

Starting a Business: The First Five Steps

The same playbook in every state — only the office you file with changes.

1 Choose your structure

Most small owners start as a sole proprietorship or a single-member LLC. An LLC separates business liabilities from your personal assets; how you're taxed depends on elections you can make later. Partnerships and corporations fit specific situations — when in doubt, ask first.

2 Register with your state

File your formation paperwork directly with your state's business registry (usually the Secretary of State). The add-on websites just charge more to type it in for you. You'll name a registered agent — a real street address in your state, and that address becomes public. Write an operating agreement even where it isn't required; your bank will ask for it.

3 Get your EIN — it's always free

Your federal Employer Identification Number comes straight from [irs.gov](https://www.irs.gov) in about ten minutes. Never pay a website for an EIN. You'll need it for your bank account, payroll, and most registrations that follow.

4 Handle licenses and local registrations

Requirements vary by state, county, and city: a general business license, trade or contractor licensing, sales-tax registration if you sell taxable goods or services, and a trade-name (DBA) filing if you operate under a different name. Check all three levels.

5 Open the business bank account and start the records

Separate money from day one — commingling funds is the most expensive habit in small business. Bring your formation documents, EIN letter, and operating agreement. Then pick a bookkeeping system and use it from the first transaction.

The Steps People Miss

Five minutes here saves expensive cleanup later.

✓ **Trade names usually need their own registration**

Operating as “GreenScape Pros” when your LLC is “Smith Holdings LLC” typically requires a DBA — filing and in some states it expires and must be renewed.

✓ **The EIN is free. Really.**

If a website charged you for an EIN, it just filled in the free IRS form. Go to irs.gov directly next time.

✓ **Your registered agent's address is public record**

Use an address you're comfortable publishing — or a registered-agent service if privacy matters to you.

✓ **Annual reports keep your company alive**

Most states require a yearly (sometimes biennial) report with a fee. Miss it and your company can be administratively dissolved.

✓ **Estimated taxes start sooner than you think**

Once the business earns profit, quarterly estimated tax payments are usually due — the first tax surprise bill is the most painful one.

Want it set up right the first time?

A discovery call is thirty minutes on the phone about your business. No cost, no pressure, and no jargon. Book at westfinancialservicesllc.com or email hello@westfinancialservicesllc.com.