

BUSINESS STARTUP CHECKLIST

1. Choose You Company Name

Choose a name that is simple, memorable and easy to spell.

2. Choose A Legal Structure

- a. Sole Proprietorship
- b. Partnership, Limited Liability Company (LLC), Limited Partnership
- c. Corporation, S-Corporation
- d. Nonprofit Organization, Faith Based Organization

3. **Write a Business Plan** A business plan is a fluid document that changes as your business starts and grows. A business plan is used for financing; however its main objective is to give your business a solid plan for finance, growth and operations.

4. **Obtain your Federal Employer Identification Number (FEIN)** If you are setup as a Corporation, LLC or Partnership (or a sole proprietorship with employees), apply for a Federal Employer Identification Number (FEIN or EIN) from the IRS. A FEIN will be necessary to open a bank account or process payroll.

5. Open the Company Bank Account

Select a bank and open the company bank account. Contact the bank to see what their specific requirements are to open a business account; each bank varies in its process.

6. Prepare Your Work Area

Depending on your type of business (retail, office or warehouse), arrange for office space to be leased. Contacting a commercial realtor in your area can be helpful if you are working outside of the home. Executive Suites are also great resources for start up companies, as well as established organizations. Also, make sure to arrange for utilities and office furniture.

7. Obtain Licenses and Permits

a. Federal Permits

- i. Depending on the type of business you are in, you may need a Federal license or permit.
- ii. Most businesses do NOT require a Federal license or permit. However, if you are engaged in one of the following activities, you should contact the responsible Federal agency to determine the requirements for doing business:
- iii. Investment advising (<http://www.sec.gov>)
- iv. Drug manufacturing (<http://www.fda.gov>)
- v. Preparation of meat products (<http://www.fda.gov>)
- vi. Broadcasting (<http://www.fcc.gov>)
- vii. Ground transportation (<http://www.dot.gov>)
- viii. Selling alcohol, tobacco or firearms (<http://www.atf.gov>)

b. State Licenses

Some occupations and professions require a State license or permit. Laws vary from State to State, however, if you are engaged in one of the following professions, you should contact the responsible state agency to determine the requirements for your business:

building contractors	private investigators
banks	private security
insurance carriers	guards
physicians	funeral directors
appraisers	bill collectors
accountants	cosmetologists
barbers	
real estate agents	
auctioneers	

8. State Licenses and Permits based on products sold.

Some state licensing requirements are based on the product sold. Contact your state licensing authorities to determine the licensing requirements of your business. For example, most states require special licenses to sell:

- a) liquor
- b) lottery tickets
- c) gasoline
- d) firearms

9. Sales Tax Permit If your company sells physical products within the state where it does business, you may have to collect and pay sales tax. This is usually accomplished by obtaining a State Seller's Permit or Resale Permit. *Many service businesses that do not sell a physical, tangible product are NOT required to collect sales tax, ask the State taxation agency for details/clarification.*

10. Business License Most Cities or Counties require you to obtain a business license, even if you operate a home-based business. This is a license granting the company the authority to do business in that city/county.

11. Hire Employees If you intend to hire yourself or others as a full or part-time employee of your company, then you may have to register with the appropriate State Agencies or obtain Workers Compensation Insurance or Unemployment Insurance (or both).

12. Set up an Accounting and Record-Keeping System Setup your Accounting and Record-keeping system and learn about the taxes your new company is responsible for paying. Company documents generally are required to be kept for 3 years, including: a list of all owners and addresses, copies of all formation documents, financial statements, annual reports, amendments or changes to the company. All Tax and Corporate Filings should be kept for at least 3 years.

13. Obtain Business Insurance There are many types of insurance for businesses but they are usually packaged as "General Business Insurance" or a "Business Owner's Policy". This can cover everything from product liability to company vehicles. A decent policy can run as little as \$300/year and offers a great extra level of protection.

14. Streamline Your Operations Systemize and organize your business. Prepare the business as if someone needed to take it over and run it for you. This means have a method to process orders, pay bills, pay employees, pay taxes, maintain your permits, etc. Basically, try to make the operational aspect of the business as automated and efficient as possible so you can concentrate on growing your business.

15. Develop a Business Identity Give your business a professional and established look; set up your website, design your logo, social media profiles, order business cards, letterhead and promotional materials for your organization.

16. Market Your Company Now that you've set-up the company for success, you need to get the word you're your business is only as good as the number of people who know about it. Create a marketing plan for your products and services that targets your ideal customer.