



## Checklist 8: How To Register A New Business

Project Name: \_\_\_\_\_

Date: \_\_\_\_\_

Yes No

*For any new business, it is important to register it so that your business exists as a legal entity that can carry out its operations legitimately and can enter into contracts with other businesses. There are specific steps that you need to follow to make this happen:*

- 1 Register a business name: Most people keep a name for their business that is not that their own. For example, a man named Mark Delaware might want to open a business called MD Traders, so they'll need to register the trade name or a DBA (doing business as) name with the name of their state. Another thing that you'll need to keep in mind while registering a business name is trademark infringement, special information on which is available with the SBA.
  
- 2 Registering your business as a legal entity: All businesses need not do this step, and some people will register their business as a sole proprietorship, in which there is no difference between the person and the businesses and such businesses are usually run by one person as well. However, you might want to register a business as an LLC (Limited Liability Corporation) or an S corporation, depending upon your requirements and location.
  
- 3 Registering a business with the IRS and state revenue office: If you have employees then you will need to get EIN (employee registration number) for them, but if you don't you can use your own Social Security number to conduct business. Also, if you plan to collect sales tax from your customers, you will need to register for a sales tax permit. You'll need to get estimated quarterly tax vouchers from these offices as well.
  
- 4 Business licenses and permits: Most people do not know that they need a permit to operate their business, especially people who run their business from home. You need to contact the SBA or the local Chamber of Commerce to find out the exact kind of permit or license you need.

*Notes*