

# STARTING A BUSINESS

## RESOURCE GUIDE

for LOGAN COUNTY OHIO

**Local, State and Federal  
Guidelines to  
Permits, Licenses and  
Taxes**



**Logan County Community Improvement Corporation  
Downtown Bellefontaine Partnership**

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# PERMITS, LICENSES AND TAXES:

## 5 Steps to Incorporating Your Business

1. Choose the name
2. Prepare your Articles of Incorporation
3. Write your Bylaws
4. Hold an organization meeting
5. Issuance of stock

**NOTE:** The articles of incorporation are the main structure of your company.

**NOTE:** Must call the Corporation Department to reserve the corporate name.

**Note:** The bylaws of a corporation are the internal rules and regulations by which the corporation intends to operate – kept in minute books.

## BUSINESS STRUCTURE

The ways in which you can structure your organization are as follows: Sole Proprietorship, Partnership, corporation, Limited Liability Company (L.L.C.), and a Limited Liability Partnership (L.L.P.). **The Downtown Bellefontaine Partnership, Inc. strongly encourages individuals to seek the professional advice of a reputable business attorney and accountant for further assistance in starting a business.**

## SOLE

A **sole proprietorship** is a business owned, and generally operated, by one person PROPRIETORSHIP who realizes the full profit from the business. The owner is also responsible for all the debts and assumes all of the risk and liabilities.

## PARTNERSHIP

A **partnership** is an association of two or more persons with the purpose of forming and operating a business enterprise. It is strongly recommended that all partnerships have a written agreement in order to minimize any future disagreements about the business operation. The two types are **General Partnership**, which actively participate in the management of the business and have unlimited liability for the business. The second is **Limited Partners**, which cannot actively participate in the management of the business and are liable only for the amount they have agreed to invest. Both types require completion of a registration application with the Secretary of State.

## CORPORATION

A **Corporation** is a legal structure which exists separately from the people who create it. When incorporators file Articles of Incorporation with the Secretary of State, the corporation becomes a legal entity and its continuity is unaffected by death or the transfer of stock shares by any or all owners. A bi-annual report must be filed to maintain corporate status. Profits from the corporation are taxed either at the corporate level or the individual level. However, you may wish to talk with your accountant concerning the "S Corporation" tax filing status.

## PERMITS, LICENSES AND TAXES:

With this type of corporation, profits are passed through to the individual stockholders, much the same way as in a partnership, with the result that there is no federal income tax to the corporation as an entity. There is a limited number of shareholders and only one class of stock

A **Limited Liability Company (L.L.C.)** is an entity with both members and managers as specified in the Articles of Organization. An L.L.C. offers the advantages of limited personal liability and in some cases, taxing benefits similar to a partnership. Legal counsel is highly recommended in order to properly establish your company to meet the specific requirements necessary to qualify for the special taxing benefits.

LIMITED LIABILITY  
COMPANY (L.L.C.)

A **Limited Liability Partnership (L.L.P.)** is the newest business structure available in the State of Ohio. L.L.P.'s must contain at least two partners. Legal representation is highly recommended in order to establish your partnership to meet the requirements of the state statute.

LIMITED LIABILITY  
PARTNERSHIP  
(L.L.P.)

	<b>Sole Proprietorship</b>	<b>Partnership</b>	<b>Corporation</b>
<b>ADVANTAGES</b>	Low start-up costs Greater freedom from regulation Owner in direct control Minimum working capital requirements Tax advantage to small owner All profits to owner	Ease of Formation Low start-up costs Additional sources of venture capital Broader management Limited outside regulations	Limited liability Specialized management Ownership is transferable Continuous existence Legal entity Easier to raise capital Unity of action having centralized authority in board of directors
<b>DISADVANTAGES</b>	Unlimited liability Lack of continuity More difficult to raise capital	Unlimited personal liability Lack of continuity Divided authority Difficulty in raising additional capital Hard to find suitable partners	Closely regulated Most expensive to organize Charter restrictions Extensive record keeping necessary Double taxation, except when organized as an "S Corporation" Difficult to liquidate investment

# FEDERAL REGULATIONS

Businesses must have a taxpayer identification number so the Internal Revenue Service (IRS) can process tax returns. The identification number may be a **Social Security Number (SSN)** or an **Employer Identification Number (EIN)** depending on the organization of the business.

## EMPLOYER IDENTIFICATION

You need an **Employer Identification Number (EIN)** if you:

- \* are registered with the Ohio Secretary of State as a legal partnership, corporation, non-profit organization (there may be some exceptions) or
- \* Have a Keogh retirement plan or
- \* Pay wages to employees or
- \* Are required to withhold taxes or
- \* Are required to file an excise, fiduciary, or alcohol, tobacco and firearms return

**NOTE:** Certain trusts and estates may also be required to have an **EIN**. Sole Proprietors and informal partnerships **without** employees must file using their **Social Security Number (SSN)**.

## OBTAINING AN EIN

You may **obtain an EIN** in three ways via mail, fax or telephone.

- 1) Tele-TIN may be used to receive an **EIN** number within 24 hours by telephone. To receive an **EIN** by Tele-TIN you must complete an **SS-4** form titled **Application for Employer Identification Number**, call the IRS at 634.447.4955, supply the information requested from your completed **SS-4** form, record the **EIN** number given to you by the IRS Representative on the **SS-4** form, and fax the signed form to the IRS at 800.800.8000. Detailed instructions are provided on the back of the **SS-4** form. [See appendix]
- 2) To receive an **EIN** by mail, complete the **SS-4** form, sign the form, and send it to the **IRS, Attention Entity Control, Cincinnati, OH 45999**. It will take approximately four to five weeks to receive your **EIN** number.
- 3) To receive an **EIN** by fax, complete the **SS-4** form, sign the form and fax to 631.447.8960 available 24 hours a day. The IRS will notify the authorized person of the **EIN** assigned, by fax if requested, in 3 to 5 workdays. Otherwise a notice will be sent by mail within two weeks.

**NOTE:** An **SS-4** form [see appendix] may be obtained by visiting the local IRS branch listed in the resource guide at the back of this book or by calling 800.829.1040 to request the form by mail.

Whenever you change the origination of your business or the ownership of a business, you must apply for a new **EIN**.

# FEDERAL REGULATIONS

There are 4 types of business taxes:

- 1) **Income Tax** must be paid by every business! **Federal Income Tax (FIT)** is a pay-as-you-go tax. You will generally pay the tax during the year as the business earns income, usually on a quarterly basis. FIT should be submitted on **FORM 941**. [See appendix]
 

BUSINESS TAXES

**NOTE:** At the end of the year, sole proprietors must file a **Schedule C (Form 1040)** in addition to their personal tax form. Partnerships must file **Form 1065**. Corporations must file **Form 1120** and "S Corporations" must file **Form 1120-S**. [ See appendix for all forms example]

FEDERAL INCOME
- 2) **Self-Employment Tax** includes Social Security and Medicare taxes (FICA) for individuals who work for themselves, including sole proprietors, self-employed farmers, fishermen, and members of a partnership.
 

