

CHECKLIST FOR STARTING YOUR BUSINESS IN NORTHGLENN

This checklist is provided by the Westminster Small Business Development Center (SBDC) located at Front Range Community College. For further information regarding the Center, please contact us at 303.460.1032, or on-line at www.frontrange.edu/smallbusiness.

*This checklist is a quick reference for the City of Northglenn. For a comprehensive and detailed guide to starting a business in Colorado please see the **Colorado Business Resource Guide** that can be obtained on-line at www.state.co.us/oed/guide, or through the Westminster SBDC.*

Is my business idea feasible?

- √ Consider writing a business plan. The business plan tells the story of your business. A successful business plan focuses on several key areas such as management, marketing, operations, financial plans and supporting documents.
- √ Analyze your start-up costs and put together a financial plan. There are no government grants for starting a new business, but the U.S. Small Business Association (SBA) does offer a variety of guaranteed loan programs. The first step in obtaining a government guaranteed loan is to contact a commercial lender. Lenders and investors will want historical, current and future financial documentation such as a cash budget, income statement, a listing of collateral, tax returns, profit and loss projections, cash flow analysis and capital requirements.
- √ The Westminster SBDC offers business workshops and credit/non-credit classes. We are an excellent resource for shaping your business and financial plans.

What legal structure is best for my business?

- √ There are several types of legal structures for business organizations. Among them are sole proprietorship, partnership, "C" Corporation, "S" Corporation and Limited Liability Company. Having a discussion with an attorney and tax advisor to determine advantages, disadvantages, tax impacts and liability issues is a helpful step in the decision making process.
- √ Once you have decided on the legal structure and trade name for your business you will need to register with the State of Colorado and the City of Northglenn.
- √ The Colorado Department of Revenue has several business registration forms on-line. These forms are at http://www.revenue.state.co.us/TPS_Dir/wrap.asp?incl=busregforms.
- √ For detailed information regarding state registration refer to the *Colorado Business Resource Guide*, or visit the State of Colorado website at www.colorado.gov under the main category of Business.
- √ As a sole proprietor or partnership, state business registration can be obtained on-line at http://www.revenue.state.co.us/TPS_Dir/wrap.asp?incl=busregforms
- √ As a LLC, S-Corp or C-Corp, state business registration can be obtained on-line at <http://www.sos.state.co.us/pubs/business/>
- √ All businesses, except sole proprietors with no employees, are required to have an IRS Federal Employer Identification Number (FEIN). As a sole proprietor, your social security number is your federal employer identification number. You can obtain your FEIN number by filing a completed Form SS-4. This form can be obtained from the IRS by calling 800-829-3676, or one-line at www.irs.gov under the Forms heading.

What taxes will apply to my business? (see page 5)

- √ **Sales and Use Tax:** If you buy or sell goods, ship goods, or use merchandise or materials that you purchased tax free, you will be required to collect state and local sales tax and possibly pay state and local use taxes.
- √ **State:** The Colorado Department of Revenue provides a free sales tax classes. Check on line at www.taxcolorado for dates, times, locations, and type of tax classes offered.

- √ **City of Northglenn:** The City of Northglenn has a very instructive website offering information and forms for taxes at <http://www.northglenn.org>. Go to the Main Menu on the left of the home page and click on “Finance” and then “Forms”. The Sales and Use Tax Information lists important phone numbers, licensing, information about when to charge sales tax, audits, how to compute use tax, Northglenn tax rates, and a detailed map of the boundaries of Northglenn.
- √ The total combined sales tax rate in Northglenn is 8.4%: 4% for the City of Northglenn, 3.7% for the State of Colorado, and .7% for Adams County. Use tax is 7.7%, 4% for Northglenn and 3.7% for the State of Colorado.
- √ The Sales Tax Department can be reached at 303-450-8729 or on the web at <http://www.northglenn.org>.

If I have employees within my business, what are my obligations as an employer?

As an employer, you have responsibility for compliance with several important laws and regulations. Below are some of the most important. See page 6 of this guide for more detailed information.

The *Colorado Business Resource Guide* is also an excellent resource.

