

STARTING & OPERATING A BUSINESS IN FLORIDA

Start-Up Guide



PALM BEACH COUNTY
OSBA
OFFICE OF SMALL BUSINESS ASSISTANCE

SMALL BUSINESS IS BIG BUSINESS

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TABLE OF CONTENTS

I. LEGAL REQUIREMENTS

- a. Important Questions to Ask Yourself Before Starting a Business
- b. Feasibility of the Business Idea
- c. 10 Steps to Starting Your Own Business
- d. Fictitious Name (w/application)
- e. Selecting a Business Structure
- f. Florida Department of State/Division of Corporations Fee Schedule

II. BUSINESS TAX RECEIPT

- a. Help For Local Business Tax
- b. Business Tax Receipt Application
- c. PBC Zoning Home Occupation Business Tax Receipt

III. TEST MARKETING

- a. New Business Idea? How to Test Before Launching

IV. BUSINESS PLAN

- a. Preparing a Business Plan
- b. Business Plan Template
- c. Twelve Month Cash Flow Forecast
- d. Monthly Budget Worksheet
- e. Why Have Personnel Policies and Procedures?
- f. Sample Policies and Procedures Guide

V. LOAN PACKAGE

- a. How to Prepare a Loan Package

VI. CERTIFYING AGENCIES

VII. OSBA

VIII. BUSINESS RESOURCES

IMPORTANT QUESTIONS TO ASK YOURSELF BEFORE STARTING A BUSINESS

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1. Do you enjoy making decisions and being in charge?
A) Not at all B) Most of the time C) Sometimes D) Definitely
2. What is the most important quality for an entrepreneur to have?
A) A strong drive to make money B) Being a risk-taker
C) Being well-organized D) Willingness to take the initiative
3. How much money do you have in savings?
A) None B) Less than \$10,000 C) \$10,000 - \$25,000 D) More than \$25,000
4. Are you are flexible and can adapt quickly to changing circumstances?
A) Not at all B) Most of the time C) Sometimes D) Definitely
5. Are you are good at both short-term and long-term planning?
A) Not at all B) Most of the time C) Sometimes D) Definitely
6. Do you like to take risks?
A) Not at all B) Most of the time C) Not at all D) Definitely
7. Do you expect your total household income to rise within one year of starting a business?
A) Yes B) No
8. Are you good at following through on your ideas/plans/projects?
A) Yes B) No
9. Are you willing to invest 50, 60 or 70 hours a week to run a business?
A) Yes B) No
10. Are you self-motivated?
A) Yes B) No
11. Do you have good credit
A) Yes B) No

The correct answer for questions 1 – 6 is letter “D”. If you haven’t been able to answer at least 5 of these questions correctly and your response was not “yes” to at least 3 of questions 7 – 11 of the above, you may want to evaluate more carefully your responsibilities as a small business owner.

FEASIBILITY OF THE BUSINESS IDEA

Is your business idea a good one?

There is no magic answer to this question. Experience has shown that some of the most bizarre ideas, such as the concept of a personal computer have turned into successful businesses, while some have not.

It's important to look critically and impartially at your business idea when determining whether or not it's worth investing your time and money. It can be difficult to remain impartial about an idea you're passionate about, so talk to a business advisor to get a qualified and objective perspective.

While there are no guarantees that your business will succeed, a feasibility study will help you determine whether your idea will make a profit before you make a financial commitment.

It's important to remember that what is considered feasible may differ greatly from person to person depending on the return on investment they want and the risk they're willing to take on.

In your feasibility study you should analyze your business idea, market and competitive advantage as well as the financial feasibility of the business.

Analyze the business idea

In this first stage of your feasibility study you need to look objectively at the idea and determine its profitability. This objective analysis would include:

- assessing the market size;
- assessing the competitive advantage of your idea;
- obtaining independent endorsement of the idea;
- assessing capital requirements;
- considering your management ability; and
- finding out if anyone else has tried your business idea, and if they failed - why?
- Market analysis

Once you have determined there is a market for the product or service you are planning to supply, you need to conduct some more research which should include the following:

Demand analysis: determine the type of demand that exists for your product or service (ie: consumer, distributor), and establish the size of the market and its growth capacity.

Supply analysis: look at the life cycle of the industry. Is it the right time for you to be entering it? Also study the way the industry is structured and think about how that will affect your business.

Relationship analysis: how do the various groups within the industry interact? What is the bargaining power of buyers and suppliers? Is there a threat of substitute products or new entrants?

Competitive advantage analysis

Now that you've established that your idea is a good one and that there is a market for what you are offering, you need to determine what makes your product or service special. Ask yourself these questions:

How is my product or service different from those offered by my competitors?

Why will customers purchase the product or service from me rather than my competitors?

Are there any barriers to me entering the market?

What makes my competitors successful?

Financial feasibility analysis

The final part of your study should address the financial feasibility of the business idea which involves the following:

- preparing a sales forecast;
- estimating start-up and working capital requirements;
- estimating profitability; and
- assessing financial viability

10 STEPS TO STARTING YOUR OWN BUSINESS

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1. Take time to brainstorm.

An idea is great, but you need to be able to give it legs. Your job as a new entrepreneur and future business owner is to think about every aspect of your business. Come up with answers to every question a stranger or potential investor might ask you. For example try to answer these questions:

Who is the target market for the product?

What could go wrong and how will you solve it?

Are there additional products or services that could tie into your main offering?

Who are my competitors and how will my company be different from them?

By preparing answers to these questions ahead of time, you'll come across as a more confident and trustworthy business owner when it comes time to try to attract the attention of the right stakeholders.

2. Get over the company-name thing.

Don't agonize endlessly over dreaming up the perfect company name. Don't. If you're waiting until you come up with the perfect name, you're also waiting to start making money.

Instead, at least for now, forget branding and unique selling propositions and all the business-identity stuff. And don't worry about finding the perfect URL or website design or promotional literature. You're putting those carts way before your business horse.

Just pick a name so you can get the administrative ball rolling.

Remember, your business can operate under a different name than your company name. (A Fictitious Name form takes minutes to complete.) And you can change your company name later, if you like.

3. Get your Employer Identification number (EIN).

An **EIN** is the federal tax number used to identify your business. You don't need an EIN unless you will have employees or plan to form a partnership, LLC, or corporation.

But even if you don't need an EIN, get one anyway: It's free, takes minutes, and you can keep your Social Security number private and reduce the chance of identity theft, because if you don't have an EIN, your SSN identifies your business for tax purposes.

Note: If you're using an online legal service to set up an LLC or corporation, don't use it to get your EIN. Instead, **apply online at the IRS website**. You'll have your EIN within minutes.

4. Register your trade name.

If you won't operate under your own name, the state requires you to register a trade name. In most cases, you'll get approved the same day. You can file your name online with the Florida Department of State, Division of Corporations at: <http://www.sunbiz.org>.

5. Get your business tax receipt.

The county and city will require a Business Tax Receipt license. The form takes minutes to fill out. Use your EIN instead of your Social Security number to identify your business (for privacy reasons if nothing else). If your business is located in an unincorporated area, only a County Business Tax Receipt will be required.

You may be asked to estimate annual gross receipts. Do your best to estimate accurately, but don't agonize over it. You're just providing an estimate.

6. Complete a business personal-property tax form (if necessary).

Businesses are taxed on "personal" property, just like individuals. If you are required to file a business personal-property tax form and you plan to work from home using computers, tools, etc., that you already own, you won't need to list those items.

If you purchase tangible personal property during your first year in business, you will list those items when you file your business personal property tax form (**DR-405**) with the Florida Department of Revenue the following year.

7. Ask your municipal government office about other permits.

Every municipality has different requirements. A Business Tax Receipt is required to verify that a business meets zoning requirements.

Your locality may require other permits. Ask they'll tell you.

8. Get a certificate of resale (if necessary).

A seller's permit, also known as an Annual Resale Certificate (**Form DR-13**), allows you to collect state sales tax on products sold. (There is no sales tax on services.)

If you will sell products, you must register with the Florida Department of Revenue to receive this certificate.

9. Get a business bank account.

One of the easiest ways to screw up your business accounting and possibly run afoul of the IRS is to commingle personal and business funds (and transactions). Using a business account for all business transactions eliminates that possibility.

Get a business account using your business name and EIN, and only use that account for all business related deposits, withdrawals, and transactions.