SELF-EMPLOYMENT
- 3) **Employment taxes** are paid on employees. Employment taxes include the following: Federal Income Tax withholding, Social Security and Medicare taxes, and Federal Unemployment Taxes. Businesses with employees are required to withhold federal income tax from employee's wages. Social Security and Medicare costs are split between the employer and the employee. Businesses with one or more employees may be required to pay Federal Unemployment Taxes. Employment taxes should be reported on **Form-941**. Federal Unemployment Taxes should be submitted on **Form 940 or 940 EZ**. [See appendix]
 

EMPLOYMENT
- 4) **Excise Tax** may be required if you manufacture or sell certain products. Please check with the IRS for more information.
 

EXCISE

**NOTE:** Sole Proprietors, Partnerships, and Shareholders in "S Corporations" pay quarterly, estimated federal income tax, social security and Medicare taxes to avoid penalties if their estimated income tax and self-employment tax will be more than \$500. These taxes are filed on **Form 941**.

With "**as needed**" or "**contract**" based employees you may still have to pay employee taxes even though your employees may work only occasionally. The IRS conducts free Small Business Tax Workshops. You may contact them at 800.829.1040 or go to [www.irs.gov/smallbiz](http://www.irs.gov/smallbiz) and click on SB Workshops.

A **Copyright, Trademark, or Patent** is registered with the Federal Government. You may receive more information on copyrights, trademarks, and patents by calling the **Federal Information Center at 800.688.9889**.

COPYRIGHT  
TRADEMARKS  
PATENTS

A **Copyright** refers to the protection of literary works, music, computer software, or other written materials.

## FEDERAL REGULATIONS

A **Trademark** is either a name, symbol, logo or other device that identifies a product or service.

A **Patent** is granted by the government to inventors to protect their ideas for a certain period of time.

FEDERAL POSTING You may be required to post the following notices within your business: Fair Labor Standards Act, Employee Polygraph Protection Act, Your Rights under the Family and Medical Leave Act, and Equal Employment Opportunity, and It's the Law.

**NOTE:** To receive labor posters contact the **U.S. Department of Labor, Wage and Hour Division, 200 N. High St, Room 817 Federal Office Building, Columbus, OH 43215 614.469.5677.**

For an equal employment opportunity poster, contact the **Equal Employment Opportunity commission, 1660 W. Second St, Suite a50, Cleveland, OH 44113 800.669.4000.**

TELEPHONE  
CONSUMER

The telephone Consumer Protection Act (TCPA) of 1991, as amended, placed restrictions on the use of telephones, automatic telephone dialing systems (auto dialers), artificial or prerecorded voice messages, and facsimile (fax) machines for sending unsolicited advertisement. **Calls cannot be made prior to 8:00 am or after 9:00 pm local time.** These rules do not yet apply to unsolicited messages sent via the Internet or e-mail.

TELEPHONE

The law requires businesses placing live (not recorded) **telephone advertisements to a home** to maintain a record of those homes which have requested that future telephone calls from your company stop. The records must be maintained for a full ten years and you **may not** make further calls to homes of the "do-not-call" list. (These regulations do not apply to business-to-business calls.) In addition, **all sales calls must** (whether placed to a business or to a home) identify the name of the person calling, the name of the person or company being represented, and a telephone number or address for contacting the person calling.



## FEDERAL REGULATIONS

In general, **auto dialer** calls can only be placed to businesses, not the homes. Auto dialers (computerized voice or pre-recorded messages) must clearly state that they are auto dialer calls **at the beginning of the message**. The telephone number or address of the company calling must be given during or after the message, and cannot be the number or the auto dialer placing the call nor a number for which a charge would assessed. **Auto dialers cannot be used to place calls** to emergency telephone lines, hospitals, doctors or clinics, fire or police, health care patient rooms, paging services, cellular services, or another telecommunication for which the person being called could be charged for the call.

**Unsolicited faxes are prohibited.** "No person may transmit an advertisement describing the commercial availability or quality of any property, good, or services to another fax machine **without the prior and express permission** or invitation of the owner of the fax machine." The FCC rules also require that **any message sent to a fax** machine must clearly mark on the first page of the message: the date and time the message is sent; the identity of the sender; the telephone number of the sender or of the sending fax machine.

FACSIMILE  
REGULATIONS

**NOTE:** For more information on the FCC rules regarding TCPA contact them at: **Federal Trade Commission, Public Reference Branch, Drop H 240, 6th Street and Pennsylvania Avenue, NW, Washington, DC.** They can also be reached at their web site [www.ftc.gov](http://www.ftc.gov).

# STATE REGULATIONS

Contact the 1st Stop Business Connection at 800.248.4040 for a packet of information covering permits and licensing, developing a business plan, firing employees, incorporating, paying taxes, patenting inventions, and obtaining copyrights, trademarks and product codes. You may also contact the Secretary of State at 877.767.3453, or via e-mail at busserv@sos.state.oh.us.

State laws must be mastered before you can successfully operate your business

## 6 Step State Process

1. Registering your business entity
2. Registering your corporate name
3. Complying with security laws
4. Obtaining your business license and permits
5. Complying with tax laws
6. Understanding employee and labor laws

If you decide to **incorporate**, create a **limited liability partnership**, or a **limited partnership**, it is handled through the **Ohio Secretary of State's Office, Corporations Division**. The state of Ohio does NOT require you to register if you are forming a **Sole Proprietorship or General Partnership**.

## Corporations

If you are incorporating, the Secretary of State's Office will supply you with an application, titled "Articles of Incorporation." [See appendix] Once the information is properly completed, submit the application along with a \$125 filing fee. Contact the Secretary of State for the appropriate forms. [See appendix State Form 113-ARF] The first step in the actual formation of your corporation would be to contact the corporation filing and services division at 614.466.3910 or 877.SOS.FILE.

**NOTE:** The name of every corporation within Ohio **must** end with or include "Company," "Co.," "Corporation," "corp.," "Incorporated," or "Inc."

## Nonprofit Corporation

Similar to a corporation, a nonprofit corporation must file the Articles of Incorporation provided by the Secretary of State. The filing fee is \$125. [See appendix State Form 114-ARN]

**Note:** The Articles of incorporation of a nonprofit name need not include a corporate ending.

# STATE REGULATIONS

## Limited Liability Company (L.L.C.)

LIMITED  
LIABILITY  
COMPANY

To establish a limited liability company, an individual must file Articles of Organization with the Secretary of State's Office. The filing fee is \$125. [See appendix State Form 115-LCA]

**NOTE:** The name of the limited liability company **must** include the words "limited liability company," "LLC," "L.L.C.," "Ltd.," "limited," or Ltd" and must be distinguishable upon the Secretary of State's records from previously filed limited liability company names, corporate names, or any limited liability partnership, limited partnership and trade name.

