



# STARTING A NEW BUSINESS CHECKLIST

## YOU HAVE A GREAT IDEA FOR A NEW BUSINESS. WHAT'S NEXT?

- Research the industry you are interested in using free resources such as the [U.S. Census Bureau](#) and the [business or hobby tool from the IRS](#).
- When you are ready to move forward, it's time to decide on your business structure. According to the IRS, the most common forms of business are the sole proprietorship, partnership, corporation, and S corporation. A Limited Liability Company (LLC) is a business structure allowed by state statute. Legal and tax considerations enter into selecting a business structure. Use this [IRS tool](#) to learn about each type of business structure. You can also learn more from the [Small Business Administration \(SBA\) tool](#).
- Now, it's time to [write a comprehensive business plan](#), including an executive summary, company description, description of your products and services, a market analysis, a plan for overall strategy and implementation, information on the organization and management team and financial plan and projections. Check out [business.nj.gov](#) for a business plan template.



- Although not required, a new business should take advantage of the taxpayer-supported services available from the [New Jersey Small Business Development Center Network](#). The network consists of 12 regional offices that provide business counseling at no cost. They can help you write or review your business plan.
- Other groups that provide help for starting businesses in New Jersey include the [Small Business Administration](#), [SCORE Mentors](#), [Women's Center for Entrepreneurship \(Northern New Jersey\)](#) and [LAEDA Southern New Jersey](#).
- In addition, contact your municipality and/or county for information on local regulations.
- When you are ready to form your business in New Jersey, start at the [New Jersey Division of Revenue & Enterprise Services \(DORES\)](#). If you choose to form a limited liability company (LLC) a corporation (Inc.), or a Professional Corporation (PC), you must [record that new entity](#) with DORES. This is not required for Sole Proprietorships or General Partnerships.



- All New Jersey businesses, including proprietorships and partnerships, must register for tax purposes with [DORES](#). Every business that has employees, more than a single owner or organized as a corporation, must obtain a Federal Employer Identification Number (EIN), commonly referred to as a Federal Tax ID, from the [Internal Revenue Service \(IRS\)](#).
- You have likely heard these terms - Trade Names, Alternate (Fictitious) Business Names, and Doing Business As (DBA).
  - Many businesses operate using a name other than their legal name, if that name has been properly registered.
  - Sole Proprietorships and General Partnerships must register a trade name in each of the [County Clerk's Offices](#) in the counties where they wish to conduct business.
  - LLCs, Corporations, and other legal entities may [register an Alternate Name with DORES](#).
  - A business formed outside of New Jersey must use the exact name that is on the formation document in its home state. If that name is already being used by another business entity in this state, the foreign (non-New Jersey) business will need to establish a secondary or 'doing business as' name for New Jersey purposes.
  - Only foreign businesses may use a "dba" name. When a "dba" is designated, online registration is not available. File using a paper form. The [downloadable form \(pages 23 and 24\)](#) is available. Remember to attach the business' resolution adopting the dba name to the filing.
- Your business may also need to collect sales tax during a qualified transaction and submit those proceeds to the [Division of Taxation](#). You may also qualify for a [Resale Certificate](#) that can be used when purchasing items for resale.
- The Treasury Department's "[Taxation University](#)" offers a workshop series to assist small businesses learn more about their state tax obligations.
- On the local level, obligations will vary by municipality. Many towns require certain businesses to obtain mercantile or other local business licenses.
  - Check with the Municipal Clerk's Office to determine your obligation under the Municipal Ordinances.
  - Your Municipal Clerk can be found by contacting your Municipal Government offices.
- Additionally, certain businesses, professions, or occupations may require additional licensing or certifications.
  - You can learn more from the [Department of Labor](#) and the state's [licensing and certification guide](#).
  - For example a physician needs a medical license, a bar needs a liquor license, and a hair salon requires a cosmetology license, but a clothing store requires no additional license.
  - The [NJBAC](#) can help you determine what licenses you may require through its live chat and at 1-800-JERSEY-7.
  - Depending on the type of business you are starting, you may also be required to register with or get a license from the [New Jersey Division of Consumer Affairs](#). The division also oversees a number of occupations through professional boards and committees that may regulate your specific industry.
- Employers must also understand their rights and obligations in New Jersey.
  - The [Department of Labor](#) has a [resource available online](#) to help employers know what their requirements are. The [employer handbook](#) explains the applicable state laws employers must follow.
  - Learn about the department's [grant and hiring programs](#) for additional support.
- Other considerations include the location of your business. Whether you operate online only or have a storefront, finding the right location is key. Consider the size of the space, utility options and costs, parking availability and any option needs you or your customers may have.
- Review local zoning/land use ordinances to determine if the site you select is appropriate for your use and determine what other local approvals may be required such as site plan approvals, zoning variances, and mercantile licenses.
- If your manufacturing facility or business process generates air or water outflows, for instance, they may require additional permitting. Environmental permits are issued by the state [Department of Environmental Protection](#) and NJBAC advocates can help coordinate this process.
- When you are finally ready to open your doors (literally or virtually), [make use of advertising and marketing tools](#) such as traditional radio/television/print ads and free online resources such as Facebook, Twitter and Instagram to promote your products and services. Also determine how you will accept customer payments in person and/or online.