Pick a bank or credit union that is convenient. Check out your local credit unions; they often provide better deals than banks.

10. Set up a simple accounting spreadsheet.

Worry about business accounting software like QuickBooks later. For now, just create a spreadsheet on which you can enter money you spend and money you receive.

Bookkeeping is simple, at least at first. All you need are revenue and expenses columns; you can add line items as you go.

Instead of spending hours playing with accounting software, dreaming up potential expense and income categories, and creating fancy reports with no data, spend that time generating revenue. As long as you record everything you do now, creating a more formal system later will be fairly easy. It will also be more fun, because then you'll have real data to enter.

And now you're an entrepreneur, with all the documents to prove it.

In Florida, a Fictitious Name Registration lets the public know who the real owner of a business is. The Fictitious Name is also called a DBA or Assumed Business Name. It got its origins as a form of consumer protection, so business owners can't try to avoid legal trouble by operating under a different name.

When someone files a Fictitious Name Registration, it's normally circulated in some kind of print newspaper. It lets the community know exactly what people are behind a business.

Do You Need a Fictitious Name?

In general, there are two reasons why a business in Florida will need to get a Fictitious Name:

1. For sole proprietors: If you're operating your business as a sole proprietor, then you'll need to file for a Fictitious Name if your business has a different name than your own name. So, let's say you started a catering business called Grand Catering Events; I'll need to file for a DBA for "Grand Catering Events."

There are a few other details to know. In some cases, you don't need a Fictitious Name if your business name is a combination of your name and a description of your product or service. In this case, if my business was called Paul Raguso Catering Service, I may not need a Fictitious Name. But, if it's just my first name (aka Paul's Catering Service), then a Fictitious Name is required.

2. For corporations and LLCs: If you have filed to become a corporation or LLC, then you've already registered your business name and don't need a Fictitious Name. However, you will need to get a Fictitious Name if you plan on conducting business using a name that's different than the name filed with your LLC/corporation paperwork.

So back to my Catering business... you incorporated your business as Grand Catering Events. Your business will need to file a Fictitious Name in order to operate under "Grandcateringevents.com" or "Grand Catering." Likewise, if you opened a store front, you will need a DBA for "Grand Catering Bistro." In short, you'll need a DBA to operate with any kind of variation of your original name.

The Importance of a Fictitious Name

I'm sure this sounds like a lot of unnecessary, extraneous paperwork. Yet there actually are a few important reasons to get your Fictitious Name in order.

1. It's the easiest way to register your name: If you're a sole proprietor, then filing for a Fictitious Name is going to be the simplest and least expensive way to use a business name. You can create a separate professional business identity, without having to form an LLC or corporation. And for sole proprietors, a Fictitious Name is required in order to open a bank account and receive payments in the name of your business.

2. For LLCs or corporations, a Fictitious Name will let you operate multiple businesses without having to form a separate LLC or corporation for each business. Let's say your business wants to expand into multiple websites, stores, restaurants, services, etc. You can create a corporation with a relatively generic name and use a Fictitious Name for each individual business. This will cut down on your paperwork and expenses when you're operating multiple projects.

3. Keeps your business compliant: If your business is an LLC or corporation, you enjoy certain legal protections. However, these protections may be invalidated if you're operating under a different name and didn't file for a Fictitious Name. For example, I may have incorporated Grand Catering Events, Inc. But if I sign a client contract under Grand Catering (or some other variation like that), that contract may not hold up in court.

Filing a DBA

The rules, requirements, forms and fees associated with filing a Fictitious Name can be found on the Florida Department of State Divisions of Corporation's website: <http://www.sunbiz.org>. A registration with the State does not reserve or protect a fictitious name against use by another party, nor does it provide rights to the use of a trade name, trademark, service mark or corporate name. The Florida Division of Corporations does not screen names submitted for registration against any other recorded information. Applicants must check the Division's website to see if the name is already in use.

APPLICATION FOR REGISTRATION OF FICTITIOUS NAME

Note: Acknowledgements/certificates will be sent to the address in Section 1 only.

Section 1

1. Fictitious Name to be Registered (see instructions if name includes "Corp" or "Inc")

Mailing Address of Business

City State Zip Code

3. Florida County of principal place of business:

(see instructions if more than one county)

FEI Number:

This space for office use only

Section 2

A. Owner(s) of Fictitious Name If individual(s): (Use an attachment if necessary):

1. Last First M.I.

Address

City State Zip Code

2. Last First M.I.

Address

City State Zip Code

B. Owner(s) of Fictitious Name If other than an individual: (Use attachment if necessary):

1. Entity Name

Address

City State Zip Code

Florida Document Number

FEI Number:

☐ Applied for ☐ Not Applicable

2. Entity Name

Address

City State Zip Code

Florida Document Number

FEI Number:

☐ Applied for ☐ Not Applicable

Section 3

I the undersigned, being an owner in the above fictitious name, certify that the information indicated on this form is true and accurate. In accordance with Section 865.09, F.S., I further certify that the fictitious name to be registered has been advertised at least once in a newspaper as defined in chapter 50, Florida Statutes, in the county where the principal place of business is located. I understand that the signature below shall have the same legal effect as if made under oath and I am aware that false information submitted in a document to the Department of State constitutes a third degree felony as provided for in s.817.155, F.S.

Signature of Owner in Section 1 Date

E-mail address: (to be used for future renewal notification)

Phone Number:

Section 4

FOR CANCELLATION COMPLETE SECTION 4 ONLY:

FOR FICTITIOUS NAME OR OWNERSHIP CHANGE COMPLETE SECTIONS 1 THROUGH 4:

I (we) the undersigned, hereby cancel the fictitious name
_____, which was registered on _____ and was assigned
registration number _____

Signature of Owner of Registration being Cancelled Date

Signature of Owner of Registration being Cancelled Date

Mark the applicable boxes ☐ Certificate of Status — \$10 ☐ Certified Copy — \$30

NON-REFUNDABLE PROCESSING FEE: \$50

SELECTING A BUSINESS STRUCTURE

Sole Proprietorship

A sole proprietorship is the simplest and most common structure chosen to start a business. It is an unincorporated business owned and run by one individual with no distinction between the business and you, the owner. You are entitled to all profits and are responsible for all your business's debts, losses and liabilities.

Forming a Sole Proprietorship

You do not have to take any formal action to form a sole proprietorship. As long as you are the only owner, this status automatically comes from your business activities. In fact, you may already own one without knowing it. If you are a freelance writer, for example, you are a sole proprietor.

But like all businesses, you need to obtain the necessary licenses and permits. Regulations vary by industry, state and locality. Use the Licensing & Permits tool to find a listing of federal, state and local permits, licenses and registrations you'll need to run a business.

If you choose to operate under a name different than your own, you will most likely have to file a fictitious name (also known as an assumed name, trade name, or DBA name, short for "doing business as"). You must choose an original name; it cannot already be claimed by another business.

Sole Proprietor Taxes

Because you and your business are one and the same, the business itself is not taxed separately—the sole proprietorship income is your income. You report income and/or losses and expenses with a Schedule C and the standard Form 1040. The "bottom-line amount" from Schedule C transfers to your personal tax return. It's your responsibility to withhold and pay all income taxes, including self-employment and estimated taxes. You can find more information about sole proprietorship taxes and other forms at: <https://www.irs.gov>.

Limited Liability Company

A limited liability company is a hybrid type of legal structure that provides the limited liability features of a corporation and the tax efficiencies and operational flexibility of a partnership.

The "owners" of an LLC are referred to as "members." Depending on the state, the members can consist of a single individual (one owner), two or more individuals, corporations or other LLCs.

Unlike shareholders in a corporation, LLCs are not taxed as a separate business entity. Instead, all profits and losses are "passed through" the business to each member of the LLC. LLC members report profits and losses on their personal federal tax returns, just like the owners of a partnership would.

Forming an LLC

While each state has slight variations to forming an LLC, they all adhere to some general principles:

Choose a Business Name. There are 3 rules that your LLC name needs to follow: (1) it must be different from an existing LLC in your state, (2) it must indicate that it's an LLC (such as "LLC" or Limited Company") and (3) it must not include words restricted by your state (such as "bank" and "insurance"). Your business name is automatically registered with your state when you register your business, so you do not have to go through a separate process. Read more here about choosing a business name.

