

## Make It Official Entity Selection Workpaper

1. Sole owner of multiple business partners?
  - a. *Suggestion* – when possible try to do sole owner
  - b. If multiple business partners an operating agreement is a **MUST**
    - i. Meet with an experienced attorney to write this document
2. Decide on a business name \_\_\_\_\_
  - a. See if other businesses have a similar name by doing a Google search (you may decide to change your name)
  - b. Keep in mind that eventually you will be selling the business and you will most likely want to sell the name with the business
3. Decide on the type of business entity – main topic of this workshop
  - a. 1<sup>st</sup> Choice \_\_\_\_\_
  - b. 2<sup>nd</sup> Choice \_\_\_\_\_
  - c. 3<sup>rd</sup> Choice \_\_\_\_\_

Once these 3 decisions are made, then you can officially set up your business

1. Register your business with the Colorado Secretary of State through their website at <http://www.sos.state.co.us/>
2. Apply for an Employer Identification Number (EIN) through the IRS website at <http://www.irs.gov/>

***Due to time restrictions the following topics are not covered in this presentation***

1. If you sell products that are subject to sales tax, you will need a sales tax license
2. If you have employees, you will need to get payroll tax accounts set up

*Helpful suggestion:* When you decide to start a business it will complicate your income tax return and create some important legal issues. I strongly advise that you decide from the beginning who is going to help you with the income taxes and the legal issues. Whether it be a family member, friend, fellow business owner or professional tax accountant and attorney: Establish that relationship **NOW.**