

1) Decide if you will own the business yourself, form a general partnership with others, or set up a corporation. To help you understand the advantage and disadvantage of each, read SCORE's booklet *Basic Steps to Starting Your Own Business*, pages 5 – 7. If you elect to establish a corporation or form a general partnership (both are legal entities), you will need to hire a business attorney to do the paperwork.

2) Select a NAME for your company. Contact the South Carolina Secretary of State, Corporations Division, at 803-734-2158 or go to <http://webprod.cio.sc.gov/SCSOSWeb/corporationNamePage.do>. You must be sure that someone else is not using the name. If it is not, for \$10.00 they will hold your name for 120 days. If you have decided to form a corporation, you will have to file with the Secretary of State, Corporations Division; this corporate filing will protect your company name. If you have decided to form a general partnership or sole-proprietorship, you can file for trademark protection of your company name by calling the Trademarks Division at 803-734-1728.

3) Get an Employer Identification Number (EIN) from the IRS. It is a 9-digit number arranged as follows: 00-0000000. This is the number you will need when filing Federal and State tax returns regardless of the type of business you selected in #1 above. You can now apply on-line at <http://www.irs.gov/businesses/small/article/0,,id=102767,00.html> or you may call 800-829-3676 to request Form SS-4. This form has information on how to apply for the EIN by mail or phone.

4) Set up a bank account and/or credit card account in your company's name. The bank will require your EIN.

5) Decide WHERE you will be doing business and get a business license(s). Note: "doing business" includes the physical location of your business as well as the physical location where you perform your services or deliver goods. You will need to estimate your gross annual sales to obtain the business license(s). For the first year, assume the minimum allowed amount of gross sales.

Hilton Head Island	341-4610	One Town Center	<a href="http://www.hiltonheadislandsc.gov/">www.hiltonheadislandsc.gov/</a>
Bluffton	706-4510	20 Bridge St.	(Town of Bluffton)
Beaufort County	470-2815	120 Ribaut Road	<a href="http://www.co.beaufort.sc.us">www.co.beaufort.sc.us</a>
Beaufort City	525-7025	302 Carteret St	
Town of Port Royal	986-2200	700 Parris Ave	

(Note: No County license is required if your business is entirely within one of the municipalities listed above.)

6) You will need a State retail license if you sell any products or services directly to retail customers. If you are selling as a manufacturer or as wholesaler to resellers you must get a tax-exempt number. If you are selling from a thrift shop or any other second-hand store, you still need a retail license. If you sell over the Internet you must collect tax for any sales to South Carolina; sales outside the state are exempt, however, you need a retail license for any sales within the state. If you are selling products or services such as alcoholic beverages, construction, beauty shop, etc. you will need an additional state business license. SC requires form SC-TC111 to apply for a retail license and/or a sales tax number. Call the State Retail Business Licenses at 803-898-5872 or you can download the form from their web site at [www.sctax.org](http://www.sctax.org).

7) If you have four or more employees, you will need to purchase workers compensation insurance. The definition of an employee includes both part-time workers and sub-contractors. The state considers cumulative employees in the course of a year as counting toward the total. If you have formed a corporation, you will be included as one of the four employees. Check specifics with a local insurance agency and/or the SC Workers Compensation Commission at 803-737-5700.

8) Workforce on the Web ([www.lcwow.com](http://www.lcwow.com)) is a resource for locating qualified employees who have posted their resumes.

9) Business One Stop Registration, <https://www.scbos.sc.gov/>, provides you with the information you need to get the right business licenses and set up tax accounts such as: employer withholding account, unemployment insurance, sales and use tax license, and Alcohol Beverage License (ABL) renewal.