File the Articles of Organization. The "articles of organization" is a simple document that legitimizes your LLC and includes information like your business name, address, and the names of its members. For most states, you file with the Secretary of State. However, other states may require that you file with a different office such as the State Corporation Commission, Department of Commerce and Consumer Affairs, Department of Consumer and Regulatory Affairs, or the Division of Corporations & Commercial Code. Note: there may be an associated filing fee.

Create an Operating Agreement. Most states do not require agreements. However, an operating agreement is highly recommended for multi-member LLCs because it structures your LLC's finances and organization, and provides rules and regulations for smooth operation. The operating agreement usually includes percentage of interests, allocation of profits and losses, member's rights and responsibilities and other provisions.

Obtain Licenses and Permits. Once your business is registered, you must obtain business licenses and permits. Regulations vary by industry, state and locality. Use the Licensing & Permits tool to find a listing of federal, state and local permits, licenses and registrations you'll need to run a business.

Hiring Employees. If you are hiring employees, read more about federal and state regulations for employers.

Announce Your Business. Some states, including Arizona and New York, require the extra step of publishing a statement in your local newspaper about your LLC formation. Check with your state's business filing office for requirements in your area.

LLC Taxes

In the eyes of the federal government, an LLC is not a separate tax entity, so the business itself is not taxed. Instead, all federal income taxes are passed on to the LLC's members and are paid through their personal income tax. While the federal government does not tax income on an LLC, some states do, so check with your state's income tax agency.

Since the federal government does not recognize LLC as a business entity for taxation purposes, all LLCs must file as a corporation, partnership, or sole proprietorship tax return. Certain LLCs are automatically classified and taxed as a corporation by federal tax law. For guidelines about how to classify an LLC, visit [IRS.gov](https://www.irs.gov).

LLCs that are not automatically classified as a corporation can choose their business entity classification. To elect a classification, an LLC must file Form 8832. This form is also used if an LLC wishes to change its classification status. Read more about filing as a corporation or partnership and filing as a single member LLC at [IRS.gov](https://www.irs.gov).

You should file the following tax forms depending on your classification:

- **Single Member LLC.** A single-member LLC files Form 1040 Schedule C like a sole proprietor.
- **Partners in an LLC.** Partners in an LLC file a Form 1065 partnership tax return like owners in a traditional partnership.
- **LLC filing as a Corporation.** An LLC designated as a corporation files Form 1120, the corporation income tax return.

The IRS guide to Limited Liability Companies provides all relevant tax forms and additional information regarding their purpose and use.

<https://www.irs.gov/Forms-&-Pubs>

Cooperative

A cooperative is a business or organization owned by and operated for the benefit of those using its services. Profits and earnings generated by the cooperative are distributed among the members, also known as user-owners.

Typically, an elected board of directors and officers run the cooperative while regular members have voting power to control the direction of the cooperative. Members can become part of the cooperative by purchasing shares, though the amount of shares they hold does not affect the weight of their vote.

Cooperatives are common in the healthcare, retail, agriculture, art and restaurant industries.

Forming a Cooperative

Forming a cooperative is different from forming any other business entity. To start up, a group of potential members must agree on a common need and a strategy on how to meet that need. An organizing committee then conducts exploratory meetings, surveys, and cost and feasibility analyses before every member agrees with the business plan. Not all cooperatives are incorporated, though many choose to do so. If you decide to incorporate your cooperative, you must complete the following steps:

- **File Articles of Incorporation.** The articles of incorporation legitimizes your cooperative and includes information like the name of the cooperative, business location, purpose, duration of existence, and names of the incorporators, and capital structure. Once the charter members (also known as the incorporators) file with your state business entity registration office and the articles are approved, you should create bylaws for your cooperative.
- **Create Bylaws.** While the law does not require bylaws, they do need to comply with state law and are essential to the success of your cooperative. Bylaws list membership requirements, duties, responsibilities and other operational procedures that allow your cooperative to run smoothly. According to most state laws, the majority of your members must adopt articles of incorporation and bylaws. Consult an attorney to verify that your bylaws comply with state laws.
- **Create a Membership Application.** To recruit members and legally verify that they are part of the cooperative, you must create and issue a membership application. Membership applications include names, signatures from the board of directors and member rights and benefits.
- **Conduct a Charter Member Meeting and Elect Directors.** During this meeting, charter members discuss and amend the proposed bylaws. By the end of the meeting, all of the charter members should vote to adopt the bylaws. If the board of directors were not named in the articles of incorporation, you must designate them during the charter meeting.
- **Obtain Licenses and Permits.** You must obtain relevant business licenses and permits. Regulations vary by industry, state and locality. Use our Licensing & Permits tool to find a list of federal, state and local permits, licenses and registrations you'll need to run a business.
- **Hiring Employees.** If you are hiring employees, read more about federal and state regulations for employers.

Each state will have slightly different laws that govern a cooperative. Consult an attorney, your Secretary of State or State Corporation Commissioner for more information regarding your state's specific laws.

Cooperative Taxes

Most businesses need to register with the IRS, register with state and local revenue agencies, and obtain a tax ID number or permit. A cooperative operates as a corporation and receives a "pass-through" designation from the IRS. More specifically, cooperatives do not pay federal income taxes as a business entity.

Instead, the cooperative's members pay federal taxes when they file their personal income tax. Members pay federal and state income tax on the margins earned by the cooperative, though the amount of taxation varies slightly by state. Cooperatives must follow the rules and regulations of the IRS's Subchapter T Cooperatives tax code to receive this type of tax treatment.

To file taxes on income received from cooperatives, please refer to IRS instructions on how to file Form 1099-PATR. More information about taxable distributions received from cooperatives is available at IRS.gov. If you create a consumer cooperative for retail sales of goods or services that are generally for personal, living, or family, you will need to file Form 3491 Consumer Cooperative Exemption Application for exemption from Form 1099-PATR.

Some cooperatives, like credit unions and rural utility cooperatives, are exempt from federal and state taxes due to the nature of their operations. Check with your state's income tax agency for information about state taxes.

Corporation

Corporation (C Corporation)

A corporation (sometimes referred to as a C corporation) is an independent legal entity owned by shareholders. This means that the corporation itself, not the shareholders that own it, are held legally liable for the actions and debts the business incurs.

Corporations are more complex than other business structures because they tend to have costly administrative fees and complex tax and legal requirements. Because of these issues, corporations are generally suggested for established, larger companies with multiple employees.

For businesses in that position, corporations offer the ability to sell ownership shares in the business through stock offerings. "Going public" through an initial public offering (IPO) is a major selling point in attracting investment capital and high quality employees.

Forming a Corporation

A corporation is formed under the laws of the state in which it is registered. To form a corporation you'll need to establish your business name and register your legal name with your state government. If you choose to operate under a name different than the officially registered name, you'll most likely have to file a fictitious name (also known as an assumed name, trade name, or DBA name, short for "doing business as"). State laws vary, but generally corporations must include a corporate designation (Corporation, Incorporated, Limited) at the end of the business name.

To register your business as a corporation, you need to file certain documents, typically articles of incorporation, with your state's Secretary of State Office. Some states require corporations to establish directors and issue stock certificates to initial shareholders in the registration process. Contact your state business entity registration office to find out about specific filing requirements in the state where you form your business.

Once your business is registered, you must obtain business licenses and permits. Regulations vary by industry, state and locality. Use our Licensing & Permits tool to find a listing of federal, state and local permits, licenses and registrations you'll need to run a business.

If you are hiring employees, read more about federal and state regulations for employers.

Corporation Taxes

Corporations are required to pay federal, state, and in some cases, local taxes. Most businesses must register with the IRS and state and local revenue agencies, and receive a tax ID number or permit.

When you form a corporation, you create a separate tax-paying entity. Regular corporations are called "C corporations" because Subchapter C of Chapter 1 of the Internal Revenue Code is where you find general tax rules affecting corporations and their shareholders.

Unlike sole proprietors and partnerships, corporations pay income tax on their profits. In some cases, corporations are taxed twice - first, when the company makes a profit, and again when dividends are paid to shareholders on their personal tax returns. Corporations use IRS Form 1120 or 1120-A, U.S. Corporation Income Tax Return to report revenue to the federal government.

Shareholders who are also employees pay income tax on their wages. The corporation and the employee each pay one half of the Social Security and Medicare taxes, but this is usually a deductible business expense.

