6. You are a shareholder in a C corporation. The corporation earns $2.00 per share before taxes. Once it has paid taxes it will distribute the rest of its earnings to you as a dividend. The corporate tax rate is 40% and the personal tax rate on (both dividend and non –dividend) income is 30%. How much is left for you after all taxes are paid?

7. Repeat the problem assuming the corporation is an S corporation.