## Limited Partnership (L.P.)

LIMITED  
PARTNERSHIP

The certificate of limited partnership must be executed and filed with the Secretary of State on the prescribed form. The filing fee is \$125. [See appendix State Form 141-CLP]

**NOTE:** The name of a limited partnership **must** include the words "Limited Partnership," "L.P.," "Limited," or Ltd.," and cannot contain the name of a limited partner unless it is also the name of a general partner or the business of the limited partnership had been carried on under that name before the admission of that limited partner.

## Limited Liability Partnership (L.L.P.)

LIMITED  
LIABILITY  
PARTNERSHIP

In order to register a limited liability partnership, a partnership must complete And file with the Secretary of State a registration application on a form prescribed by the Secretary of State. The filing fee is \$125. [See appendix State Form 105-PPL]

**NOTE:** The name of a domestic limited liability partnership **must** contain the words "registered partnership having limited liability," or the abbreviation "P.L.L.," " PLL," "L.L.P., or "LLP" as the last words or letter of its name.

**HINT: LP's, LLC's, LLP's and Corporations must** register their legal structure with the Secretary of State at 877.767.3453 or [www.state.oh.us/sos](http://www.state.oh.us/sos).

**Secretary of State (SOS), Business Services Division's hours are 8:00 a.m. to 4:45 p.m. Monday through Friday.** You can access faxed State Forms by calling SOS and punching in the 3 digit code or click on Corporate Filing Fees on SOS website.

# STATE REGULATIONS

## Business Name Registration

To register a trademark or service mark, you must submit an application to the Secretary of State's office. The Secretary of State prescribes the application form. The form includes instructions for its completion and a description of each classification of goods and services for which a mark may be registered. The form must be notarized and be accompanied by a specimen or facsimile of the mark **in use**. The mark must be in use prior to filing the application. The filing fee for trademark/service mark applications is \$125. [See appendix State Form 174-TSMO]

Your business **must be registered** with the Secretary of State. The name you choose will be registered as a trade name (cannot be used by any other business) [See appendix State Form 167-RNO] or a fictitious name (not as protected as a trade name) [See appendix State Form 169-NFO] filing charge is \$50 for each. The find out about the availability of a business name call 877.767.3453.

## Unemployment Compensation

Employers of one or more workers must pay a state payroll tax, called "contributions," on wages paid to employees. These payments support Ohio's system of unemployment compensation benefits.

You must make unemployment contributions if you fit the following criteria:

- Employ at least one worker in 20 different weeks during this year or last year
- Pay \$1500 or more in wages during any quarter of this year or last year
- Are subject to the federal unemployment law this year or last year
- Acquire a business from an employer who was subject to the Ohio law

To register with OBES complete the Report to Determine Liability. (form JFS-66300, formerly known as UCO-1) [See appendix]

**NOTE:** For more assistance or to request a copy of the JFS-6300 form contact: Ohio Department of Job & Family Services, 30 E Broad 32nd Floor St., Columbus, OH 43215 or 614.466.6283, [www.state.oh.us/odjfs](http://www.state.oh.us/odjfs).

## Workers' Compensation

Under Ohio law, every business with employees **must** have **Workers' Compensation Coverage**. To begin coverage, employers file the **Application for Coverage (Form U-3)** [ See appendix} with the Ohio Bureau of Workers' Compensation (BWC).

# STATE REGULATIONS

**Workers' Compensation** is carried by private insurance agents with premiums regulated by law. If you are incorporated in the State of Ohio, owners and officers of your business are also considered employees and must be covered. Businesses with employees are required to post a notice to inform their employees about workers' compensation. Optional coverage is available for sole proprietors or partners, officers of family farm corporations, and ministers.

**NOTE:** For more information contact the Ohio Bureau of Workers' compensation 30 W Spring Street, Columbus, OH 43215-2256, 800.644.6292. [www.ohiobwc.com](http://www.ohiobwc.com). The Springfield Service Office number is 937.327.1375.

**NOTE:** Businesses can receive sizable savings by participating in the Bellefontaine/ Logan County Chamber of Commerce group plan. For additional information contact the Bellefontaine office at 937.599.5121.

## Ohio Taxes

## OHIO TAXES

**NOTE:** Visit [www.state.oh.us/tax/Publications/2001\\_%20BTG.pdf](http://www.state.oh.us/tax/Publications/2001_%20BTG.pdf) for a copy of the Ohio Business Tax Guide.

**Sole Proprietors** must pay Ohio income tax on their Ohio net earnings.

**Partners** must pay Ohio income tax on their share of the partnership's net earnings.

**Corporations** must pay Ohio income tax on their net earnings. Shareholders must pay Ohio income tax on their dividends.

**NOTE:** For forms or more information about Ohio's tax requirements contact Lima's Ohio Department of Taxation District Office at 419.227.4906. For general questions call 888.405.4039 and for order forms call 800.282.1782, [www.state.oh.us/tax](http://www.state.oh.us/tax).

## Ohio Income Tax Withholding

## OHIO INCOME TAX WITHHOLDING

Businesses in Ohio must withhold Ohio income taxes from their employees' wages each pay period. Employers must complete the **Application for Registering as an Ohio Withholding Agent (Form IT-1)** [See appendix] and return it to the Ohio Department of Taxation.

**NOTE:** For further information or if you have questions contact the Ohio Department of Taxation at 888.405.4039 for Business Tax Questions and 800.282.1782 for Order Forms.

# STATE REGULATIONS

## Wage & Hour Issues

To make sure you are complying with Ohio's regulations on hours, minors and wages, contact the Ohio Department Commerce, Wage and Hour Division, 50 W Broad Street, 28th Floor, Columbus, OH 43215, 614.644.2239, [www.com.state.oh.us](http://www.com.state.oh.us). They can answer your questions and supply the required post.

## New Hire Reporting

Federal and state laws require all employers to report all employees who live or work in Ohio. Employers must report the employee's name, address, Social Security Number, date of birth, date of hire, and the state in which the employee works. Employers must submit the information by mailing or faxing New Hire Reporting Form 7048 [see appendix], phoning in the information, or registering over the Internet. The information must be received no later than 20 days from the date of hire. Ohio New Hire Reporting Program, PO Box 15309, Columbus, OH 43215, 888.872.1490, 888.872.1611 fax, [www.oh-newhire.com](http://www.oh-newhire.com).

## Environmental Requirements

You need to know and understand environmental regulations as a small business owner. The Ohio Environmental Protection Agency (EPA) makes sure everyone complies with environmental laws. The agency monitors land, air and water.

You should contact the Ohio EPA while you are still **planning** your business. The Ohio EPA has programs to help a new business comply with environmental laws and become operational as soon as possible.