Read more about tax requirements for Corporations on IRS.gov.

Partnership

A partnership is a single business where two or more people share ownership.

Each partner contributes to all aspects of the business, including money, property, labor or skill. In return, each partner shares in the profits and losses of the business.

Because partnerships entail more than one person in the decision-making process, it's important to discuss a wide variety of issues up front and develop a legal partnership agreement. This agreement should document how future business decisions will be made, including how the partners will divide profits, resolve disputes, change ownership (bring in new partners or buy out current partners) and how to dissolve the partnership. Although partnership agreements are not legally required, they are strongly recommended and it is considered extremely risky to operate without one.

Types of Partnerships

There are three general types of partnership arrangements:

- **General Partnerships** assume that profits, liability and management duties are divided equally among partners. If you opt for an unequal distribution, the percentages assigned to each partner must be documented in the partnership agreement.
- **Limited Partnerships** (also known as a partnership with limited liability) are more complex than general partnerships. Limited partnerships allow partners to have limited liability as well as limited input with management decisions. These limits depend on the extent of each partner's investment percentage. Limited partnerships are attractive to investors of short-term projects.
- **Joint Ventures** act as general partnership, but for only a limited period of time or for a single project. Partners in a joint venture can be recognized as an ongoing partnership if they continue the venture, but they must file as such.

Forming a Partnership

To form a partnership, you must register your business with your state, a process generally done through your Secretary of State's office.

You'll also need to establish your business name. For partnerships, your legal name is the name given in your partnership agreement or the last names of the partners. If you choose to operate under a name different than the officially registered name, you will most likely have to file a fictitious name (also known as an assumed name, trade name, or DBA name, short for "doing business as").

Once your business is registered, you must obtain business licenses and permits. Regulations vary by industry, state and locality. Use our Licensing & Permits tool to find a listing of federal, state and local permits, licenses and registrations you'll need to run a business.

If you are hiring employees, read more about federal and state regulations for employers.

Partnership Taxes

Most businesses will need to register with the IRS, register with state and local revenue agencies, and obtain a tax ID number or permit.

A partnership must file an "annual information return" to report the income, deductions, gains and losses from the business's operations, but the business itself does not pay income tax. Instead, the business "passes through" any profits or losses to its partners. Partners include their respective share of the partnership's income or loss on their personal tax returns.

Partnership taxes generally include:

- Annual Return of Income
- Employment Taxes
- Excise Taxes

Partners in the partnership are responsible for several additional taxes, including:

- Income Tax
- Self-Employment Tax
- Estimated Tax

Filing information for partnerships:

- Partnerships must furnish copies of their Schedule K-1 (Form 1065) to all partners by the date Form 1065 is required to be filed, including extensions.
- Partners are not employees and should not be issued a Form W-2.

The IRS guide to Partnerships provides all relevant tax forms and additional information regarding their purpose and use.

S Corporation

An S corporation (sometimes referred to as an S Corp) is a special type of corporation created through an IRS tax election. An eligible domestic corporation can avoid double taxation (once to the corporation and again to the shareholders) by electing to be treated as an S corporation.

An S corp. is a corporation with the Subchapter S designation from the IRS. To be considered an S corp., you must first charter a business as a corporation in the state where it is headquartered. According to the IRS, S corporations are "considered by law to be a unique entity, separate and apart from those who own it." This limits the financial liability for which you (the owner, or "shareholder") are responsible. Nevertheless, liability protection is limited - S corps do not necessarily shield you from all litigation such as an employee's tort actions as a result of a workplace incident.

What makes the S corp different from a traditional corporation (C corp.) is that profits and losses can pass through to your personal tax return. Consequently, the business is not taxed itself. Only the shareholders are taxed. There is an important caveat, however: any shareholder who works for the company must pay him or herself "reasonable compensation." Basically, the shareholder must be paid fair market value, or the IRS might reclassify any additional corporate earnings as "wages."

Forming an S Corporation

Before you form an S Corporation, determine if your business will qualify under the IRS stipulations.

To file as an S Corporation, you must first file as a corporation. After you are considered a corporation, all shareholders must sign and file Form 2553 to elect your corporation to become an S Corporation.

Once your business is registered, you must obtain business licenses and permits. Regulations vary by industry, state and locality. Use the Licensing & Permits tool to find a listing of federal, state and local permits, licenses, and registrations you'll need to run a business.

If you are hiring employees, read more about federal and state regulations for employers.

Combining the Benefits of an LLC with an S Corp

There is always the possibility of requesting S Corp status for your LLC. Your attorney can advise you on the pros and cons. You'll have to make a special election with the IRS to have the LLC taxed as an S corp. using Form 2553. And you must file it before the first two months and fifteen days of the beginning of the tax year in which the election is to take effect.

The LLC remains a limited liability company from a legal standpoint, but for tax purposes it's treated as an S corp. Be sure to contact your state's income tax agency where you will file the election form to learn about tax requirements.

Taxes

Most businesses need to register with the IRS, register with state and local revenue agencies, and obtain a tax ID number or permit.

All states do not tax S corps equally. Most recognize them similarly to the federal government and tax the shareholders accordingly. However, some states (like Massachusetts) tax S corps on profits above a specified limit. Other states don't recognize the S corp. election and treat the business as a C corp. with all of the tax ramifications. Some states (like New York and New Jersey) tax both the S corps profits and the shareholder's proportional shares of the profits.

Your corporation must file the Form 2553 to elect "S" status within two months and 15 days after the beginning of the tax year or any time before the tax year for the status to be in effect. Read more about IRS filing requirements for S Corporations.

Business Structure	Advantages	Disadvantages
Sole Proprietorship	<ul style="list-style-type: none"> • Easy and inexpensive to form: A sole proprietorship is the simplest and least expensive business structure to establish. Costs are minimal, with legal costs limited to obtaining the necessary license or permits. • Complete control: Because you are the sole owner of the business, you have complete control over all decisions. You aren't required to consult with anyone else when you need to make decisions or want to make changes. • Easy tax preparation: Your business is not taxed separately, so it's easy to fulfill the tax reporting requirements for a sole proprietorship. The tax rates are also the lowest of the business structures. 	<ul style="list-style-type: none"> • Unlimited personal liability: There is no legal separation between you and your business and you can be held personally liable for the debts and obligations of the business. This risk extends to any liabilities incurred as a result of employee actions. • Hard to raise money: Sole proprietors often face challenges when trying to raise money because you can't sell stock in the business, investors won't often invest. Banks are also hesitant to lend to a sole proprietorship because of a perceived lack of credibility when it comes to repayment if the business fails. • Heavy burden: The flipside of complete control is the burden and pressure it can impose. You alone are ultimately responsible for the successes and failures of your business.
Limited Liability Corporation (LLC)	<ul style="list-style-type: none"> • Limited Liability members are protected from personal liability for business decisions or actions of the LLC. This means that if the LLC incurs debt or is sued, members' personal assets are usually exempt. This is similar to the liability protections afforded to shareholders of a corporation. Keep in mind that limited liability means "limited" liability - members are not necessarily shielded from wrongful acts, including those of their employees. • Less Recordkeeping: An LLC's operational ease is one of its greatest advantages. Compared to an S-Corporation, there is less registration paperwork and there are smaller start-up costs. • Sharing of Profits: There are fewer restrictions on profit sharing within an LLC, as members distribute profits as they see fit. Members might contribute different proportions of capital and sweat equity. Consequently, it's up to the members themselves to decide who has earned what percentage of the profits or losses. 	<ul style="list-style-type: none"> • Limited Life: In many states, when a member leaves an LLC, the business is dissolved and the members must fulfill all remaining legal and business obligations to close the business. The remaining members can decide if they want to start a new LLC or part ways. However, you can include provisions in your operating agreement to prolong the life of the LLC if a member decides to leave the business. • Self-Employment Taxes: Members of an LLC are considered self-employed and must pay the self-employment tax contributions towards Medicare and Social Security. The entire net income of the LLC is subject to this tax.
Cooperative	<ul style="list-style-type: none"> • Less Taxation: Similar to an LLC: Cooperatives that are incorporated normally are not taxed on surplus earnings (or patronage dividends) refunded to members. Therefore, members of a cooperative are only taxed once on their income from the cooperative and not on both the individual and the cooperative level. • Funding Opportunities: Depending on the type of cooperative you own or participate in, there are a variety of government-sponsored grant programs to help you start. For example, the USDA Rural Development program offers grants to those establishing and operating new and existing rural development cooperatives. • Reduce Costs and Improve Products and Services: By leveraging their size, cooperatives can more easily obtain discounts on supplies and other materials and services. Suppliers are more likely to give better products and services because they are working with a customer of more substantial size. Consequently, the members of the cooperative can 	<ul style="list-style-type: none"> • Obtaining Capital through Investors: Cooperatives may suffer from slower cash flow since a member's incentive to contribute depends on how much they use the cooperative's services and products. While the "one member-one vote" philosophy is appealing to small investors, larger investors may choose to invest their money elsewhere because a larger share investment in the cooperative does not translate to greater decision-making power.

