Starting a small business can be intimidating and overwhelming, but equally as rewarding. It can feel like there is an agency, deadline or requirement for everything. The reality is transitioning from hobby to business requires certain operational and legal elements be in place. The good news? Starting with a business plan can divide the process into manageable tasks. With just a few key actions your business can be operational in no time!

Begin the Legal and Logistical Process of Starting a Business – There are several legal steps you need to take in order to start a business. Consider these steps and apply to where you are in your business journey:

- **Consult Your Local Pro Bono Legal Clinic** – Small business attorneys are vital members of your business support team. When just starting out, it is worth the extra investment to make sure that your business is on solid legal and financial footing. Be sure to research if your area has any free legal clinics for new small businesses.

- **Determine Business Structure** – Figure out which structure, Sole Proprietorship, LLC, Corporation, or Partnership, would be best for your business. Learn more about business structure [here](#).

- **Determine Business Location** – To register your business with the federal and state government, you’ll need to provide a location for your business. At the start, you may need to use your home address before you have dedicated office or commercial space. Even if you plan to operate an online business, you must register a physical address. Your business location informs which rules and regulations apply, which may differ from state to state.

- **Apply for an Employer Identification Number (EIN) with the IRS** – After applying you’ll receive a tax ID that is your business personal identification number. An EIN replaces the need to use your Social Security number. This allows you to open a business bank account that is separate from your personal assets. Apply for an EIN with the IRS [here](#).

- **Register your Business with your State** – Once you obtain an EIN number you’ll need to register with your Secretary of State’s office, Business Bureau, or Business Agency to be able to conduct business in your municipality. The state asks you to provide information on your business name, location, management structure and registered agent information. This also registers and protects your business name in the state records. Find your state specific registration [here](#).
Apply for Any Relevant Permits or Licenses with your Local Government – Depending on your business, you may need to apply for specific licenses and permits (e.g., liquor license, hotel license, animal care, home occupancy permit, etc.). These vary from city to city and county to county. Research which license(s) you’ll need as well as the renewal dates and costs.

Open a Business Bank Account – Opening a separate business account keeps your personal and business finances separate. A business bank account provides you with important liability protection. However, you’re responsible for building the banking relationship with the financial institution. A good banking relationship positions you for success, especially in moments you quickly need to scale such as obtaining a line of credit to hire staff or fulfill a large order.

Review Industry Regulations and Rules – As you can imagine, there are plenty of rules and regulations when it comes to operating a business. Be diligent in your research to understand what rules and regulations will apply to your business.

Get Insurance for your Business - Property Insurance, Liability Policies, Errors and Omissions Coverage are all essential for a new business. For example, some festivals and retailers require brands to present their General Liability Insurance in order to participate. Making sure that you have all the necessary insurance coverages helps avoid fines and reduces risk. Create a short list of insurance companies that offer small business coverage.

Know Your Tax Responsibilities - Learn about the different types of taxes you may be responsible for, such as monthly sales tax. Speak with a tax attorney or an accountant to get a better understanding of the taxes you’ll have to pay for your specific business. Learn more about business taxes here.

Trademark your Logo – File your business name and logo with the US Patent and Trade Office (USPTO). Read the USPTO guest blog post on Preparing to File Your Trademark and listen to the webinar for additional information.

With these steps you’ll be on your way to starting and managing a business in no time! While these items are important to help start your business, there are still several important factors to take into account when operating your business. For more information, resources, and guidance, check out the Small Business Resource Center for the 50+ at https://www.smallbizrc.org/