



STEP-BY-STEP GUIDE

TO MAKING YOUR
BUSINESS LEGAL, LEGIT, & PROTECTED



Updated 2021

Are you ready to make it official?

First of all - YAY for a new beginning! Registering a new business is always a special moment that should be celebrated. It means that you're taking the first step in pursuing a dream - a step that many are afraid to do.

Follow these easy ten steps to get your business legally registered in your State. This guide covers important steps including entity registration, license, and insurance. *Let's do this!*



Grab these items before you begin!

- ↪ Your computer (*mobile device not recommended*)
- ↪ Paper notepad & ink pen
- ↪ Your bank account information or debit card to pay any fees
- ↪ Your personal information (SSN, DOB, etc)
- ↪ *A cup of coffee!*

Recommended: Print the last page of this document!

You may consider printing the checklist located on the last page of this document before proceeding. It will help you stay organized and keep you on track as you walk through this guide.

How To Use This Guide

This document is a guide or checklist to help you legally register your business in the United States. Every business within the United States is governed by the State in which it operates. For example, SOWBO is based out of Tennessee; therefore it is registered in the State of Tennessee.

SOWBO is not able to provide legal or tax advice. Please check with your attorney and CPA to determine which type of business entity you should register before going through these steps.

SOWBO is not responsible for any errors or omissions and cannot be legally responsible for any mistakes in your registration process. This document is simply a guide to get you started, but it is your responsibility to make sure that you follow all the legal requirements by your specific local government.

This guide will help you with entity registration, tax payment setup, licensing, and insurance. There may be other steps required by your specific state based on your industry. You will want to verify the requirements with your local business tax office for your specific state.

Though all vendor recommendations are trusted sources, some links provided in this document are affiliate-specific links in which SOWBO gets paid if you register.*

If you have any questions about the information displayed in this guide, then please email us at info@sowbo.org ..

Step 1

Decide if your business will be a Sole Proprietorship, Limited Liability Company (LLC), Corporation, Partnership, etc. We recommend that you speak with your CPA about the tax structure before deciding. The SBA has [a great article](#) that explains the different types of entities.

Step 2

Gather all the information that you'll need for steps 3 - 10. Please read this information carefully as it is very important. *Do not skip this section!*

Entity Name

This is the name that you will give your business. You need to verify that the name is available with your State before moving forward. Scroll down to the last page of this document and click on your State in order to do an entity name availability search.

Once you have verified that the name is truly available with your state, then we recommend doing a quick Google search on the name to see if there are any other companies with the same name.

You may also want to verify that the domain name is available. You can search for it [HERE](#).

You may also want to verify that the name is available for trademark. You can search for it [HERE](#).

Entity Address

This is the address that will appear publicly for the business. It is required by law to display your address on email campaigns and most payment platforms. A P.O. Box cannot be used for any of the registrations.

If you do not have an office address and you do not want your home address displayed for your business, then you may consider obtaining a virtual office address. Below are some ways to obtain a virtual office for a low monthly rate:

[UPS Store](#)

[WeWork](#)

[Industrious](#)

[Spaces](#)

Entity Phone Number

This is the phone number that will appear publicly for the business. You can utilize your personal cell phone number or register for a business number. I always recommend that publicly displayed phone numbers not be a personal cell phone number. Below are some ways you can get a virtual business line that rings to your cell phone.

[Google Voice](#)

[GrassHopper](#)

Business Email Address

We highly recommend that you utilize a separate email for your business. The best option for a professional email on the market is Google Workplace. This is what we use for our team and it enables us to have professional team emails, shared calendars, shared drives, software such as Word, Excel (*Google's version*), and some other really great features that only Google could come up with.

[Google Workspace](#) for only \$12/month

The link above will get you 10% off and pay us a little something for the referral. It really is the BEST professional and affordable email platform

out there. You will want the “Business Standard” option for optimal storage space.

List of Members or Partners (for an LLC, Corporation, or Partnership)

If your business has multiple owners or members, then you need to gather all their information before moving on to the next step. You’ll need their legal name, home address, phone number, and possibly date of birth.

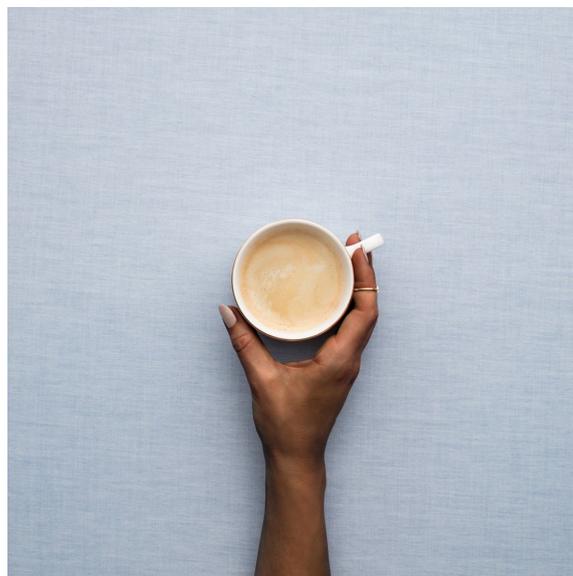
Registered Agent

Your business filing with the State may require you to provide a Registered Agent. You need to determine who this person will be and gather their contact information.