	<p>focus on improving products and services.</p> <ul style="list-style-type: none"> • Perpetual Existence: A cooperative structure brings less disruption and more continuity to the business. Unlike other business structures, members in a cooperative can routinely join or leave the business without causing dissolution. • Democratic Organization: Democracy is a defining element of cooperatives. The democratic structure of a cooperative ensures that it serves its members' needs. The amount of a member's monetary investment in the cooperative does not affect the weight of each vote, so no member-owner can dominate the decision-making process. The "one member-one vote" philosophy particularly appeals to smaller investors because they have as much say in the organization as does a larger investor. 	<ul style="list-style-type: none"> • Lack of Membership and Participation: If members do not fully participate and perform their duties, whether it be voting or carrying out daily operations, then the business cannot operate at full capacity. If a lack of participation becomes an ongoing issue for a cooperative, it could risk losing members.
C Corporation	<ul style="list-style-type: none"> • Limited Liability: When it comes to taking responsibility for business debts and actions of a corporation, shareholders' personal assets are protected. Shareholders can generally only be held accountable for their investment in stock of the company. • Ability to Generate Capital: Corporations have an advantage when it comes to raising capital for their business - the ability to raise funds through the sale of stock. • Corporate Tax Treatment: Corporations file taxes separately from their owners. Owners of a corporation only pay taxes on corporate profits paid to them in the form of salaries, bonuses, and dividends, while any additional profits are awarded a corporate tax rate, which is usually lower than a personal income tax rate. • Attractive to Potential Employees: Corporations are generally able to attract and hire high-quality and motivated employees because they offer competitive benefits and the potential for partial ownership through stock options. 	<ul style="list-style-type: none"> • Time and Money: Corporations are costly and time-consuming ventures to start and operate. Incorporating requires start-up, operating and tax costs that most other structures do not require. • Double Taxing: In some cases, corporations are taxed twice - first, when the company makes a profit, and again when dividends are paid to shareholders. • Additional Paperwork: Because corporations are highly regulated by federal, state, and in some cases local agencies, there are increased paperwork and recordkeeping burdens associated with this entity.
Partnership	<ul style="list-style-type: none"> • Easy and Inexpensive: Partnerships are generally an inexpensive and easily formed business structure. The majority of time spent starting a partnership often focuses on developing the partnership agreement. • Shared Financial Commitment: In a partnership, each partner is equally invested in the success of the business. Partnerships have the advantage of pooling resources to obtain capital. This could be beneficial in terms of securing credit, or by simply doubling your seed money. • Complementary Skills: A good partnership should reap the benefits of being able to utilize the strengths, resources and expertise of each partner. • Partnership Incentives for Employees: Partnerships have an employment advantage over other entities if they offer employees the opportunity to become a partner. Partnership incentives often attract highly motivated and qualified employees. 	<ul style="list-style-type: none"> • Joint and Individual Liability: Similar to sole proprietorships, partnerships retain full, shared liability among the owners. Partners are not only liable for their own actions, but also for the business debts and decisions made by other partners. In addition, the personal assets of all partners can be used to satisfy the partnership's debt. • Disagreements Among Partners: With multiple partners, there are bound to be disagreements. Partners should consult each other on all decisions, make compromises, and resolve disputes as amicably as possible. • Shared Profits: Because partnerships are jointly owned, each partner must share the successes and profits of their business with the other partners. An unequal contribution of time, effort, or resources can cause discord among partners.

S Corporation

- **Tax Savings:** One of the best features of the S Corp is the tax savings for you and your business. While members of an LLC are subject to employment tax on the entire net income of the business, only the wages of the S Corp shareholder who is an employee are subject to employment tax. The remaining income is paid to the owner as a "distribution," which is taxed at a lower rate, if at all.
- **Business Expense Tax Credits:** Some expenses that shareholder/employees incur can be written off as business expenses. Nevertheless, if such an employee owns 2% or more shares, then benefits like health and life insurance are deemed taxable income.
- **Independent Life:** An S corp. designation also allows a business to have an independent life, separate from its shareholders. If a shareholder leaves the company, or sells his or her shares, the S corp. can continue doing business relatively undisturbed. Maintaining the business as a distinct corporate entity defines clear lines between the shareholders and the business that improve the protection of the shareholders.
- **Stricter Operational Processes:** As a separate structure, S corps require scheduled director and shareholder meetings, minutes from those meetings, adoption and updates to by-laws, stock transfers and records maintenance.
- **Shareholder Compensation Requirements:** A shareholder must receive reasonable compensation. The IRS takes notice of shareholder red flags like low salary/high distribution combinations, and may reclassify your distributions as wages. You could pay a higher employment tax because of an audit with these results.



Florida Department of State
Division of Corporations

www.sunbiz.org

Fee Schedule

Corporation Fees

PROFIT AND NON-PROFIT

Filing Fees	\$ 35.00
Registered Agent Designation	\$ 35.00
*Certified Copy (optional)	\$ 8.75
TOTAL	\$ 78.75
Amendment of any record	\$ 35.00
Profit Annual Report (& Supplemental Fee)	\$150.00
Profit Annual Report (Received after May 1)	\$550.00
Amended Profit Annual Report	\$ 61.25
Articles of Correction	\$ 35.00
Non-Profit Annual Report	\$ 61.25
Certificate of Status	\$ 8.75
*Certified Copy	\$ 8.75 (see below)
*Photocopies	\$ 10.00 (see below)
Change of registered agent	\$ 35.00
Dissolution & withdrawal	\$ 35.00
Foreign Name registration	\$ 87.50
Foreign Name renewal	\$ 87.50
Merger (per party)	\$ 35.00
Certificate of Conversion	\$ 35.00 (+New Entity Filing fees, if applicable)
Reinstatement (Profit)	\$600.00 (+each year annual report fee)
Reinstatement (Non-Profit)	\$175.00 (+each year annual report fee)
Resignation of Reg. Agent (active corporation)	\$ 87.50
Resignation of Reg. Agent (inactive corporation)	\$ 35.00
Revocation of Dissolution	\$ 35.00

Fictitious Name Fees

Registration of Fictitious Names	\$ 50.00
Cancellation and Re-registration of Fictitious Name	\$ 50.00

Renewal of Fictitious Name Registration	\$ 50.00
Certified Copy of Fictitious Name Registration	\$ 30.00
Certificate of Status of Fictitious Name Registration	\$ 10.00

Judgment Lien Fees

All fees are nonrefundable processing fees and no refunds will be issued by the Division if the Judgment Lien document cannot be filed or processed.