EPA regulates such things as **water and sewer, hazardous waste, solid and infectious waste and air**. Contact the Ohio EPA Small Business Assistance Office to see what regulations your company falls under at 800.329.7518, [www.epa.ohio.gov](http://www.epa.ohio.gov).

## OSHA Regulations

Through the Federal Occupational Safety and Health Act, the U.S. Occupational and Safety and Health Administration (OSHA) helps assure a safe and healthy work environment. To help you meet OSHA requirements, learn more about OSHA programs, events, news releases and outreach programs check OSHA's web site, [www.osha.gov](http://www.osha.gov).

**NOTE:** Federal OSHA offices in Ohio can be reached at 36 Triangle Park, Cincinnati, OH 45246, 513.841.4132 or 1240 East 9th St., Room 899, Cleveland, OH 44199, 216.522.3818 or 200 N. High St., Room 620, Columbus, OH 43215, 914.469.5582 or 420 Madison Ave, Suite 600, Toledo, OH 43604, 419.259.7542.

# STATE REGULATIONS

## Ohio Civil Rights Commission

## OHIO CIVIL RIGHTS COMMISSION

The Ohio Civil Rights Commission (OCRC) enforces the State's anti-discriminations laws, which apply to any employer with four or more employees in Ohio. You can request OCRC's publications and your free "Fair Employment Practices" poster by contacting the OCRC office at 1111 East Broad Street, 3rd Floor, Columbus, OH 43205, 888.278.7101 or 614.4662785, [www.state.oh.us/crc](http://www.state.oh.us/crc).

**NOTE:** The employer **must** post the "Fair Employment Practices" poster in a highly visible area in each workplace.

## Vendor's Licenses & Filing Requirements

## VENDOR'S LICENSE/ FILING REQUIREMENTS

The Ohio sales tax rate is 5.5 percent. Counties are allowed to add .25 percent to 1.5 percent (Logan County = 1.5%) for local sales tax. To collect sales tax, you must have a vendor's license.

There are seven types of vendor's license, regular, service, transient, delivery, seller, direct pay and consumers use. (Please refer to Vendor's License table on pages 13 & 14). [See appendix for examples of all license applications]

The Ohio Department of Taxation will send you the forms and information necessary for you to understand the Ohio Sales Tax Law. Please contact them at 888.405.4039 and for order forms call 800.282.1782, [www.state.oh.us/tax](http://www.state.oh.us/tax).

## Incentives

## INCENTIVES

A number of incentives from tax abatements and community reinvestment areas are available for new projects and expansion projects.

**NOTE:** Please contact the Logan County Community Improvement Corp, 100 S Main Street, Bellefontaine, OH 43311, 937.599.5121, 937.599.2411 fax for more information.

## STATE REGULATIONS

Tax Payer	Cost of License	Description	Contact	Type of App
Vendor	\$ 25	Each person with a fixed (permanent) location in Ohio from which taxable sales are made. Vendors must have one license for each fixed place of business	County	ST-1
Service Vendor	\$ 25	Person or business that provides automatic data processing, computer services and electronic information services; telecommunications services; lawn care and landscaping services; private investigation, security services, building maintenance and janitorial services, employment placing services, employment services and exterminating services.	Ohio Dept of Taxation	ST1-S
Transient Vendor	\$ 25	Retailer who transport stock(s) of goods to temporary places of business in order to make sales.	Ohio Dept of Taxation	ST1-T
Delivery Vendor	\$ 25	Retailer who maintains no store, showroom, or similar place of business where merchandise is offered for sale, or who has no location where merchandise displayed in catalogs may be selected or picked up by customers.	Ohio Dept of Taxation	ST1-D
Seller	No Fee	Retailer located outside of Ohio who makes retail sales of property or services for storage, use, or consumption in Ohio.	Ohio Dept of Taxation	UT 1000
Direct Pay Permit Holder	No Fee	Manufacturers or other consumers who purchase tangible personal property for which the taxable status cannot be determined at the time of purchase. These consumers are authorized to make sales and make tax payments directly to the state.	Ohio Dept of Taxation	ST 900
Consumers Use Tax Account	No Fee	Purchasers who have not paid the tax to a Vendor or Seller (in most cases for out-of state transactions) make payments directly to the state.	Ohio Dept of Taxation	UT 1008



# COUNTY REGULATIONS

## PLANNING & ZONING

### **Planning & Zoning**

If you are starting a business outside the corporate limits of the city of Bellefontaine you should contact the Logan/Union/Champaign Planning Commission (LUC) for information on issues related to land use, transportation and zoning. Townships have separate permit requirements and must be consulted when operating in the county. [See Resource listing]

**NOTE:** For more information on zoning and permitting contact the Logan/Union/Champaign County Regional Planning Commission, PO Box 219, East Liberty, OH 43319, 937.666.3431, [www.lucplanning.com](http://www.lucplanning.com).

## BUILDING PERMITS

### **Building Permits**

Building permits are issued by the Logan County Building Department, 937.592.7473, for all new construction, expansions, renovations or improvements in Logan County. Residential structures containing one, two or three dwelling units are exempted from these regulations outside the city limits of Bellefontaine. Permits for electrical and fire protection systems are also issued by the Logan County Building Department, while permits for plumbing are issued by the Logan County Health Department, 937.592.9040.

**NOTE:** Please contact the Logan County Building Department, 1365-2 County Road 32N, Bellefontaine, OH 43311, 937.592.7473, for information on review and approval procedures. Additionally, you can obtain information on the submittal process, required documents, timeframes and permit costs.

## CERTIFICATE OF OCCUPANCY

### **Certificate of Occupancy**

A Certificate of Occupancy is required upon completion of your project. The Logan County Building Department will issue a certificate as part of the Building Permit upon final inspection and approval. The Certificate of Occupancy serves as notice that the building or space has met all applicable codes for building construction, health and safety.

## COUNTY HEALTH PERMITS

### **County Health Permits**

Several types of business, including those engaged in food preparation and sales, are required to obtain a license to operate and permit inspections of their facility. Inspections are conducted to assure safe and sanitary conditions and practices are maintained which protect public health. The combined Logan County General Health District conducts the licensing and inspections. Licenses are required for fixed locations, mobile and temporary food service operations or food establishments as well as food vending locations serving potentially hazardous food. Any change of ownership, alterations or new construction will require approval by the Health Department to be properly licensed.

# COUNTY REGULATIONS

## Licensing Food Service Operations

## LICENSING FOOD SERVICE OPERATIONS

You must submit detailed plans showing kitchen layout, building and Equipment specifications, proposed menu and food preparation methods. Plan review fees vary depending on the level of risk assigned and the square footage of the operation. The applicant should allow a plan review turn around time of up to thirty (30) days.

Plans may be approved, approved with conditions or not approved. Once approved the applicant may construct the facility. Construction must be completed in compliance with all state and local building, plumbing, zoning and fire codes. Prior to opening a facility the operator must apply for a license to operate and schedule a pre-licensing inspection. Following a satisfactory pre-licensing inspection the license to operate will be issued.

