

LICENSES/PERMITS/LEGAL FORMATION FOR STARTING A BUSINESS (Charlotte/Mecklenburg, NC)

1. Call the State's **Business Link North Carolina** (1-800-228-8443), to verify any state **licensing/sublicensing** requirements for your type of business. Ask them lots of questions. Or go online at <http://www.blnc.gov/start-your-business/business-licenses-permits> .

2. If you have chosen a specific **location** for your business, or if you are planning a home-based business, call the **Zoning Department** (dial 311 or 704-336-7600 out of county) to make sure you conform to zoning regulations for that site. Other agencies to contact about industry regulations include:

- If you are planning to sell **food items**, you need to contact the **Environmental Health Department** to get a "heads-up" on any/all food-sales compliance regulations (311 or 704-336-7600).
- If you plan to sell **alcohol**, first you need to apply for an **Alcoholic Beverage Control Permit** from the **State of North Carolina** (1-919-779-0700), <http://abc.nc.gov/permit> . Then, show your state ABC Permit to the **Mecklenburg County Business Tax Collections Office** in order to get a *local* Beer & Wine License, (311 or 704-336-7600), <http://charmeck.org/mecklenburg/county/TaxCollections/BusinessTaxes/Pages/BeerWineLicense.aspx>
- Painters, Pressure Washing, Mobile Auto Detailing, Car Washing, Carpet Cleaning, Restoration, Lawn Care, Pushcarts/Mobile Kiosks, and Carnivals/Fairs all need to contact the North Carolina Environmental Health Services (919-707-5854) <http://ehs.ncpublichealth.com> .

3. You now need to decide on your **legal formation**. Options:

- (A) Sole Proprietorship
- (B) Partnership
- (C) Corporation
- (D) Limited Liability Company ("LLC")
- (E) Limited Liability Partnership ("LLP")

4. Next, you need to **register** your business, to give it a "legal life":

For (A) or (B) **in #3 above (Sole Proprietorship or a Partnership)**, you must go and register same with the **Register of Deeds, 720 E. 4th St.** (in the Government Center), **Charlotte, 28202**, (704-336-2443).

You will be asked to:

- a) research the name of your company
- b) before you go to the Register of Deeds Office, print and fill out a "Certificate of Assumed Name" at <https://edpnc.com/start-or-grow-a-business/start-a-business/business-forms/>
- c) get your signature notarized
- d) pay a fee, see current fees at <http://meckrod.manatron.com/localization/asninfo.htm>

For (C) above (**Corporation**), it must be chartered by **NC's Secretary of State**. Go to their website: <https://www.sosnc.gov/corporations/thepage.aspx> and pull up instructions/paperwork/fees; fill out the application and file (do it yourself!). (919-807-2225) Next, *after* receipt of approval by the Secretary of State, for those wishing to be treated as an "**S-Corporation**", you should go to www.irs.gov, and pull up **Form 2553** (Election by a Small Business Corporation), fill it out and file. (800-829-4933)

For (D) above (**Limited Liability Company**), the same instructions apply as for a Corporation in (C) above; fill out application and file ("do-it-yourself"!).

For (E) above (**Limited Liability Partnership**), these must be registered with NC's Secretary of State as well as at the Register of Deeds Office at the Government Center (see above).

If you have an existing corporation, limited partnership, or LLC doing business in Mecklenburg County under an assumed name (different than your corporate name), file at the County level (see b, c, d above).

5. Once your business legal status and name have been approved, registered, and/or filed, you need to get your **Federal Tax Identification Number**, also called an "EIN" or a "**Tax ID Number**". You can call **1-800-829-4933** to get your EIN over the phone. Or, you may go to www.irs.gov and type "EIN" in the IRS keyword search box, follow the instructions for online filing or to print out the form for mailing. **NOTE:** A Sole Proprietorship that has no employees and files no excise or pension tax returns is the only legal business that does not need a Tax ID Number. In this instance, the Sole Proprietor uses his/her Social Security Number as their Tax ID Number.

6. For businesses that need a "**Sales Tax Number**" (all businesses selling "products", as opposed to selling only "services"), AND/OR have employees; you need to file via the North Carolina Dept. of Revenue using **Form NC-BR** (Business Registration Application for Income Tax Withholding, Sales and Use Tax, and Machinery, Equipment, and Manufacturing Fuel Tax). Click on: www.dor.state.nc.us/business, and under "Tax Forms and Instructions" select "Sales and Use" for more information. Or you can use their **Online Business Registration** system at www.dor.state.nc.us/electronic/registration/index.html . Locally, you may also contact the NC Dept. of Revenue for the form and questions (301 McCullough Drive, Suite 300, Charlotte, NC 28262, 704-519-3000).

7. For businesses with employees, you will need **Unemployment Insurance**. Apply for an NC Employer Tax Account Number (also known as NC Unemployment Tax Number) with the **NC Division of Employment Security** at <https://des.nc.gov/des> then click the "Employer Services" tab or call 919-707-1150.

8. As of July 1, 2015, you no longer need to obtain a City of Charlotte/Mecklenburg County "**Business License**", also known as a "Privilege License".

Other City or County business taxes may apply to your business. Please read further information at <http://charmeck.org/mecklenburg/county/TaxCollections/BusinessTaxes/Pages/default.aspx>.

9. You'll need to contact the **Business Personal Property Division, 700 E. Stonewall St., 1st Floor, Charlotte, 704-336-6382**, to notify them of the formation of your new business. Forms and more information are at <http://charmeck.org/mecklenburg/county/assessorsoffice/businesspersonalproperty/Pages/default.aspx> . This agency canvasses the area and if you do not have an account, you will be fined based on the number of years you've been in business but not registered.

10. Finally, for businesses inside the Charlotte City Limits, you should discuss your plans with the **Charlotte Fire Prevention Bureau** (704-336-2101), to assure compliance with City **fire codes** <http://charlottenc.gov/Fire/KeepingYouSafe/FirePreventionBureau/Pages/default.aspx> .

For businesses outside the Charlotte City Limits, you should discuss your plans with the **Mecklenburg County Fire Marshall's Office** (704-336-2154) to assure compliance with County fire codes <http://charmeck.org/mecklenburg/county/LUESA/CodeEnforcement/Fire-Marshal/Pages/default.aspx> .

P.S. Anyone planning to work out of their home, contact your homeowner's insurance company!

GOOD LUCK on your new business venture!!