Judgment Lien Certificate	\$ 20.00
Add for each additional debtor	\$ 5.00
Add for each attached page	\$ 5.00
Second Judgment Lien Certificate	\$ 20.00
Judgment Lien Amendment Statement	\$ 20.00
Judgment Lien Correction Statement	\$ 20.00
Certified Copy	\$ 10.00

Limited Partnership Fees

FLORIDA OR FOREIGN LIMITED PARTNERSHIP / LLLP

Filing Fees	\$ 965.00
Registered Agent Designation	\$ 35.00
TOTAL	\$1,000.00

Restated Certificate	\$ 52.50
Amended and Restated Certificate	\$ 52.50
Amendment	\$ 52.50
Statement of Correction	\$ 52.50
Certificate of Dissolution	\$ 52.50
Certificate of Revocation of Dissolution	\$ 52.50
Statement of Termination	\$ 52.50
Certificate of Merger	\$ 52.50per party
Certificate of Conversion	\$ 52.50(+ New Entity Filing Fees, if applicable)
Other	\$ 52.50
Annual Report	\$411.25
Supplemental Fee	\$ 88.75
Total	\$500.00

Annual Report (Received after May 1)	\$900.00
Amended Annual Report	\$411.25

Reinstatement	\$500.00(\$500 for each year or part thereof the partnership was revoked plus the delinquent annual report fees)
Notice of Cancellation	\$ 52.50
Certificate of Status	\$ 8.75
Certified Copy (optional)	\$ 52.50(15 pages or fewer,\$1 each page thereafter)
Change of registered agent/Office	\$ 35.00
Resignation of Reg. Agent	\$ 87.50
Photocopies	\$ 1.00 per page(please call (850)245-6053 for a page count)

General Partnership Fees

Partnership Registration Statement	\$ 50.00
Statement of Partnership Authority	\$ 25.00
Statement of Denial	\$ 25.00
Statement of Dissociation	\$ 25.00
Statement of Dissolution	\$ 25.00
Statement of Qualification FL or FOR LLP	\$ 25.00
Limited Liability Partnership Annual Report	\$ 25.00
Certificate of Merger	\$ 25.00per party
Certificate of Conversion	\$ 25.00(+ New Entity Filing Fees, if applicable)
Amendment to Statement or Registration	\$ 25.00
Cancellation of Statement or Registration	\$ 25.00
Certified Copy	\$ 52.50
Certificate of Status	\$ 8.75
Photocopies	\$ 10.00

Limited Liability Company Fees

Annual Report (& Supplemental Fee)	\$ 138.75
Annual Report (Received after May 1)	\$ 538.75
Amended Annual Report	\$ 50.00
Certificate of Status	\$ 5.00
Certified Copy of Record	\$ 30.00
Filing Fee (Required)	\$100.00
Registered Agent Fee (Required)	\$ 25.00
Total Fee For New Florida/Foreign LLC	\$125.00
Change of Registered Agent	\$ 25.00
Articles of Correction	\$ 25.00

Certificate of Conversion	\$ 25.00 (+ New Entity Filing Fees, if applicable)
Registered Agent Resignation (active)	\$ 85.00
Registered Agent Resignation (dissolved)	\$ 25.00
Reinstatement Fee	\$100.00 (+each year annual report fee)
Any Other Amendment	\$ 25.00
Articles of Dissolution/Withdrawal	\$ 25.00
Articles of Revocation of Dissolution	\$100.00
Certificate of Merger	\$ 25.00 per party (unless otherwise specified)
Member, Managing Member, or Manager Resignation	\$ 25.00

Limited Liability Company Fees

Annual Report (& Supplemental Fee)	\$ 138.75
Annual Report (Received after May 1)	\$ 538.75
Amended Annual Report	\$ 50.00
Certificate of Status	\$ 5.00
Certified Copy of Record	\$30.00
Registered Agent Fee (Required)	\$ 25.00
Total Fee For New Florida/Foreign LLC	\$125.00
Change of Registered Agent	\$ 25.00
Articles of Correction	\$ 25.00
Certificate of Conversion	\$ 25.00 (+ New Entity Filing Fees, if applicable)
Registered Agent Resignation (active)	\$ 85.00
Registered Agent Resignation (dissolved)	\$ 25.00
Reinstatement Fee	\$100.00 (+each year annual report fee)
Any Other Amendment	\$ 25.00
Articles of Dissolution/Withdrawal	\$ 25.00
Articles of Revocation of Dissolution	\$100.00
Certificate of Merger	\$ 25.00 per party (unless otherwise specified)
Member, Managing Member, or Manager Resignation	\$ 25.00



Help for Local Business Tax

By act of the Florida Legislature, Occupational Licenses are now called Business Tax Receipts

Got questions? Anne's got answers!

Who is required to obtain a Business Tax Receipt?

Anyone operating a business in Palm Beach County that provides merchandise or services to the public, even though a one-person company or home-based occupation.

Will I be required to have more than one county business receipt for my business?

Some businesses are required to obtain more than one receipt.

Example 1: a receipt for each professional and a receipt for the business: State licensed professionals such as an attorney, physician, massage therapist, or certified public accountant require an *individual* tax receipt and a separate one for the *office*, if you have any type of employees.

Example 2: a receipt for each service line and a receipt for the business: Grocery Store a business tax receipt is required for the deli, photo lab, bakery, automated teller machines, kiosks, and the grocery store itself.

What's a Fictitious Name Registration?

Businesses doing business in a name other than their own personal name (first and last) or incorporated names, must provide proof of registration prior to obtaining the receipt. Fictitious Name Registration Packets may be picked up at any Tax Collector location or may be filed online at www.sunbiz.org

If I already have a city business tax receipt, do I need to apply for a county receipt as well?

Yes, the county receipt is required in addition to any receipt issued by a city.

Can I change my address when I renew my business tax receipt?

Yes, you will need to complete a new application, provide zoning approval, and pay the renewal fee plus 10% of the annual business tax. You must surrender the original current Local Business Tax Receipt. This applies to physical address changes only, not mailing address changes.

I am no longer in business, what should I do?

You will need to sign the Local Business Tax Receipt renewal stub where it states, (bottom right hand corner of stub) "If **OUT OF BUSINESS**, sign and return". If you did not receive a local business tax renewal notice write a letter stating this information (can include a copy of the last business tax receipt) or come in person to one of our Service Centers. In addition contact the Property Appraiser's Office and request to be removed from the tangible personal property tax roll.

I just renewed my local business tax receipt on line and need it today. Can you fax or mail me a copy today?

No, the system is still processing the payment and the local business tax receipt will not be active until the next business day. You would need to call back the next business day or visit a service center in person and pay a \$1 duplicate processing fee.

I tried to renew on-line and it won't let me. Why?

You may need to provide proof of your renewed certificate of competency. Contact the Tax Collectors Office at 561-355-2272 to verify your status.

How do I apply for a handyman's license?

We do not offer a handyman local business tax receipt. You will need to contact the Construction Industry Licensing Board of Palm Beach County at 561-233-5525 or click here to view the list of Standards for Certified Categories (effective January 1, 2008).

I am exempt from having a local business tax receipt. Why did I receive a renewal notice?

A local business tax renewal notice is produced for every active business in Palm Beach County. This is also an opportunity to notify us that you are no longer in business by signing and returning the stub. If you are exempt all you need to do is send back the stub to renew for the current year. In addition contact the Property Appraisers Office and request to be removed from the tangible personal property tax roll.

I am a *county/state* certified contractor and tried to renew my local business tax receipt online and it stated “Hold for Review.” What does this mean?

All Certificates of Competencies issued by the Construction Industry Licensing Board of Palm Beach County expire September 30 of odd years (EX: 2009, 2011, 2013). **No** local business tax receipt will be issued without proof of a current Certificate of Competency. Call 561-233-5525 to contact the Construction Industry Licensing Board of Palm Beach County.

State contractor certifications from the Department of Business and Professional Regulation (DBPR) expire August 31st of even years (EX: 2010, 2012, 2014). No local business tax receipt will be issued without proof of current state certification.

I have a county wide business tax receipt and tried to renew my local business tax receipt online and it stated “Hold for Review.” What does this mean?

This is an optional business tax receipt. Your county or state contractor's license must be current prior to renewing the countywide business tax receipt. If you would like to renew on line contact the Tax Collector's Office to have the “Hold for Review” status removed.

Does an out-of-county business need a local BTR in order to work in PBC?

No, if it is an occupation licensed by the Department of Business and Professional Regulation (DBPR) and they have a current Business Tax Receipt from the county of their primary business location and are only doing temporary work in PBC. (F.S. Chapter 205.065).

Does a person who holds a state certification need a local BTR if they are not currently using their certification as source of income?

No, if the professional holds a valid state certification and maintains their certification for purposes other than income producing a local BTR is not required.

Contact Us

Professionals needing additional assistance please call (561) 355-2272 and select item 4.



ANNE M. GANNON
CONSTITUTIONAL TAX COLLECTOR
Serving Palm Beach County
Serving you.

Sec. 17-17 of PBC Ordinance No. 72-7.