- √ **Labor Regulations:** Identify which federal and state regulations apply to your business. Call the Colorado Department of Labor and Employment Labor Standards Office for the lists of state and federal laws affecting employment and posting requirements at 303-318-8441, or on-line at www.coworkforce.com/lab.
- √ **Withholdings and Deposits:** Federal and state income tax, social security (FICA), federal and state unemployment tax (FUTA and SUTA). (see page 5)
- √ **Workers’ Compensation Insurance:** Contact an insurance agent or the Division of Workers’ Compensation within the Colorado Department of Labor and Employment at 303-318-8700 or 888-390-7936, or on-line at www.coworkforce.com/dwc.
- √ **Unemployment Insurance:** Contact the Unemployment Insurance Division of the Colorado Department of Labor and Employment at 303-318-9000, or on-line at www.coworkforce.com/uit.
- √ **The Occupational Safety and Health Administration (OSHA):** Safety and health standards fall into four major categories – general industry, maritime, construction and agriculture. Standards are published in the Code of Federal Regulations (CFR): OSHA can be contacted directly at 303-844-1600. The office is located at 1999 Broadway, Suite 1690 in Denver.
- √ See page 6 of this guide for more detailed information.

What are the local permits and licenses that are required for my industry?

- √ All businesses operating in Northglenn must apply for a sales tax or use tax license. Northglenn businesses that do not sell anything must obtain a City Use Tax License. Persons making infrequent taxable sales must obtain a license to collect the City tax. This licensing process ensures that the area is properly zoned for the activity and that the City has a record of the business information.
- √ License applications are available on the website, www.northglenn.org, by calling the sales tax office at 303-450-8729, or by visiting Northglenn City Hall.
- √ It takes about 20 days to issue a new license and this license must be obtained before opening for business.
- √ The cost of a license is \$5.00 and must be renewed every year by December 31st. Yearly tax licenses are valid until your business is discontinued, sold, or your license is revoked. The license is nontransferable.
- √ A separate license is needed for each location in Northglenn. However, consolidated tax returns may be filed as long as each license number is reported on the consolidated return.
- √ Please notify the Sales Tax Department in writing if there are any changes to the license or company information, 303-450-8729.

What about local zoning and sign regulations?

- √ For local zoning and signage ordinances contact the city of Northglenn through the City Clerks Office at 303-450-8755. The signage code is not available on line.
- √ Below is a listing of prohibited signs.

- Signs which are mechanically agitated or move.
 - Signs which exhibit changing light effects except scoreboards, time and temperature signs and theater signs.
 - Signs which exhibit changing color effects except as approved by the Department of Community Development.
 - Signs which by their light or focus cause a nuisance or a traffic hazard.
 - Signs using any sound or noise-making device.
 - Signs which block a window, doorway, or other opening required for proper ventilation, light, or exit.
 - Signs or posters on or extending into any public right-of-way.
 - Balloons, banner, pennants, or wind powered devices.
 - Roof signs.
 - Search lights.
 - Strings of light bulbs other than traditional holiday decorations.
 - Signs with optical illusion of movement by means of a design which presents a pattern capable of reversing perspective.
 - Signs which project from the corners of buildings.
 - Advertising on bus benches or shelters, except as approved by the City Council.
- √ No sign shall be displayed in the city limits until the city has issued a permit for it unless exempt from a permit according to code. Signs exempt from the code are: street address and identification signs, interior signs, instructional signs, customer information signs, real estate signs, parking and private traffic directional signs, special events signs, political signs.

How can I get connected to the local business community?

- √ The Northglenn business community is connected through the Metro North Chamber of Commerce. The Chamber of Commerce can be reached at 303-288-1000, or via the web at www.metronorthchamber.com.
- √ Adams County Economic Development is a private nonprofit organization to promote business in the area. The website is located at <http://www.adcoed.org/> and the phone number is 303-450-5106. They are located at 12050 Pecos Street in Westminster.
- √ The Small Business Development Center, located on the campus of Front Range Community College, is dedicated to helping small businesses throughout Colorado achieve the goals of growth, expansion, innovation, increased productivity, management improvement and success. On line at <http://www.frontrange.edu/smallbusiness> or call 303-460-1032.

What are some of the business resources provided by the City of Northglenn and Adams County?

