



BUSINESS STRUCTURES

Non-Legal

- **Sole Proprietor & General Partnership**
- No legal separation between owners(s) & business assets and liabilities
- **File a DBA/Trade Name Certificate** in town in which the business is based (does not require multi-town registration)
- Least costly to form and manage
- No formality required
- Partnership agreement
- Pass through tax entities -business income taxed as personal income



TAX CONSIDERATIONS

Non-Legal

Federal Internal Revenue Services (IRS)

- Only if hiring employees - Federal Employer ID Number (FEIN, form SS-4)
- Online filing available
- IRS.gov <https://www.irs.gov/> or 800-829-4933

State Department of Revenue Services (DRS)

- Form REG-1, or online filing
- Sales & Use Tax Certificate - for selling taxable products and/or services
- Income tax withholding if hiring employees
- [CT.Gov/DRS](http://ct.gov/DRS) <http://ct.gov/DRS> or 800-382-9463 (CT only) or 860-297-5962

State Department of Labor (DOL)

- Form UC-1A or UC-1NP or online Filing
- Unemployment compensation tax, if hiring employees
- [CTDOL.state.ct.us](http://www.ctdol.state.ct.us) <http://www.ctdol.state.ct.us/> or 860-263-6550

Legal

- **Limited Liability Company (LLC), Limited Partnership (LP), Limited Liability Partnership (LLP), Corporation (Corp)**
- Legal separation between members / partners / principals and business entity
- **File with the CT Secretary of State (CT SOTS)**
- Does not require DBA filing with town clerk unless doing business under a different name filed with the CT SOTS
- More costly to form and manage
- Formality required
- Operating Agreement (LLC) / Partnership / By-Laws
- Pass through tax (LLC, LP, LLP, S-Corp) vs. Double tax (Corp.)

Legal

Federal Internal Revenue Services (IRS)

- Form SS-4 or Online filing available
- If hiring employees, or for banking purposes if not hiring
- IRS.gov <https://www.irs.gov/> or 800-829-4933

State Department of Revenue Services (DRS)

- Form REG-1, or online filing
- Corporation Tax
- Business Entity Tax - LLC, LLP, LP, S-Corp
- Sales & Use Tax Certificate - for selling taxable products and/or services
- Income tax withholding if hiring employees
- [CT.Gov/DRS](http://ct.gov/DRS) <http://ct.gov/DRS> or 800-382-9463 (CT only) or 860-297-5962

State Department of Labor (DOL)

- Form UC-1A or UC-1NP or Online Filing
- Unemployment compensation tax, if hiring employees
- [CTDOL.state.ct.us](http://www.ctdol.state.ct.us) <http://www.ctdol.state.ct.us/> or 860-263-6550



INSURANCE CONSIDERATIONS

Every business needs some form of insurance...

- Purchased through a private insurance provider; consult with an agent
- Consider insurance through a local chamber of commerce
- Workers compensation Insurance is a **MUST** if you hire employees



LICENSING REQUIREMENTS

Requirements for licensing depends on:

- Business activity (products or services sold)
- Trade or occupation

To search Connecticut's licensing database, visit the CERC website:

<https://www.cerc.com/faq/connecticut-business-registration-licensing-requirements-br/>



RESOURCES

Business Planning

- Small Business Administration <https://www.sba.gov/>
- Small Business Development Centers <http://ctsbdc.com/>
- SCORE <https://www.score.org/>
- University of Hartford Entrepreneurial Center <http://www.hartford.edu/ec/>
- Women's Business Development Center <http://www.ctwbdc.org/>

Attorney

- Connecticut Bar Association <http://www.ctbar.org/>

Accountant

- Connecticut Society of Public Accountants <https://www.ctcpas.org/>

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Connecticut
Economic
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Collaboration at work