No business tax receipt shall be issued until applicable county and state laws are complied with including, but not limited to, building, zoning, construction industry licensing, fire control and health.

www.pbctax.com

Application Requirement Guide for Local Business Tax Receipt

APPLICATION REQUIREMENT GUIDE (CHECKLIST)

****Please complete application on reverse side.****

☐ **COMPLETE APPLICATION (box #1 on reverse side)**

☐ **ATTACH A COPY OF FICTITIOUS NAME REGISTRATION (if applicable):** www.sunbiz.org

☐ **OBTAIN ZONING APPROVAL from the following (box #2 on reverse side):**

- Municipal/City Business Tax Receipt (If business is located within city limits, submit this application to the city for zoning approval).
- Unincorporated - Palm Beach County Zoning Approval (If business is located in unincorporated Palm Beach County) submit this application to Palm Beach County Planning, Zoning & Building for approval [2300 N. Jog Rd. West Palm Beach-Vista Center (561-233-5200)].
- Unincorporated Home Based Business - Form #103 must be completed.

☐ **COPIES OF STATE OR COUNTY CERTIFICATIONS/LICENSE (if applicable):**

- Dept. of Business and Professional Regulation(850) 487-1395
- Palm Beach County Dept. of Health(561) 840-4500
- State of Florida Dept. of Health(850) 488-0595
- Palm Beach County Construction Industry Licensing Board(561) 233-5525
- State of Florida, Dept. of Agriculture and Consumer Services(800) 435-7352
- Florida Division of Hotel & Restaurants(850) 487-1395
- Florida Office of Financial Regulation(850) 410-9805

NOTE: Price quotes are only valid if received and posted in the Tax Collector's Office within the same month of quote.

This receipt is in addition to and not in lieu of any license or receipt required by law or any ordinance and is subject to regulations of zoning, health and any other lawful authority Section 17-17 of Palm Beach County Ordinance No. 72-7.

For more information, call (561) 355-2264 or visit our website at www.pbctax.com.

Mail completed application to:

Palm Beach County Tax Collector
Attn: Business Tax Department
P.O. Box 3715
West Palm Beach, FL 33402-3715

Visit any of these locations with the completed application: (Monday – Friday 8:15 am to 5:00 pm)

Belle Glade Service Center
PBC Glades Office Building
2976 State Road 15
Belle Glade, FL

Lake Worth Service Center
3551 South Military Trail
Lake Worth, FL

Royal Palm Beach Service Center
200 Civic Center Way
Royal Palm Beach, FL

Delray Beach/South County Service Center
501 South Congress Ave
Delray Beach, FL

Palm Beach Gardens/NE County Courthouse Service Center
3188 PGA Blvd
Palm Beach Gardens, FL

West Palm Beach/Downtown Service Center
301 North Olive Avenue, Room #101
West Palm Beach, FL



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www.pbctax.com

Application For Palm Beach County Local Business Tax Receipt

#1: BUSINESS INFORMATION (To be completed by applicant):

Instructions & checklist on reverse side

Check Applicable Box: ☐ New Business ☐ Transfer of Address ☐ Transfer of Ownership ☐ Business Name Change
☐ Other _____

Existing PBC LBTR # (if applicable): _____

Corporation/Business Name: _____

Fictitious/DBA/Trade Name: _____

Division of Corporations requires registration of a fictitious name. Submit copy of registration with this application.

Owner/Applicant Name: _____

Federal Employer ID #: _____ **OR** Social Security #: _____

Business Address: _____ City: _____ State: _____ ZIP: _____

Applicant/Business Start Date at Location: _____ Business Phone Number: _____

Mailing Address (if different above): _____ City: _____ State: _____ ZIP: _____

E-Mail address: _____

Nature of Business: _____ **OR** Profession: _____
(Landscaper, Cleaning Service, etc.) (Doctor, Lawyer, etc.)

Maximum Number of: Employees: _____ Machines: _____ Rooms: _____ Restaurant seating: _____

Were you issued a Notice of Non-Compliance? Yes _____ No _____

I certify, under penalty of law, that the above information is true and correct, and I understand that any false statements could result in penalties as provided by law.

Signature: _____ Title: _____

(Agent, Owner, Rep.)

#2: PLEASE NOTE: ZONING APPROVAL MUST BE COMPLETED PRIOR TO APPLICATION SUBMITTAL **See reverse side for details on zoning**

Municipal/City Zoning Approval: _____ Title: _____

Additional Fees May Apply

Unincorporated Zoning Approval/Planning Zoning & Building Approval: _____ Title: _____

PCN: _____ ePZB Application Number: _____ Date: _____

Control Number: _____ Resolution Number: _____

Use pursuant to the PBC ULDC Article 4 supplementary use standards: _____

PZ&B - Check box if approval from department is required***

Regulator Signature required on line, when approval has been granted***

☐ Zoning (U No.) _____ ☐ Fire Marshall _____

☐ Compliance _____ ☐ Health Department _____

☐ Building _____ ☐ Hotel & Restaurant _____

☐ NAICS Code _____ ☐ Prior Use of Bay/Bldg. _____

☐ Other _____ ☐ Cnty Home Based Affidavit _____

FOR TCO OFFICE USE ONLY

LBTR#/Account #: _____ State/County License Cert #: _____

CSS / SCSS: _____ Date: _____ Field Service Approval: _____

NAICS Code _____ TOTAL FEE DUE: \$ _____ Receipt #: _____

County Administrator
Robert Weisman



**Palm Beach County Zoning Division
Home Occupation Business Tax Receipt
Certificate of Compliance**

Unified Land Development Code (ULDC) Article 4.B.1.A.70

For a typeable version of this form visit the PBC Zoning Web Page at:
<http://www.pbcgov.com/pzb/zoning/newapps/Form-103.pdf>

70. Home Occupation

A business, profession, occupation, trade, artisan, or handcraft conducted in a dwelling unit for commercial gain by a resident of the unit. A home occupation shall not include those businesses, which are required by State of Florida agencies to be open to the public.

a. Incidental Nature

Shall be clearly incidental and subordinate to the residential use of the dwelling property and shall be confined to no more than ten percent of the total floor area of the dwelling.

b. Location

With the exception of outdoor instructional services, a home occupation shall be conducted within the principal dwelling or off-site, and shall not be conducted within any accessory building or structure or within any open porch or carport that is attached to and part of the principal structure. Instructional services, which by their nature must be conducted outside of the principal structure, such as swimming lessons, shall be located in a rear or side yard.

c. No Change to Character of Dwelling

The residential character of the dwelling in terms of exterior appearance and interior space shall not be altered or changed to accommodate a home occupation.

d. Employees

Shall be conducted by members of the immediate family residing in the dwelling unit only. A maximum of one person who is not a member of the immediate family may assist in the operation of the home occupations at the residence.

e. Business Tax Receipt

Shall be operated pursuant to a valid business tax receipt for the use conducted by the resident of the dwelling. More than one home occupation may be permitted on a residential lot.

f. Advertising

No external evidence or sign shall advertise, display, or otherwise indicate the presence of the home occupation, nor shall the street address of the home occupation be advertised through signs, billboards, television, radio, or newspapers. Advertising on vehicles shall be limited to the minimum necessary to meet requirements mandated by F.S. Chapter 489 or Chapter 67-1876 of the PBC Contractor's Certification Division Manual.

g. On-Premise Sales

A home occupation shall not involve the sale of any stock, trade, supplies, products, or services on the premises, except for instructional services.

h. Instructional Services

Instructional services shall meet the following additional regulations:

1) Home Instruction, Inside

Teaching which takes place inside the dwelling unit of the instructor. Typical instruction includes music lessons and academic tutoring.

2) Home Instruction, Outside

Teaching which takes place outside the dwelling unit, on the property of the instructor. This type of instruction is limited to subject matter which necessitates outside instruction. Typical instruction includes tennis, swimming lessons, dog training and equestrian lessons.

3) Hours of Operation

Instruction shall occur only between the hours of 9:00 a.m. and 8:00 p.m. daily.

4) Insurance

Proof of liability insurance in the amount of at least \$300,000 covering the instructional service shall be submitted prior to the issuance of a Business Tax Receipt.

5) Number of Students

A maximum of three students at a time shall be permitted to receive instruction during a lesson.

6) Parking

No more than two vehicles associated with the lessons shall be permitted to be parked at the instructor's home at any time.