- √ For information about the City of Northglenn and business resources, contact Brenda Douglas, the Business Liason for the City of Northglenn, at 303-450-8743 or email her at bdouglas@northglenn.org.
- √ The Sales Tax Department of Northglenn can be reached by calling 303-450-8729. In addition, the City of Northglenn has a very instructive website offering information and forms for taxes at <http://www.northglenn.org/>. Go to the Main Menu on the left of the home page and click on “Finance” and then “Forms”. The Sales and Use Tax Information lists important phone numbers, licensing, information about when to charge sales tax, audits, how to compute use tax, Northglenn tax rates, and a detailed map of the boundaries of Northglenn.
- √ Adams County One Stop offers a variety of services by county and may include such things as job search and job readiness activities, vocational training, self-esteem/life skills curriculum, unpaid work experience in the public and private sectors, and employment subsidies for hiring of participants. For further information, please call 303-227-2000 or visit <http://www.co.adams.co.us/OneStopWeb/>.
- √ Northglenn falls under the auspices of the North Metro Fire Rescue Department. For non-emergencies call 303-452-9910. The department works to ensure all buildings in the community meet locally adopted fire codes and hazardous materials regulations. Inspections are conducted

during construction, remodeling, and operations stages of all commercial and public buildings.
Please call for inspections two business days in advance.

- √ The City of Northglenn is served by the Rangeview Library District. The Northglenn Library, located at 10530 North Huron, can be reached by calling 303-452-7534.



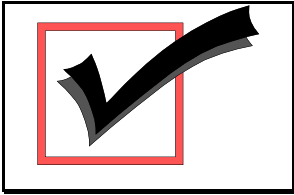
CALENDAR OF FEDERAL TAXES FOR WHICH YOU MAY BE LIABLE

DATE	DESCRIPTION	SOLE PROPRIETOR	PARTNERSHIP and LIMITED LIABILITY CO.	CORPORATION	S CORPORATION
		Forms	Forms	Forms	Forms
Jan. 15	4th Quarter Estimated Income Tax	1040ES	1040ES	1120W	1040ES
* Jan. 31	4th Qtr Soc. Sec. (FICA) tax, fed'l withholding of income tax (see IRS Pub. 334)	941, 941E, 942, 943	941, 941E, 942, 943	941, 941E, 942, 943	941, 941E, 942, 943
*Jan. 31	Annual Federal Unemployment (FUTA) tax reporting	940EZ or 940	940EZ or 940	940EZ or 940	940EZ or 940
*Jan. 31	4th Qtr Federal Unemployment (FUTA) tax deposit (only if tax liability exceeds \$100)	8109 to make deposits	8109 to make deposits	8109 to make deposits	8109 to make deposits
*Jan. 31	Annual report of wages, Soc Sec (FICA) tax, fed'l withholding of income tax	W2 to employee	W2 to employee	W2 to employee	W2 to employee
Jan. 31	Annual report regarding non-employees and transactions with other persons	1099 to recipients	1099 to recipients	1099 to recipients	1099 to recipients
*Feb. 15	Review W-4's for employees; send any new or changed W-4's to IRS	W-4	W-4	W-4	W-4
Feb. 28	Annual report regarding non-employees and transactions with other persons	1099 to IRS	1099 to IRS	1099 to IRS	1099 to IRS
*Feb. 28	Annual report of wages, Soc Sec (FICA) tax, fed'l withholding of income tax	W2, W3 to Soc. Sec.	W2, W3 to Soc. Sec.	W2, W3 to Soc. Sec.	W2, W3 to Soc. Sec.
Mar. 15	Annual Income Tax filing for previous year			1120 or 1120A	1120S
Apr. 15	Annual Income Tax filing for previous year (Personal Tax Return)	Sch. C, Form 1040	Sch. C, Form 1040	Form 1040	Form 1040
Apr. 15	Annual Self-Employment Tax for previous year	Sch. SE, Form 1040	Sch. SE, Form 1040		
Apr. 15	1st Qtr Estimated Income Tax	1040ES	1040ES	1120W	1040ES
Apr. 15	Annual Information Filing of Income		1065		
*Apr. 30	1st Qtr Soc. Sec. (FICA) tax, fed'l withholding of income tax (see IRS Pub. 334)	941, 941E, 942, 943	941, 941E, 942, 943	941, 941E, 942, 943	941, 941E, 942, 943
*Apr. 30	1st Qtr Federal Unemployment (FUTA) tax deposit (only if tax liability exceeds \$100)	8109 to make deposits	8109 to make deposits	8109 to make deposits	8109 to make deposits
Jun. 15	2nd Qtr Estimated Income Tax	1040ES	1040ES	1120W	1040ES
*Jul. 31	2nd Qtr Soc. Sec. (FICA) tax, fed'l withholding of income tax (see IRS Pub. 334)	941, 941E, 942, 943	941, 941E, 942, 943	941, 941E, 942, 943	941, 941E, 942, 943
*Jul. 31	2nd Qtr Federal Unemployment (FUTA) tax deposit (only if tax liability exceeds \$100)	8109 to make deposits	8109 to make deposits	8109 to make deposits	8109 to make deposits
Sep. 15	3rd Qtr Estimated Income Tax	1040ES	1040ES	1120W	1040ES
*Oct. 31	3rd Qtr Soc. Sec. (FICA) tax, fed'l withholding of income tax (see IRS Pub. 334)	941, 941E, 942, 943	941, 941E, 942, 943	941, 941E, 942, 943	941, 941E, 942, 943
*Oct. 31	3rd Qtr Federal Unemployment (FUTA) tax deposit (only if tax liability exceeds \$100)	8109 to make deposits	8109 to make deposits	8109 to make deposits	8109 to make deposits