## Incentives: Enterprise Zones

## INCENTIVES ENTERPRISE ZONES

Enterpriser Zones are designated areas of land in which businesses can receive tax incentives in the form of tax exemptions on eligible new investments. Enterprise Zones are not part of the traditional zoning program which limits the use of land – instead they all local officials to negotiate with businesses to encourage new investment in the zone.

Participating communities within Logan County include: Lake Township, Zane Township, Washington Township and Pleasant Township.

**NOTE:** Please contact the Logan County Community Improvement Corp, 100 S Main Street, Bellefontaine, OH 43311, 937.599.2037, for further information, applications and Enterprise Zone Maps.

**NOTE:** Tax abatements on real estate, personal property, and inventory are available for new projects and expansion projects. Abatements are negotiated with the appropriate local governmental unit and school district.

## HINTS

- New owner of a currently licensed operation is required to purchase a new license in their name upon purchase
- License fees range from \$28.08 for a vending machine location to \$845.00 for a risk level five operation over 10,000 square feet in size

# CITY REGULATIONS

## Bellefontaine

### Certificate of Occupancy

A **Certificate of Occupancy** is required upon completion of your project. The Bellefontaine City Building Department will issue a certificate as part of the Building Permit upon final inspection and approval. The **Certificate of Occupancy** serves as notice that the building or space has met all applicable codes for building construction, health and safety.

### Fire Code

All buildings are required to meet certain fire codes to insure public safety. All businesses in the City of Bellefontaine area inspected annually, as well as upon change of tenants. The City of Bellefontaine Fire Department is part of the review process for building permits.

**NOTE:** To insure your business complies with these codes, contact the City of Bellefontaine Fire Department, Fire Prevention Bureau, 135 N Detroit Street, Bellefontaine, OH 43311, 937.599.1155.

### Incentives: Enterprise Zones

An Urban Jobs and Enterprise Zone has been designated in the City of Bellefontaine where special tax incentives may be offered to businesses who agree to invest in job generating capital improvements. Tax incentives may be considered provided program guidelines are met, employment is created and/or maintained and a substantial investment is made in real property or equipment.

**NOTE:** Please contact the Logan County Community Improvement Corp, 100 S Main Street, Bellefontaine, OH 43311, 937.599.5121 for further information, applications and Enterprise Zone Maps.

### Building Permits

Building permits are issued by the Safety/Service Director who is also the Zoning Inspector. Permits are required for any kind of additional, reconstruction or improvements except for installation of replacement windows and roofing.

**NOTE:** Permits can be applied for at the City of Bellefontaine, 135 N. Detroit St., Bellefontaine, OH 43311, Attn: David Henry, Safety/Service Director.

### Zoning

The Zoning Board can be contacted through the Logan County Chamber of Commerce, 100 S. Main St., Bellefontaine, OH 43311, 937.599.5121

# RESOURCES

## FEDERAL

### **FEDERAL**

Federal Trade Commission

Consumer Protection Issues

877.FTC.HELP (382.4357)

Registration Numbers (RN)

202.326.3553

[www.ftc.gov/ftc/telephone](http://www.ftc.gov/ftc/telephone)

Business Advisor – Business Development

Starting your Business

Business Plans

Business Services

Business Links

Expanding your Business

[www.business.gov](http://www.business.gov)

Department of Labor – Small Business Compliance Assistance

Office of Small Business Programs

202.219.9144 or 1.888.9.SBREFA

Wage & Hour Division

202.693.0023

Office of Labor Management Standards

202.219.7353

Office of Federal Contract Compliance

202.219.9475

Pension & Welfare Benefits Administration

202.219.8776

Occupational Safety & Health Administration (OSHA)

202.693.1888

[www.osha.gov](http://www.osha.gov)

[www.dol.gov/](http://www.dol.gov/)

Internal Revenue Service

401 W North St, Room 217

Lima, OH 45801

**Need a Form**

800.829.3676

**Federal Tax Questions**

800.829.1040

[www.irs.gov](http://www.irs.gov)

# RESOURCES

## FEDERAL/STATE

U.S. Small Business Administration  
1111 Superior Ave., E., Suite 630  
Cleveland, OH 44114-2507  
216-522-4180  
216-522-2038 fax

525 Vine St., Suite 870  
Cincinnati, OH 45202  
513.684.2814

2 Nationwide Plaza, Suite 1400  
Columbus, OH 43215-2542  
614.469.6860

### STATE

Secretary of State – Frank LaRose  
Guide to organizing a Business in Ohio  
Guide to registering trademark or service mark in Ohio  
Business Services Division  
30 E Broad St., 14th Floor  
Columbus, OH 43266-0418  
614.466.3910 or 877.767.3453  
[www.state.oh.us/sos/](http://www.state.oh.us/sos/)  
Limited Partnership Division  
614.466.0592  
Corporate Filing & Services Division  
614.466.3910

Small Business Management Program  
Adult Marketing Education  
65 S. Front St., Room 918  
Columbus, OH 43215-4183  
614.466.3891

Office of Small Business  
614.466.2711 or 800.848.1300

Minority Business Development Division  
614.466.5700 or 800.848.1300

Minority Financial Incentive  
614.466.7708 or 800.848.1300

# RESOURCES

## STATE

Ohio Bureau of Employment Services  
145 S. Front St.  
PO Box 923  
Columbus, OH 43216  
614.466.2319

Ohio Bureau of Workers' Compensation  
30 W. Spring St.  
Columbus, OH 43266-0581  
614.644.6292

State of Ohio Department of Taxation  
Business Tax Guide  
Tax Analysis Division  
PO Box 530  
Columbus, OH 43216-0530  
614.466.3960  
[www.state.oh.us/tax.tabstats](http://www.state.oh.us/tax.tabstats)  
Property Tax Division  
30 E. Broad St., 21st Floor  
PO Box 530  
Columbus, OH 43266-0030  
614.466.8122  
Sales and Use Tax Division  
30 E. Broad St., 20th Floor  
PO Box 530  
Columbus, OH 43266-4810  
614.466.4810  
Corporate Franchise Tax Audit Division  
1030 Freeway Dr., N, Building 6  
PO Box 182857  
Columbus, OH 43218-2857  
614.433.7617  
Taxpayer Services/Central Registration Division  
830 Freeway Dr., North  
PO Box 182382  
Columbus, OH 43218-2382  
888.405.4039  
Central Registration  
888.405.4039  
**Form Requests**  
800.282.1782  
Lima District Office  
1303 Bellefontaine Ave  
Lima, OH 45804-3199  
419.227.4906

# RESOURCES

## STATE

### Ohio Attorney General

An organization planning to engage in Fund-raiding  
Or solicitation may be required to register  
Charitable Foundations Section  
101 E. Town St., 4th Floor  
Columbus, OH 4325-5148  
614.466.3180