A Registered Agent is someone who can receive tax and legal documents on behalf of the business. Some select their attorney’s to be their Agent while others select themselves.

Now that you have all the information gathered, you may move onto Step 3.

Coffee break recommended.



Step 3

Head over to the Secretary of State's website for the State your business will be based out of. For example, we are a Tennessee based company and we registered at the Tennessee Secretary of State's website.

Secretary of State Business Offices by State

[Alabama](#)

[Alaska](#)

[Arizona](#)

[Arkansas](#)

[California](#)

[Colorado](#)

[Connecticut](#)

[Delaware](#)

[Florida](#)

[Georgia](#)

[Hawaii](#)

[Idaho](#)

[Illinois](#)

[Indiana](#)

[Iowa](#)

[Kansas](#)

[Kentucky](#)

[Louisiana](#)

[Maine](#)

[Maryland](#)

[Massachusetts](#)

[Michigan](#)

[Minnesota](#)

[Mississippi](#)

[Missouri](#)

[Montana](#)

[Nebraska](#)

[Nevada](#)

[New Hampshire](#)

[New Jersey](#)

[New Mexico](#)

[New York](#)

[North Carolina](#)

[North Dakota](#)

[Ohio](#)

[Oklahoma](#)

[Oregon](#)

[Pennsylvania](#)

[Rhode Island](#)

[South Carolina](#)

[South Dakota](#)

[Tennessee](#)

[Texas](#)

[Utah](#)

[Vermont](#)

[Virginia](#)

[Washington](#)

[West Virginia](#)

[Wisconsin](#)

[Wyoming](#)

Step 4

This is a reminder to **save your receipts and documents**. You're going to need them for Steps 5, 6, & 7!

Step 5

You may not have any employees just yet, but we recommend creating an EIN (also known as a Tax Identification Number) for the new entity in order to keep your reported earning separate. You can easily do this on the [IRS website](#).

Step 6

Register your new entity at your State's Dept of Revenue (DOR) so that you can pay any state tax required. Many DORs also manage license renewals, sales tax, payroll tax, franchise tax, and other state required fees.

Have the following ready to go:

- EIN or SSN
- SOS Filing Number / Document Number
- Address that you registered business under with the State

The State's DOR website will not be the same as the Secretary of State's website. Visit [THIS](#) page of the IRS website to locate your State's DOR registration site.

Step 7

Check on your State's insurance requirements for your industry. [THIS](#) website gives valuable information for every State, but it is not written by a government authority.

There are three main types of insurances that all businesses should have: General Liability, Professional, and Worker's Compensation. Of course, there

are many other types of insurance that you can buy. Read about all the options [HERE](#) on the SBA's website.

Thimble has affordable policy options for non-specialty industries.

Construction Contractors in high-risk fields will need to explore different options than most. If you are a carpenter, roofer, plumber, or electrician then we recommend getting a quote from [Contractor's Liability](#).

Step 8

Workers compensation exemptions are available in some states. This is only necessary if you do not sign up for a policy. Do a Google search for, "workers compensation exemption [YOUR STATE]." If an exemption is available, then it will be through a government managed website that ends in ".gov" - the filing fee for an exemption is usually less than \$100 per person.

Step 9

You are almost done my friend! Just two more steps. Now it is time to check on licensing. Let's start on the State level.

Navigate to your State's Department of Revenue website. Check to see if your industry requires any type of license. If so, you'll need to start the process.

Step 10

All that is left is to check with your local business office (City and/or County) to see if they require a local business tax registration. Most local governments do require some type of filing - no matter what industry you have a business in. Your local government website may have the information, but we've found that it's easiest to just call in or stop by to complete the registration.

Remember to save all your receipts and registration documents.

Business Registration Checklist

- Decide on your entity type (LLC, Sole Proprietorship, etc)
 - Speak with your CPA before deciding
- Gather needed information:
 - Entity Name
 - Entity Address
 - Business Phone Number
 - Business Email Address
 - List of Members & Contact Information
 - Registered Agent Contact Information
- Register with the Secretary of State's office
- Save all documents produced from each filing
- File for Employer Identification Number (EIN) with the IRS
- Register your new entity at Dept of Revenue (DOR)
 - Have the following ready to go:
 - EIN or SSN
 - SOS Filing Number / Document Number
 - Address that you registered business under with the State
- Look up your State's insurance requirements
 - General Liability
 - Professional Insurance
 - Worker's Compensation
 - If you are not going to sign up for a WC policy right away, then file for Workers Compensation Exemption
 - Contractors (<https://contractorsliability.com/>)
 - Non-Contractors (<https://www.hiscox.com/>)
- State License Application (check with your state to see if required)
- Local License Application (check with your county business office to see if required)
- Save all receipts and proof of registration