



South Haven Region Business Hub

Startup Checklist for New Businesses

Starting a new business requires a lot of steps. This checklist will guide you through the most important steps to launch and start your business.

1. **Select a date to start your business.** This is the first day you took steps toward establishing a business. Expenses from this point are part of your startup expenses. Start a record of your activities and all expenses. Keep receipts, noting dates and business purpose.
2. **Consider Professional Advice.** You may want to include an attorney, accountant, and insurance agent as part of your planning process; you're not **required** to use any of their services but it's prudent to have their counsel. If you expect to borrow funds, include a banker in your advisors. Lastly, consider free start-up counseling assistance from the [South Haven Region Business Hub](#), [SCORE](#), or the [SBDC](#).
3. **Develop a Comprehensive Business Plan.** There are many excellent tools to help with this step. You can download the [Business Plan Template](#). An important part of the document is the cash flow plan which includes how the owner will be paid by the business. Download [a cash flow template here](#).
4. **Choose a Name for your Business.** This is your first marketing decision. Select a name that helps customers connect with your business then check availability on the internet and State registrations as discussed below.
5. **Check to see if the name is available.** First check with an internet domain registry, such as [www.Godaddy.com](#) or [name.com](#) to see if your business name is available. Even if you do not expect to be selling on the internet you should consider having an internet presence. Your own URL will also let you have a distinctive email address.
6. **Check the business name with the State.** Next, check to see if the name is available for State registration by clicking this [link to the LARA Michigan page](#). If your chosen name is available, you may reserve it for a corporation, partnership or limited liability company for approximately \$25 using one of the links through the [Corporations Online Filing System](#). This will hold the name for four to six months depending on the type of corporation; extensions may be filed for the reservation or if you are not sure of the type of corporation you may file more than one reservation form.

You may have to go back and forth between the State and the URL listings to find a truly unique identity for your business, but it will be worth it for your business.

7. **Select a Type of Business:** (Seek business and legal counsel as needed).
 - Sole Proprietor or DBA
 - Limited Liability Company

- Limited Liability Partnership
- Corporation/S-Corp

8. **Register Your Business with the County or State:**

- **Sole Proprietor** - Register your business name with the County Clerk on a “Certificate of Assumed Name” form, also known as “Doing Business As” (DBA) which is available from the Clerk’s Office for your county. For a minimal cost (\$10) this will register and protect your business name for 5 years. Click the county name to visit the websites of each County Clerk Office to see application forms.
 - Berrien County: (269) 983-7111, x 8233
 - Cass County: (269) 445-4464
 - Kalamazoo County: (269) 383-8840
 - Van Buren County: (269) 657-8218
- **Corporation, Limited Liability Company or Limited Liability Partnership** – Visit the [State Licensing and Regulatory Affairs](#) website. Locate [Corporations](#) and then click [Forms, Publications, and Statutes](#). On the next screen click on the link to the applicable type of business status. **REMEMBER if you register with the State for an LLC or partnership, you will want to cancel the DBA registration with your county.**

9. **Licenses and/or Regulations:** Next you will want to check if your business activity requires a license from the State; to do that, click this [link](#) to the State website for Licensing and Regulatory Affairs and then scroll down the left side of the page to Corporations, Publications, and Statutes. Then click Forms. Scroll down the page to the Licensing Forms. If your business activity is listed, click the link, and complete the license application.

10. **Decide on your Federal Tax classification for your business.** This decision is separate from the decision on which type of business you register with the State. For example, a Limited Liability Company (LLC) may choose to be taxed as a Corporation, an S-Corporation or like a Sole Proprietor. Do your research and consult with professionals before you decide; the IRS will let you change your classification later but it’s best to start out with your final choice.

11. **Request an IRS Tax I.D. Number or Employer Identification Number, EIN.** To do this you will go to the [IRS website](#) titled “Apply for an Employer ID Number.” Review the information on that page and then click **APPLY ONLINE**.

12. **Open a Business Banking Account.** Take a copy of your State Registration information, i.e., your Articles of Incorporation or Articles of Organization, and your Tax ID/EIN number to your bank or credit union to open the account. **Do not use your Social Security Number to open the account. Use your EIN number.**

13. **Michigan Sales Tax.** If your business involves selling products, you must file for a sales tax license as registering your business with the State does not automatically register you for one. Instead, you must register separately with the Treasury Department for a sales tax license, for payroll withholding, and unemployment insurance. Fortunately, you can use Michigan One Stop to register for one or more of these by going to the [Michigan Treasury Department website](#) to create an account and begin the registration process. Alternatively, you may download the [Michigan Business](#)

[Taxes Registration Booklet](#) which includes Form 518 for all the tax registrations. Note, if you do business in more than one state you will need a license from each.

14. **Plan for Employees.** Search the web for employee applications that suit your business. Make sure you request information that will avoid disputes later. For example, if you will need weekend help, make sure your application asks if the candidate will be able to work weekends. Also, learn which questions you may not ask an applicant! Look on the web for examples of employee handbooks of policies you can use in your business. These would include vacation, sick time, evaluation, discipline and many more.

Review the [IRS Employer's Tax Guide](#), Publication 15 if you will be hiring employees. You have choices on managing the payroll and related State and Federal filings: do them yourself, use QuickBooks Payroll capabilities for an extra cost, or hire an outside payroll service. For State requirements, see the [Sales, Use and Withholding Tax Forms and Instructions](#).

15. **State Unemployment Insurance.** Registration may be done with the One Stop process above or [Form 518](#). Contact the UIA Tax Office at P.O. Box 8068, Royal Oak, MI 48068-8068; or call 1-855-484-2636. More information can be found on the [Unemployment Insurance Agency's](#) website.
16. **Federal Unemployment Tax (FUTA).** No action needed; registration is not required. See [IRS Employer's Tax Guide publication 15](#) for taxes and payment methods.
17. **Workers Compensation Insurance Contributions.** *Needed if even one employee works one minute. Also applies to virtual or non-employee compensated workers.* If you employ one or more full-time or 3 part-time employees, you are required to provide workers compensation coverage for your employees. For more information and an explanation of your workers' compensation responsibilities visit [Workers Disability Compensation Agency](#), and select the "Employers" link, or visit the [Compensation Advisory Organization of Michigan](#) website for help finding a provider.

For more information, please contact Debi Howe at (269) 207-0747 or email her at debihowe1960@gmail.com.

Sources: SBA, SCORE, Federal Government, State of Michigan, UIA

Our partners include the South Haven Foundation City of South Haven, South Haven Area Chamber of Commerce, and Lake Michigan College.



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