Consumer Protection Division  
Regarding consumer sales requirements  
614.466.8831

### 1st Stop Business Connection

77 S High St.  
PO Box 1001  
Columbus, OH 43216-1001  
Start A Business Packet  
800.248.4040

### Ohio Department of Commerce

For info regarding registering shares  
Division of Securities  
77 S High St., 22nd Floor  
Columbus, OH 43215  
614.644.7381

### Ohio Department of Development/West Central Ohio Region

545 W Market St  
Suite 305  
Lima, OH 45801  
419.229.5320

# RESOURCES

## LOGAN COUNTY/CITIES

Logan County Auditor	Jack Reser	937.599.7209
Logan County Clerk of Courts	Barb McDonald	937.599.7275
Logan County Engineer	Scott Coleman	937.592.2721
Logan County Recorder	Patricia Myers	937.599.7201
Logan County Treasurer	Dara Wren	937.599.7223

100 S Madriver  
Bellefontaine, OH 43311  
[www.co.logan.oh.us](http://www.co.logan.oh.us)

Logan County Community Improvement Corporation  
Rick Gildow  
100 S. Main Street  
Bellefontaine, OH 43311  
937.599.2037

Logan County Health District  
Dr. Boyd Hoddinott  
310 S Main St  
Bellefontaine, OH 43311  
937.592.9040

Downtown Bellefontaine Partnership  
100 S Main St  
Bellefontaine, OH 43311

Logan County Area Chamber of Commerce  
Ben Vollrath  
100 S Main St  
Bellefontaine, OH 43311  
937.599.5121

Logan County Commissioners  
John Bayliss, Paul Benedetti, Joe Antram  
101 S. Main St., Room 1  
Bellefontaine, OH 43311  
937.599.7283

City of Bellefontaine Mayor's Office  
Ben Stahler, Mayor  
135 N Detroit St  
Bellefontaine, OH 43311  
937.592.4376



## **RESOURCES**

### **LOGAN COUNTY/CITIES**

Village of Belle Center  
Theresa Johnston  
104 W. Buckeye St.  
Belle Center, OH 43310  
937.464.6012

Village of DeGraff  
107 S. Main St.  
DeGraff, OH 43318  
937.585.6632

Village of Huntsville  
William Jenkins  
6740 Wishart St.  
Huntsville, OH 43324  
937.686.4300

Village of Lakeview  
Ryan Shoffstall  
126 N. Main St.  
Lakeview, OH 43331  
937.843.9152

Village of Quincy  
Brian Carpenter  
115 N. Miami St.  
Quincy, OH 43343  
937.585.5314

Village of Rushsylvania  
Phillip Wright  
113 N. Stewart St.  
Rushsylvania, OH 43347  
937.468.7014

Village of Russells Point  
Robin Reames  
433 S.R. 708  
Russells Point, OH 43348  
937.843.2245

Village of Valley-Hi  
P.O. Box 234  
Zanesfield, OH 43360

Village of West Liberty  
Greg Hostetler

201 N. Detroit St.  
West Liberty, OH 43357  
937.465.2716

Village of West Mansfield  
Kim Kerns  
127 N. Main St.  
West Mansfield, OH 43358  
937.355.6188

Village of Zanesfield  
Justin Bo Johns  
2817 Sandusky St.  
Zanesfield, OH 43360  
937.592.3203

## BANKING RESOURCES

### LOGAN COUNTY/CITIES

#### **BUCKEYE STATE BANK**

101 N. Main Street  
DeGraff, OH 43318  
(937) 585-4301  
[www.joinbsb.com](http://www.joinbsb.com)

#### **CITIZENS FEDERAL SAVINGS & LOAN**

110 N. Main Street  
Bellefontaine, OH 43311  
(937) 593-0015  
[www.citizensfederalsl.com](http://www.citizensfederalsl.com)

#### **CIVISTA BANK**

205 S. Detroit Street  
West Liberty, OH 43357  
(937) 465-9050  
[www.civista.bank](http://www.civista.bank)

#### **FARM CREDIT MID-AMERICA**

1640 N. Main St.  
Bellefontaine, OH 43311  
(937) 599-6118  
[www.e-farmcredit.com](http://www.e-farmcredit.com)

#### **FIFTH THIRD BANK**

541 S. Main Street  
Bellefontaine, OH 43311  
(937) 593-0333  
[www.53.com](http://www.53.com)

#### **FIRST FEDERAL COMMUNITY BANK**

130 S. Main St. – Ste. 108  
Bellefontaine, OH 43311  
(937) 565-4515

#### **HUNTINGTON BANK**

201 E. Columbus Ave.  
Bellefontaine, OH 43311  
(937) 593-2010  
[www.huntington.com](http://www.huntington.com)

#### **HUNTINGTON BANK – RUSSELLS POINT**

340 E. Main St.  
Russells Point, OH 43348  
(937) 843-2309  
[www.huntington.com](http://www.huntington.com)

#### **KEMBA FINANCIAL CREDIT UNION**

1161 S. Main St.  
Bellefontaine, OH 43311  
(937) 599-2841  
[www.kemba.org](http://www.kemba.org)

#### **LIBERTY NATIONAL BANK**

1120 N. Main Street  
Bellefontaine, OH 43311  
(937) 592-5688  
[www.myliberty.bank](http://www.myliberty.bank)

#### **LIBERTY NATIONAL BANK – SOUTH BRANCH**

1454 S. Main Street  
Bellefontaine, OH 43311  
(937) 593-9694  
[www.myliberty.bank](http://www.myliberty.bank)

#### **PNC BANK**

145 S. Main St.  
Bellefontaine, OH 43311  
(937) 593-8035

#### **QUEST FEDERAL CREDIT UNION**

900 E. Sandusky Ave.  
Bellefontaine, OH 43311  
(937) 599-1321  
[www.questfcu.com](http://www.questfcu.com)

#### **RICHWOOD BANK**

4848 Napoleon St.  
Huntsville, OH 43324  
(937) 686-8810  
[www.richwoodbank.com](http://www.richwoodbank.com)

#### **UNION BANKING COMPANY**

105 E. Center St.  
West Mansfield, OH 43358  
(937) 355-6511  
[www.bankatubc.com](http://www.bankatubc.com)

#### **UNITED MIDWEST SAVINGS BANK**

101 S. Main Street  
DeGraff, OH 43318  
(937) 585-5861  
[www.umwsb.com](http://www.umwsb.com)

## **BOOK RESOURCES**

US Small Business Administration  
Checklist for going into business

SBA Publications

P.O. Box 30

Denver, CO 80201

800.827.5722

Important factors you need to know before starting any business

Guerilla Financing

Jay Conrad Levinson

800.225.3362

Different types of financing for small business

The Small Business Start Up Guide

Hal Root & Steve Koenig

630.961.3900

Small Business Resource Guide

Joseph R. Mancuso

630.961.9300

How to Incorporate & State a Business in Ohio

J.W. Dicks, Esq.

