

LEGALLY START YOUR BUSINESS

CHECKLIST

If you've decided it's time to create a "legit" business, then you're in the right place. By legally forming a business entity, you will not only **LIMIT LIABILITY EXPOSURE** and **PROTECT YOUR ASSETS**, you will take your business to a higher professional level.



Select Legal Entity & Business Structure

The most common legal entities and structures to choose from include: (a) Sole Proprietorship, (b) Partnership, (c) Limited Liability Company (LLC), (d) S-Corp (Tax Filing Status), (e) Corporation or C-Corp, & (f) Non-Profit.



Prepare & File Organizing Documents

For LLCs, you will need to a Certificate of Organization. For corporations, you will need Articles of Incorporation. Depending on your state, the registration process may simply require One Step - Filing Organizing Documents, or Two Steps, including - Publishing Notice of Organization.



Get a Registered Agent

A Registered Agent is simply a person or entity appointed to accept official service of process on behalf of the business. All states require a registered agent with a physical address in the state of registration. As an alternative to serving as your own Registered Agent, you can hire an attorney or service to maintain compliance and privacy.



Prepare Governing Documents

For LLCs, you will need to an Operating Agreement. For corporations, you will need Bylaws. Depending on if you are going solo or partnering up, you may also need a Partnership Agreement. Depending on your state and the type of entity, there will be different ongoing reporting requirements.



Apply for Federal & State EIN

Your Employer Identification Number (EIN) is your federal tax ID. You need it to pay federal taxes, hire employees, open a bank account, and apply for business licenses and permits. The need for a state tax ID ties directly to whether your business must pay state taxes.



Obtain Licenses & Permits, if applicable

Depending on your business activities and business location, you may need certain licenses and/or permits. These vary by federal, state and local requirements. A great resource for determining if these apply is the Small Business Association's website.



Open a Business Bank Account & Credit Card

A business bank account separates your personal assets from your business assets. As soon as you are accepting money from clients or spending money on business expenses, you should open up an account. Business accounts often come with added benefits too.



Register Business Name, locally & federally

By creating a legal entity, you are establishing your business name. At both state and federal levels, there are added measures such as registering your DBA and applying for a trademark that will give you added legal protection. And don't forget to snag your domain name...



Get Business Liability Insurance

Business insurance protects you from the unexpected costs of running a business, such as accidents, natural disasters and lawsuits which could otherwise run you out of business if you're not protected.



Prepare Necessary Business Documents: Client Service Agreements & Online Policies

Before your first client can "sign up," you need a written Client Service Agreement for them to sign, clearly setting forth the expectations, obligations and terms of your relationship. Likewise, if your website is used for commercial purposes, you likely need a Privacy Policy, Terms and Conditions, and disclaimers applicable to the end-users of your website.

If you need help with any of these legal steps,
Contact Us @ 402-979-6077
for a Complimentary Business Consultation.