* Applies only if you have employees. Also note: Employers who report monthly to the IRS must make federal tax withholding deposits by the **15th of every month.**



- If your Tax Year (Fiscal Year) is not January 1 through December 31 (Calendar Year), call the IRS at 1-800-829-1040 for tax due dates.
- A Limited Liability Company is treated as a Partnership for tax purposes.
- State tax calendar closely follows federal; see the Colorado Business Resource Guide or the Colorado Department of Revenue on-line at www.taxcolorado.com.



EMPLOYER RESPONSIBILITIES

As an employer, you have responsibility for compliance with several important laws and regulations. You must withhold Federal and State income taxes, pay for unemployment and workers' compensation insurance, withhold and match Social Security (FICA) taxes and Occupational Privilege Tax (OPT). You are required to obtain certain information about your employees for various government agencies, including the Internal Revenue Service (W-4 form) and the Immigration and Naturalization Service (I-9 form). Regular reports must be completed and returned to each agency with which you deal.

The following chart shows the most common requirements and the agencies responsible.

<u>Requirement</u>	<u>Agency</u>
<input type="checkbox"/> Form SS-4 establishing a Federal Employer Identification Number (FEIN); W-4 (employee's name, address, Social Security No. and # of withholding allowances) <input type="checkbox"/> Withholding: Federal Income Tax (FWH); Unemployment Taxes (FUTA); Social Security (FICA); Medicare (hospital tax) <input type="checkbox"/> Quarterly payroll reports; Form 941 (payment of FWH, FICA, Medicare); Form 940 (FUTA)	Internal Revenue Service Federal: 1-800-829-1040 http://www.irs.gov State: 303-446-1675 and 303-238-3278 http://www.taxcolorado.com
<input type="checkbox"/> State Income Tax Withholding (SWH)	Colorado Department of Revenue 303-238-7378 http://www.revenue.state.co.us/
<input type="checkbox"/> Unemployment Insurance	Colorado Unemployment Insurance Liability Unit 303-620-4785 or 1-800-480-8299 www.coworkforce.com/uit
<input type="checkbox"/> Workers' Compensation Insurance	Colorado Division of Workers Compensation 303-318-8700 http://www.coworkforce.com/dwc
<input type="checkbox"/> Health and Safety of Employees	Occupational Safety & Health Admin. (OSHA), http://www.osha.gov/
<input type="checkbox"/> Americans with Disabilities Act Regulations	Department of Justice, 1-800-514-0301 http://www.usdoj.gov/crt/ada/adahom1.htm Rocky Mountain Disability and Business Training Assistance Center, 1-800-949-4232 http://www.ada-infonet.org/contact/contact.asp
<input type="checkbox"/> Immigration Law; I-9 Form (Can be obtained from your accountant)	U.S. Immigration and Naturalization Service http://www.ins.gov

EMPLOYEE OR INDEPENDENT CONTRACTOR? HOW TO TELL THE DIFFERENCE
20-FACTOR CONTROL TEST (call the Colorado Department of Labor and Employment at 303-318-8441 for more information)

If the worker has any of the following characteristics, there may be an employee status, and not an independent contractor relationship:

The individual *follows instructions* about when, where and how to perform the work, *receives training* from the employer, is required to perform the *work in person* (may not sub-contract), uses *assistants supplied by the employer*, has an *ongoing work relationship* with the employer, has *fixed hours* of work, has *full-time* work status, works at the *employer's location*, is *subject to the work flow*, routines and schedules of the employer, is required to provide *regular progress reports*, is *paid on an hourly, weekly or monthly basis*, is *paid for expenses*, *uses company tools* and equipment, is restricted to *working exclusively* for that employer, *can quit or be discharged*.