800.872.5627

Covers every essential topic needed to understand starting a business

## WEB RESOURCES

### FEDERAL

Federal Occupational Safety and Health	<a href="http://www.osha.gov">www.osha.gov</a>
Federal Trade Commission	<a href="http://www.ftc.gov">www.ftc.gov</a>
Internal Revenue Service	<a href="http://www.irs.ustreas.gov">www.irs.ustreas.gov</a>
Small Business Administration	<a href="http://www.sbaonline.sba.gov">www.sbaonline.sba.gov</a>
US Bureau of Labor Statistics	<a href="http://www.bls.gov">www.bls.gov</a>
US Census Bureau	<a href="http://www.census.gov">www.census.gov</a>
US Department of Labor	<a href="http://www.dol.gov">www.dol.gov</a>
US Department of Commerce	<a href="http://www.usatrade.gov">www.usatrade.gov</a>
US Patent & Trademark Office	<a href="http://www.uspto.gov">www.uspto.gov</a>

### STATE

Secretary of State – Name Registration	<a href="http://www.state.oh.us/sos">www.state.oh.us/sos</a>
Ohio Auditor of State	<a href="http://www.auditor.state.oh.us">www.auditor.state.oh.us</a>
Ohio Bureau of Workers' Compensation	<a href="http://www.ohiobwc.com">www.ohiobwc.com</a>
Ohio Department of Commerce	<a href="http://www.com.state.oh.us">www.com.state.oh.us</a>
Ohio Department of Development	<a href="http://www.odod.state.oh.us">www.odod.state.oh.us</a>
Ohio Department of Health	<a href="http://www.odh.state.oh.us">www.odh.state.oh.us</a>
Ohio Department of Job and Family Services	<a href="http://www.state.oh.us/odjfs">www.state.oh.us/odjfs</a>
Ohio Environmental Protection Agency	<a href="http://www.epa.ohio.gov">www.epa.ohio.gov</a>
Ohio New Hire Reporting Program	<a href="http://www.oh-newhire.com">www.oh-newhire.com</a>
Ohio Small Business Development Center	<a href="http://www.ohiosbdc.org">www.ohiosbdc.org</a>
State Incentives	<a href="http://www.resourceohio.com">www.resourceohio.com</a>
State Tax Forms and Questions	<a href="http://www.state.oh.us/tax">www.state.oh.us/tax</a>
Ohio Business Tax Guide	<a href="http://www.state.oh.us/tax/Publicatoins/2001_%20BTG.pdf">www.state.oh.us/tax/Publicatoins/2001_%20BTG.pdf</a>

## WEB RESOURCES

### BUSINESS SOURCES

Business Finance	<a href="http://www.businessfinance.com">www.businessfinance.com</a>
Business Forum Online	<a href="http://www.businessforum.com">www.businessforum.com</a>
Business Owner's Tool Kit	<a href="http://www.toolkit.cch.com">www.toolkit.cch.com</a>
Business Plan Samples	<a href="http://www.bplans.com">www.bplans.com</a>
Business Resource Center	<a href="http://www.morebusiness.com">www.morebusiness.com</a>
Entrepreneur Magazine	<a href="http://www.entrepreneurmag.com">www.entrepreneurmag.com</a>
Findlaw (Law, Lawyers and Legal Resources)	<a href="http://www.findlaw.com">www.findlaw.com</a>
First Gov for Employers (Resources, forms & links)	<a href="http://www.employers.gov">www.employers.gov</a>
National Commission of Entrepreneurship	<a href="http://www.ncoe.com">www.ncoe.com</a>
Ohio Bureau of Workers' Compensation-forms	<a href="http://www.ohiobwc.com/employer/forms">www.ohiobwc.com/employer/forms</a>
Payroll Taxes-forms and tools	<a href="http://www.esmartpayroll.com">www.esmartpayroll.com</a>
Small Business Taxes & Management	<a href="http://www.smbiz.com">www.smbiz.com</a>
State Forms-top requested forms	<a href="http://www.state.oh.us/forms.htm">www.state.oh.us/forms.htm</a>
US Business Advisor (Sponsored by SBA)	<a href="http://www.business.gov/">www.business.gov/</a>

### MAPS

Ohio Department of Transportation (traffic count)	<a href="http://www.dot.state.oh.us">www.dot.state.oh.us</a>
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# START UP CHECK-LIST

## General

- Select legal form of organization (Proprietorship, partnership, corporation, limited company). PG 1 & 2
- Register name or file Certificate of Incorporation
- Partnership Agreement or Limited Liability Company Article of Organization
- Choose a location
- Secure vendor's license or other business permits as needed
- Check local zoning ordinances regarding zoning, licenses, etc.
- Check with Building Permit Office before opening
- Be aware of what EPA requirements may apply to your business
- Determine your potential legal or liability issues
- Check with an insurance agent about what coverage you will need

## Taxes

- If required to have a vendor's license you will be responsible for collecting and remitting sales tax.
- [\(Apply for CAT\)](#)
- Register with the Internal Revenue System (IRS)
- Register with the State Division of Taxation
- If incorporated, you will need to pay annual corporate franchise tax
- Be prepared to make estimated quarterly income tax payments

## Employees

- File SS-4: Application Employer Identification Number
- Collect and keep on file an I-9 form: Employment Eligibility Verification for each employee
- Collect and keep on file a W-4 Form for each employee
- Report all new employees to Ohio New Hire Reporting Program
- You are required to withhold federal income tax for each employee
- You are required to withhold and match Social Security and Medicare deductions for each employee
- You are required to withhold state income tax for each employee
- You are required to withhold city income tax for each employee where applicable
- You must pay into Federal and State Unemployment and State Workers' Compensation
- Make sure posters are available for display as required by law (wage/hour regulations, civil rights, information, OSHA, etc)
- Understand the difference between independent contractors and employees. If using independent contractors, check references, review their insurance and file a 1099
- Be aware of OSHA regulations and how they affect your business
- Be aware of the Americans with Disabilities Act
- Create an employee handbook and have it reviewed by legal counsel
- Determine what benefits you will offer

# START UP CHECK-LIST

## Planning the Operation

- Estimate monthly personal expenses
- Estimate your start up costs (equipment, inventory, advertising, fees, working capital, etc.)
- Estimate the total cash needed to start your business
- Explore the various sources of financing and know the requirements to obtain a business loan
- Prepare a business plan, including an advertising schedule and projections of sales and expenses
- Set up a bookkeeping system
- Set up other record keeping systems (inventory control, customer lists etc.)
- Open a separate business checking account
- Develop customer policies, including a written formal credit policy, if extending credit, and check acceptance procedures and safeguards, if accepting checks
- Secure professional resources (i.e. accountant, attorney, insurance agent, banker, consultant etc)
- Purchase needed supplies including business stationary, business cards, inventory, furniture and fixtures, equipment and supplies.



