



BUSINESS STARTUP CHECKLIST

The following is a list of steps which provide general guidelines to anyone who is starting a business in Maine.

- ✓ Prepare a written **business plan**, complete with **pro-forma financial statements**. This can serve as an operating guide as well as a financing prospectus. The business plan describes what you plan on doing and how you plan on doing it. The financial statements include a cash-flow projection, profit and loss statement and a balance sheet.
- ✓ **Choose a business entity**. Decide whether you wish to operate as a sole proprietorship, partnership, limited liability company or corporation.
- ✓ If you decide to **incorporate**, form a **limited liability company (LLC)** or a **partnership**, you should consult an attorney and tax accountant. However, you can obtain incorporation papers from the Maine Secretary of State, Bureau of Corporations, 101 State House Station, Augusta, ME 04333. Telephone: 207-624-7736. Forms and information are also available from their website: (<http://www.state.me.us/sos/cec/corp/index.html>). If already incorporated in another state, obtain an application to do business in Maine as a foreign corporation from the same office.
- ✓ If you decide not to incorporate and wish to **protect the name of your business**, you may file a **Trademark** or **Service mark** with the Secretary of State's office. For information about filing for marks in Maine, you may call 207-624-7736 or visit their website: (<http://www.state.me.us/sos/cec/corp/index.html>).
- ✓ If your business will operate under a business name that is different from your given name, you must register that name in the city or town where your business is located. This is called filing a **D/B/A (Doing Business As)** and the fee varies slightly, according to your location.
- ✓ Determine whether you need to obtain any **state licenses** or **permits** to operate your business. **Business Answers**, (<http://www.maine.gov/businessanswers/>) a program of the Maine Department of Economic and Community Development, has a **One-Stop Licensing Center** for all the information needed to obtain appropriate licenses for your business. This service can be reached at 1-800-872-3838 (in state) or 1-800-541-5872 (out of state). You should also inquire about local licenses and permits at your local town office or city hall.
- ✓ Check with the local code enforcement officer to determine if your business will be in compliance with **local zoning ordinances**.

If you decide to incorporate, or if your partnership or proprietorship has employees, you will need to:

- Register for a **Federal Employer Identification Number (EIN)**. Complete and file IRS Form SS-4, EIN. You are required to file this if you: pay wages to one or more employees; or are required to have an EIN to use on a specific return, statement or document (often banks will require this for a business checking account); or plan to incorporate (in which case owners drawing salaries are considered employees). This form can be obtained from the nearest IRS office, or call 1-800-829-3676. IRS forms and publications can be downloaded from their website: <http://www.irs.gov>.
 - Register for **Maine State Income Tax Withholding and Unemployment Insurance**. Complete and file the Application for Tax Registration from the Maine Revenue Services, 207- 624-5644. The application can be downloaded from <http://www.maine.gov/revenue>. You can also register online at the Maine Department of Labor's online services: <http://www.maine.gov/labor>.
 - Have employees complete and keep in employer's files: **Employee's Withholding Certificate W-4** obtained from the IRS and **Employment Eligibility Verification Form I-9** obtained from the U.S. Dept. of Citizenship and Immigration Services. This form can be downloaded from: www.uscis.gov/forms or call 1-800-870-3676.
 - Obtain **Worker's Compensation Insurance** from the business's insurance carrier.
 - Maine employers are required to **report newly hired, rehired or terminated employees** to the Maine Department of Health & Human Services (DHHS) within 7 days. Employers may submit reports by using the New Hire online portal or downloading the Report Form. For more information contact Division of Support Enforcement and Recovery at 207-624-4100 or go to: www.maine.gov/dhhs/ofi/dser.
 - Obtain and post the **required labor posters** that summarize state and federal labor laws by calling the Maine Department of Labor at 207-623-7900 or download from: <http://www.maine.gov/labor/posters>.
- ✓ If you plan to **sell a taxable product or service**, you must obtain a State Sales Tax Number by filing the Application for Tax Registration with the Maine Revenue Services. This form is also used to register for State of Maine income tax withholding and unemployment insurance. You can apply online or download the application at <http://www.maine.gov/revenue> or call 207-624-5466.
- ✓ Apply for a **Resale Certificate** if you are a retailer and expect to make purchases for resale and meet the required qualifications. This certificate allows a retailer to make such purchases without paying the Maine Sales Tax on them. When the retailer applies for a sales tax registration, the retailer will be issued a provisional resale certificate provided the applicant expects to make \$3,000 or more in gross sales over the next year. See above for application information.

- ✓ If necessary, contact the Maine Department of Labor, Bureau of Labor Standards to determine compliance with the **Occupational Safety and Health Act**. Telephone: 207-623-7900.
- ✓ Contact an insurance agent regarding the **necessary insurance coverage** your business will require.

If you have further questions or would like to speak with a business advisor, contact the Maine Small Business Development Centers at 207-780-4420 or visit our website (www.mainesbdc.org).