

Starting a Business Checklist

Determination of Business Name & Its Registration

The first step towards starting a business involves deciding the legal form of your business. The following are possible scenarios:

- A sole proprietorship or general partnership will generally use a “trade name.” If you intend to do business under your own name, then no trade name registration is required. Registration is only considered advisable. If you intend to operate a Sole Proprietorship or General Partnership using a business name, then you must contact the County Clerk’s Office of the county in which the business will be located for registering a trade name. This registration at the county level is compulsory. The registration protects that name from use by other businesses within that county. If you are interested in reserving the trade name in other counties then you must register that name in those counties as well. To protect the name statewide you should register the name in each of the State’s 21 counties.

- If your business is going to be a Corporation, a Limited Liability Company (LLC), or a Limited Liability Partnership (LLP) then you must Register a New Business Entity with the Division of Commercial Recording, New Jersey Department of Treasury. You can take advantage of New Jersey’s easy to use online services to register your business entity by visiting www.NewJerseyBusiness.gov and clicking on the “Starting a Business” tab. You can also contact the division directly at Division of Commercial Recording, PO Box 308, 33 West State St., Trenton, New Jersey, 08625-0308 or call 866-534-7789.

Registration of the Business

All businesses must “Register for Tax and Employer Purposes” with the New Jersey Division of Revenue, regardless if they plan on collecting sales tax or having employees. You may now register your business for taxes and employer contributions for unemployment and disability, online at www.NewJerseyBusiness.gov and clicking on the Starting a Business Tab. You may also contact the Division of Revenue, Client Registration Bureau by calling 866-534-7789.

The IRS will allow a sole proprietorship or a single member LLC with no employees to use the owner’s social security number for federal tax purposes. However other business entities and all businesses with employees are required to obtain a Federal Employee Identification Number (FEIN) from the IRS. You can obtain a FEIN by filing a form SS-4 with the IRS or by visiting the IRS Web site at www.IRS.gov.

Taxation

All businesses must pay taxes. When you register your business, the State of New Jersey will send pertinent forms and information necessary for compliance with the New Jersey tax laws. It is important to include either a social security number or a Federal Employer Identification Number (FEIN) on all returns, checks, and other correspondence sent to the State of New Jersey.



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Local Permits & Other Regulations

All businesses should contact the municipality and county in which the business is located to determine if there are any local regulations to which the business must adhere. Also check whether any permits are required for your business to operate.

Business Licenses and Certification

Depending on the nature of your business, the State of New Jersey may require that you either obtain a license, certification, or registration. The New Jersey Online License & Certification is available online at www.NewJerseyBusiness.gov.

This site lists various types of businesses and their requirements. You can also contact the Business Action Center at 866-534-7789 to obtain license/certification information.

Employee Related Issues

If you have at least one employee, you are required to address the issue of employer insurance. Information on employer insurance and other responsibilities can be found at www.NewJerseyBusiness.gov. Just click on Workforce Training and Programs for a list of Employer's Responsibilities. You may also contact the following departments for information on your insurance responsibilities:

Unemployment Insurance:

If you have at least one employee, registration is required with the Division of Employer Accounts, New Jersey Department of Labor and Workforce Development, PO Box 913, Trenton, New Jersey 08625-0390. For information in North Jersey call (Newark) 973-648-4109, in Central Jersey (New Brunswick) 732-418-3331, and in South Jersey (Camden) 856-614-3764.

Workers' Compensation Insurance:

Information regarding Workers' Compensation accidents may be obtained by contacting the Division of Workers Compensation, New Jersey Department of Labor and Workforce Development, PO Box 381, Trenton, New Jersey 08625-0381, 609-292-2515. For coverage information, contact your insurance provider, or the Compensation Rating and Inspection Bureau at 60 Park Place, Newark, New Jersey 07102, 973-622-6014.

Additional Requirements for Out-Of-State Firms

If you are not located in the State of New Jersey but intend to start your business here, there are some additional requirements that you need to fulfill:

Corporations, LLC and Limited Partnerships:

It is necessary to register a new business entity and register for tax and employer purposes, but you will be registering as a "Foreign" Corporation, LLC, LLP or LP.

General Partnerships and Sole Proprietorships:

It is necessary to obtain a "Trade Name Certificate to Operate" from the Clerk in each county where business will be conducted. You will also need to Register for Tax and Employer Purposes.

Out-of-State Payroll Record keeping:

A permit must be acquired from the Division of Workplace Standards, Office of Wage and Hour Compliance, New Jersey Department of Labor & Workforce Development, 609-292-7860.