7) Resident

The instruction must be conducted by a resident of the dwelling where the lessons are provided. Only one instructor shall be permitted to provide instruction. The business tax receipt shall be issued to the instructor.

i. Outside Storage

No equipment or materials used in the home occupation shall be stored or displayed outside of the dwelling, including driveways.

j. Nuisances

No home occupation shall involve the use of any mechanical, electrical or other equipment, materials or items which produce noise, electrical or magnetic interference, vibration, heat, glare, smoke, dust, odor or other nuisance outside the residential building. There shall be no storage of hazardous or noxious materials on the site of the home occupation. There shall be no noise of an objectionable nature from the home occupation audible at adjoining property lines.

k. Violations or Hazard

If any of the above requirements are violated, or if the use, or any part thereof, is determined by the Zoning Director to create a health or safety hazard, then the business tax receipt may be revoked.

l. Vehicles

One business related vehicle per dwelling unit not over one ton rated capacity may be parked at the home, provided the vehicle is registered to a resident of the dwelling & meets the resident parking code, commercial vehicles are prohibited.

I have read and understand the Palm Beach County Zoning Division Home Business Tax Receipt Affidavit and the thresholds associated with a Home Office Use as described in this Affidavit and pursuant to the ULDC. I understand that by signing the Palm Beach County Zoning Division Home Business Tax Receipt Affidavit, I agree to comply with the Palm Beach County ULDC provisions, as outlined in Article 4.B.1.A.70, Home Occupation. Furthermore, I understand that the Home Business Office is for administrative purposes only or instructional services as further defined in the ULDC, Article 4.B.1.A.70, Home Occupation (Customary functions include: telephone, scheduling appointments, bookkeeping, computer work, and home instruction). For additional information, please access the ULDC at <http://www.pbcgov.com/pzb/uldc/articles/Article 4.pdf>.

CERTIFICATE OF COMPLIANCE

I have read and understand the above regulations for home occupation (as Administrative Offices, or those Instructional Services specified only). I am aware of my responsibilities and liabilities for the use and occupation on the property. I do hereby covenant and agree to abide by each of the aforesaid stipulations. I further understand that any violation of the stipulations may result in possible code enforcement action and/or revocation of the Business Tax Receipt.*

Applicant Name: _____

Business Name: _____

Business Address: _____

Property Control Number (PCN): _____

Occupation: _____

Signature of Applicant: _____ Date _____

** It is the applicants responsibility to complete the most current form. Current forms are obtained by visiting:
<http://www.pbcgov.com/pzb/zoning/newapps/Form-103.pdf>*

New Business Idea? How to Test Before Launching

By Sarita Harbour, Business News Daily Contributor June 5, 2014 09:15 am EST



Credit: Test keyboard image via [Shutterstock](#)

Think you have a great business idea? Maybe it evolved from multiple brainstorming sessions, or perhaps it popped into your head fully formed. While you may think it's awesome just the way it is, you should test your idea before launching your business. This could save time and money if your idea is a dud.

Here are a few simple but effective ways to test your business idea.

First wait ... then build a prototype or test service

Though you're excited by your new business idea, wait a while before testing it.

"After I've gone through the process of writing down a bunch of ideas, I don't like to rush into building a business plan or recruiting the team," said Greg Isenberg, venture capitalist and CEO of mobile video app [5by.com](#). "I like to wait a few weeks, see which ideas really stick with me."

Isenberg said he'll only move forward if he has a burning feeling that the world really needs his idea. "Once I'm through that, the best way to test a business idea is to build some prototype (mock-ups, etc.) and show it to people to get some honest and authentic feedback," he said.

Run it by a group of critics

When you have your first prototype or test service ready, take it to your potential target customers.

"You should talk [to] and/or survey at least 50 potential customers to see if they identify with the problem the same way you do," said Wayne Gilchrist, startup consultant and

<http://www.businessnewsdaily.com>

host at TechStartRadio.com. "In other words, you need to find out if this is a real problem for a majority of your target market, or just a few," he said.

However, to really put your new business idea to the test, select your 50 potential clients or customers carefully.

"Identify people in that target you know to be skeptical and critical," said Dr. Chip R. Bell, founder of the business consultancy firm [The Chip Bell Group](#). "These people could be irate customers from previous encounters, or friends who always take the glass half- empty perspective," he said. Bell suggests handpicking your test group, and then asking them to pick your ideas apart. [\[Looking for a Business Idea? Visit our Business Idea Page\]](#) <http://www.businessnewsdaily.com/start-your-business#business-ideas>.

Tweak it to suit your test market

Isenberg took a similar approach to testing 5by, an app that finds Internet videos.

"We went to college campuses and showed mock-ups of what the product was going to look like," said Isenberg. He and his team found the feedback from students invaluable in fine-tuning the original idea.

"We were able to quickly gauge that people (especially young people) were frustrated that they couldn't open an app and just be able to find the best Internet videos in whatever they were interested in with just a tap of a button," he said. Isenberg realized that while his initial business idea and mock-up were a good start, they needed tweaking. "We quickly knew we were onto something, and then focused on building out the product, raising money, etc.," he said.

Set up a test website/social media/email survey

Another way to test interest in your product or service before spending time and money in development is to tap into online audiences.

"I like ideas that can be proven before development begins," said Gilchrist. "For example, if you think there is a problem and you have the solution, you can create a Web page devoted to the problem and simply say that you are working on a solution."

Then, monitor your inbound website traffic either through your content management system, or through an advertisement system such as Google Adwords. "You'll be able to tell if the idea will get traction from the number of click-throughs on the ads, and the number of people who fill in your form," said Gilchrist.

<http://www.businessnewsdaily.com>

This also provides a pool of warm sales leads for your product or service launch.

Gilchrist said that when communicating your business idea, be careful not to sway people to agree with you, which is tricky for passionate entrepreneurs excited about their latest business ideas.

"The creators of the idea usually cannot get good results with this because they tend to sell their idea, even if they are trying not to," he said. A possible solution? "Electronic surveys (for example, SurveyMonkey) or emails can be good for this," he said.

Tempt your target market with a guest post

You can also test your business idea online by publishing a blog post, but not on your own website.

"Write a teaser blog about the features of your idea (without giving it away) and post it in the middle of your target market traffic," said Bell. Wondering where to find your target market? Bell provided an example.

"Let's assume you have a new computer app for philanthropy planning for organizations that make large charitable donations," he said. "You would want to put your blog in the line of site of accounting firms, banks (especially the bank trust function), professional associations that cater to foundations (like the Bill and Melinda Gates Foundation), etc."

Bell said that the response will tell you a lot about your marketing and startup challenges. "Remember, great business ideas have [one of] two characteristics: They address a problem in search of solution, or they surface an aspiration customers did not know they had," he said.

If readers really connect with your idea, your test blog post will generate more comments, shares and social media likes than the site average, and the feedback may even suggest ways to improve on your initial idea.

PREPARING A BUSINESS PLAN

www.business.com

Congratulations! You have a million dollar idea. Now, it's time to turn it into a business.

Starting a business is a multifaceted process, and it all starts with a solid business plan. The business plan itself will not only be used to help you secure funding and share your vision with key stakeholders, but it will also help you identify processes and strategies that will be crucial to your success.

A smart business plan outlines the roadmap that you'll diligently follow (and undoubtedly evolve) for the first few years of your venture. From finance to marketing, it will be the single piece that you continuously refer back to.

No matter what the business or its degree of complexity, the business person needs a comprehensive plan to translate his or her idea into a working operation. A business plan should be prepared to thoroughly plan a new business, present to a lending institution for financing, promote an existing business in seeking additional investors for expansion, and assist management in determining areas of strength and weakness in making long range business plans.

So, what are the steps to writing a great a business plan? Here are the steps that you'll follow in our free business plan template on the next page:

1. **Create an executive summary** that defines your products and services, target audience, company goals, legal format and more.
2. **Define your products and services** in detail, including technical specifications, pricing and more.
3. **Build a marketing plan** that includes market research, competitors, target customer persona and strategy.
4. **Outline an operational plan** that details production, legalities, personnel/employees, etc.
5. **List your management team** and their roles and responsibilities.
6. **Put together a personal financial statement** for each owner/stakeholder in order to determine the personal funding for financing.
7. **Determine startup expenses** that will affect your business and its operations.
8. **Develop a financial plan**, including 12-month profit and loss projections, cash flow projections, projected balance sheet and break-even calculations.

Download the free template below to build your business plan today!

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