



## Twenty-one Steps to Starting a New Business

1. Write a 4-5 page business summary and review with trusted advisors to confirm the new business idea makes sense.
2. Schedule an initial meeting with a CPA specializing in small businesses and an attorney as appropriate. Initial consultations should be at no charge.
3. Develop at least a 1 year financial plan and preferably a 3 year plan.
4. Determine the legal entity (LLC, Corp, S-Corp, Proprietorship, Partnership).
5. Secure legal assistance to setup a LLC or Corporation.
6. Obtain a federal ID number from the IRS.
7. Register the LLC or Corporation with the state (generally CA or Delaware).
8. If there will be a payroll, obtain a tax ID from the CA EDD.
9. If there will be retail or wholesale sales, obtain a sales tax number.
10. Obtain a local business license
11. Open a business checking account. The initial deposit should be at least the value of the shares issued or membership interest.
12. Develop a logo or company ID and have Word and PowerPoint templates made. Do not order stationary or a lot of other preprinted materials.
13. Secure office space.
14. Secure tools: PC, printer, cellphone, internet connection
15. Engage a professional to design and build a website. This is the initial marketing face to the public so it must be crisp and professional looking
16. Obtain insurance. This should include at least general liability and errors and omissions insurance for any professional services if rendered.
17. Setup accounting and billing software. Suggest QuickBooks or QuickBooks-online.
18. Setup a payroll service.
19. Obtain sources of product, warehousing and a distribution system for goods to be sold.
20. Begin selling the services or product.
21. Periodically meet with your CPA or trusted advisor to review progress and avoid tax issues.