# BUSINESS PLAN OUTLINE

## I. Plan Summary

(Complete this section after the rest of the business plan and simply highlight the most important aspects of the plan)

## II. Description of Your Business and the Industry

- A. Explain in two or three sentences what you do, or propose to do
- B. If this is an existing business, give a history of it.
  - 1. When was it started?
  - 2. Why was it started?
  - 3. Who started it?
  - 4. How has it changed over time?
  - 5. What have been its strengths and weaknesses?
  - 6. Why has it been successful or not successful?
- C. Background information on the Industry
  - 1. How did the industry develop?
  - 2. What has the industry's growth been like?
  - 3. What are the predictions for the industry's future?
  - 4. Is the industry made up mostly of large or small companies? Why?

## III. Marketing

- A. Product or Service
  - 1. Describe each product/service you will sell. List each separately.
  - 2. What is special or unique about the product/service you offer?
  - 3. What benefit does the customer get from your product/service?
- B. Target Market

Describe the people buying or who are most likely to buy your product/service. (If you have more than one target market, describe each) HINT: Resist the urge to say "everyone". Some people will use the product/service more often or in larger quantities than others.

  - 1. For products or services aimed at individuals
    - a. Describe their general characteristics
      - 1. How old are they?
      - 2. What sex?
      - 3. Where do they live and work?
      - 4. What is their income?
    - b. Describe their interests and attitudes?
      - 1. Married or unmarried?
      - 2. Children? How old?
      - 3. Where do they shop? How often?
      - 4. Where are their other interests? Any interests, hobbies, etc. that they might have in common?
    - c. Describe their buying behavior
      - 1. How often will they buy?
      - 2. How much will they buy? How much will they spend?
      - 3. How far will they travel to make the purchase?
      - 4. How much will they shop to compare alternatives?

## **BUSINESS PLAN OUTLINE**

2. For products/services aimed at other businesses or organizations:
  - a. Describe the organizations' characteristics:
    1. How big are they (either in terms of sales or employees)?
    2. Where are they located?
    3. What industries do they represent?
  - b. Describe their buying behavior
    1. What do they buy now or how do they fulfill this need?
    2. How often do they buy?
    3. How much do they spend?
    4. Who makes the purchase decision?
- C. Who are your competitors
  1. List your top three to five competitors
  2. Describe each
    - a. What do they do?
      1. Are they direct competitors (do pretty much what you do)?
      2. Are the indirect competitors (satisfy the same need or solve the same problem as you – but in a different way)?
    - b. Where do they do it?
    - c. How do they do it?
    - d. What are their strengths and weaknesses?
- D. Pricing
  1. How will you price your product/service?
  2. How does your pricing compare to your competitors' pricing?
- E. How will you promote your product/service?
  1. Advertising
    - a. Where?
    - b. How often?
    - c. What is the cost?
  2. Personal sales
    - a. What part does personal sales play in the purchase of your product/service?
    - b. Who will be responsible for selling
    - c. What qualifications will your salespeople have to have?
    - d. What are your customer service policies?

### **IV. Operations**

- A. Location
  1. Where will your business be located? (If you have not picked the exact location, list the characteristics of the location you will be seeking)
  2. What is important about this location or these characteristics for your business?
- B. Furniture, fixtures, and equipment needs. Make a list of everything you need. If this is an existing business, indicate what you already have and what you will need to purchase.

# BUSINESS PLAN OUTLINE

- C. Inventory
  - 1. Make a list of what you need for a base level, on-going inventory. Will there be seasonal changes? If this is an existing business, indicate what you need to bring your existing inventory up to this base level
  - 2. Suppliers
    - a. Who are or will be your major suppliers?
    - b. What is their reputation (or your experience) for quality, reliability, speed of service and price?
- D. Cost of goods sold
  - 1. If you are a manufacturer
    - a. What are the costs of the materials that will go into producing one finished unit of your product(s)?
    - b. What will be your labor costs of producing one finished unit?
    - c. Are there any other costs?
  - 2. If you are a retailer or wholesaler
    - a. What is the difference between what you pay for your good and what you sell them for.
  - 3. If you offer a service
    - a. How much does it cost you to provide that service?

## V. Organization

- A. What legal form of ownership have you chosen (sole proprietorship, partnership, corporation, limited liability etc)? Why?
- B. Who will run the business on a daily basis? Exactly what will their responsibilities be? What are their qualifications?
- C. Other employees
  - 1. What other positions need to be filled?
  - 2. What qualifications do the people who will fill these positions need?
  - 3. Training
    - a. Will training be needed?
    - b. What kind of training?
    - c. Where will they get it or who will do it?
- D. Employee costs
  - 1. What will be the salary or wages for each of these positions?
  - 2. Will you offer any benefits? If so, what benefits and what will be the cost of these?
- E. Support personnel
  - 1. Will you need an attorney, accountant, and other consultants?
  - 2. Who will they be?
  - 3. How much will they cost?
- F. Licenses and permits
  - 1. What licenses and permits do you need?
  - 2. Do you meet the requirements for each of these licenses and permits?
  - 3. What is the initial and renewal cost of each? How often does each need renewed?

# BUSINESS PLAN OUTLINE

## VI. Financial Forecasts

- A. Pre start-up
  - 1. How much money will it cost to get ready to open?
    - a. Building or remodeling costs
    - b. Equipment, furniture and fixture costs
    - c. Inventory costs
    - d. Rent of mortgage, utilities, insurance and employees prior to opening
    - e. Pre-opening advertising
    - f. Attorneys, accountants and other consultants prior to opening
  - 2. How do you propose to finance this? How much will come from
    - a. Personal savings
    - b. Bank loans
    - c. Personal loans from friends and family
    - d. Outside investors
    - e. Other
- B. Projections
  - 1. What will your monthly sales be for the first year? What will your quarterly sales be for years 2 and 3?
  - 2. What will your monthly expenses be for the first year? What will they be quarterly for years 2 and 3?
  - 3. Complete monthly income, cash flow and balance sheet projections for year one (1) and quarterly projects for years 2 and 3. Be sure to include an explanation of how you came up with these numbers

## VII. Supporting Documentation

This is a list of some of the kinds of things that may be needed:

- A. Personal financial statements for all owners (always needed)
- B. Resumes of key personnel (always needed)
- C. Employment contracts
- D. Quotes from suppliers for inventory, construction or remodeling costs, furnishings, fixtures, equipment, insurance and advertising
- E. Letters of intent from or contingent contracts with property sellers, landlords, suppliers, customers, and prospective key employees.
- F. Partnership agreement or incorporation documents
- G. Published facts figures and projection relevant to your business
- H. Historical financial information – if an existing business
- I. Past 3-5 years' personal income tax returns