or representative of a deceased partner;

d. As interest on a loan; or

e. As consideration for the sale of the goodwill of a business or other property.]