A **subcontractor** relationship may exist if the worker is *paid on a lump-sum basis* at the conclusion of the work, *provides his or her own tools* and equipment, *works "off-site"* without supervision, has a *significant investment* in his or her own work facilities, *can realize a profit or a loss* from the work activity, *has multiple clients*, *markets services to other potential employers*, and *may not quit or be discharged without liability* for completing a contract for work. Form 1099 must be filed for each independent contractor or to whomever you paid over \$600 during the year.



HOME-BASED BUSINESS GUIDELINES

Many small businesses find it cost-effective to start up in the home. This is often a good idea and can reduce overhead expenses significantly. The following information will provide a brief overview of the City of Northglenn codes that regulate home-based business activity.

For more information contact the Northglenn Department of Community Development at 303-450-8743 or go online www.northglenn.org.

A home occupation is an occupation or profession which is conducted within a dwelling or on the premises thereof and is clearly incidental and secondary to the use of the dwelling for dwelling purposes and which is subject to the following limitations:

- No more than one employee allowed. A home occupation shall be conducted by family members residing in the home. No more than one non-family member may be employed in a home occupation.
- No evidence of a home occupation shall be visible outside the principal building, except for one wall or window sign no larger than one square foot in size.
- Only one motor vehicle used to conduct a home occupation may be kept at the home. A motor vehicle used to conduct a home occupation shall not exceed one ton capacity. When not being loaded or unloaded, any trailer used to conduct a home occupation shall be stored in a garage or behind an opaque fence not less than six feet in height so as to not be visible from any other public or private property.
- A home occupation shall be conducted entirely within the principal building on the site. Detached structures such as garages or sheds may be used only for the storage of tools, materials, supplies, trailers, or vehicles. No manufacturing, construction, fabrication, or assembly related to a home occupation shall occur within any detached structure. A detached structure shall not be used as an office, meeting room, display area, or to provide any service related to a home occupation.
- No activity or storage related to the home occupation shall be allowed outside the principal building except for the one motor vehicle and trailer as described in the above section.
- Customers or clients of a home occupation may come to the home only between the hours of 7:00 am and 10:00 pm.
- Vehicle parking for customers or clients of a home occupation shall be provided on the site of the home occupation or on a portion of the street adjacent to the lot used for the home occupation.
- Deliveries to the home may only be made between the hours of 7:00 am and 7:00 pm, and may only be made by vehicles that weigh less than 7,000 pounds and have no more than one rear axle.
- Any noise caused or generated by conduct of a home occupation shall not create a noise disturbance as defined by the City's Noise Control Ordinance. Nor shall such noise be audible at any time beyond the property boundary of the residence where the home occupation is conducted.
- No home occupation shall create a public nuisance as defined in the Northglenn Nuisance Ordinance.
- No hazardous material, as listed in the Uniform Fire Code, which may be amended from time to time, may be used or stored in conjunction with a home occupation except with the prior approval of both the Fire Marshall or the North Metro Fire Rescue District and the Chief Building Official of the City of Northglenn.
- A home occupation shall not include sale of goods or merchandise, either wholesale or retail, at the residence in which the home occupation is conducted, except for home crafts and art works created at the home, and items which are provided in support of the provision of a home occupation service.
- A sales and use tax license is required for all home occupations.
- Home occupations shall be conducted in compliance with all other applicable regulations of the State of Colorado, City of Northglenn, North Metro Fire Rescue District, and the Tri-County Health Department.

- No motor vehicle service, repair, maintenance, reconstruction, restoration, cleaning, sale, or storage shall be conducted as a home occupation. This restriction shall not be interpreted to preclude any of these activities for vehicles owned and used by the residents of the home as their personal automobiles.