



GUIDE TO STARTING A BUSINESS IN GEORGIA

The following are suggested steps to take in order to start a business. These steps are being listed in the sequential order that is suggested you follow:

1 Decide on the business structure or legal entity.

Most common forms of business structure are sole proprietorship, partnership, limited liability company (LLC), or corporation. You should discuss the features of each type of legal entity with your legal advisor. An overview of this topic is available at http://sos.ga.gov/index.php/corporations/commonly_asked_questions.

If you decide on a limited liability company, partnership, or corporation, you **will** need to register your business name with the Georgia Secretary of State (SOS) office.

2 Decide on a name for your business.

When you decide on a name, contact the Georgia Secretary of State to see if any other entity is using this name. If not, then you can reserve the name by filing a "Name Reservation Request" form with the SOS. There is a \$25 nonrefundable fee to reserve a name. You can obtain the reservation request form at <http://sos.ga.gov/corporations/acrobat/applications/Form%20-%20Name%20Reservations.pdf> or online at <https://ecorp.sos.ga.gov/>. If the name is available, this process will reserve it for 30 days to allow you time to complete the steps to secure it.

Your business will automatically be registered by the name of the legal entity. If you wish to use a trade name (also called a fictitious name or "DBA"), you will need to register it with the Clerk of Superior Court in the county in which the business is located.

3 Prepare Your Business Formation Documents.

After deciding on your business structure and name for your business, you will need to prepare or have someone prepare your business formation documents. Again, you need to consult with your legal advisor on the types of documents required. An overview of this topic is available at <http://www.sos.ga.gov/corporations/>.

4 File with the Secretary of State.

Once the business formation documents have been prepared you need to file the appropriate registration form and business formation documents with the SOS.

- You can file your domestic corporation online at <https://ecorp.sos.ga.gov/>.
- A partnership or limited liability partnership may not be filed online.

5 Federal Tax Employer Identification Number (EIN) with the IRS.

To pay Federal taxes on income and employees; may also be required for other documentation.



Apply for a federal Tax Employer Identification Number (EIN) with the IRS at no cost to you. If your business is a sole proprietorship you can use your SSN in lieu of an EIN and thus you don't need to apply for an EIN.

- You may apply for an EIN online at <http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Apply-for-an-Employer-Identification-Number-%28EIN%29-Online>. The IRS will assign you a number immediately while you are still online. Be sure you can access a printer while online so that you can print out a copy of your EIN. You can use this EIN as verification of your business when completing other business formation tasks.
- For other IRS matters go online to <http://www.irs.gov/>

6 Register Your Business with your Local Government.

Sole proprietorships are not required to register with the state, but all other business must register with the state.

Partnerships, LLP's, LLC's, and all types of corporations may need to register with the local government where their business is located. Contact the local government office, i.e. county office or city hall, etc., in the location where your business will be located to see if you need to register your business for an occupational tax license and trade name, if applicable.

7 Georgia Sales Tax Number.

To pay State taxes on income and employees and also submit all sales tax that you've collected from goods and services.

You will need to submit a "State Tax Registration" application (Form CRF-002) with the State of Georgia to register your business. This will also automatically register you for a Georgia sales tax number and withholding tax number as well as other tax registration numbers that might be applicable for the type of business you will operate.

- For a list of Georgia tax forms go to <http://dor.georgia.gov/documents/forms>.
- For instructions on filing Form CRF-002 go to http://dor.georgia.gov/sites/dor.georgia.gov/files/related_files/document/CRF-002%20Instructions.pdf
- For assistance call Taxpayer Registration at 877-423-6711, go to Georgia Department of Revenue at <http://dor.georgia.gov/>, or visit a Georgia Department of Revenue regional office.

8 Open a bank account in the name of your business.

You will need to provide the bank with identify information about yourself, i.e. driver's license number and SSN, etc., as well as proof that your business has been registered with the city, county, or state. It is a good idea to keep your business finances separate from your personal finances and thus the need for a business bank account.

9 Other helpful resources for starting a business.

For other information on starting a business, the Georgia SOS provides many helpful documents including:

- First Stop Business Information Center http://sos.ga.gov/index.php/corporations/first_stop_business_guide
- First Stop Business Guide - http://sos.ga.gov/admin/files/First_stop_business_guide.pdf

The University of Georgia's Small Business Development Center (SBDC) has a booklet called "Start-Up Basics" https://www.georgiasbdc.org/pdfs/StartupBasics_v1.pdf. This booklet contains very helpful information and issues to consider for all individuals who are considering starting their own business. For more helpful brochures and information visit the SBDC website at www.georgiasbdc.org.