

# Checklist for Starting a Business in CT

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In addition to getting an idea, developing a business plan, determining funding, thinking about all the details of operating a business, there are the 'formal' steps with the government to get a business started.

At SCORE, we have resources to help you through the maze. [Let us help!](#)

## Official Online Resources to Get Your Business Set Up In Connecticut

<https://www.cerc.com/resources/assistance-and-information/>

The Connecticut Economic Resource Center

This site provides comprehensive advice and information about starting and running your specific type of business. It identifies further sources of information available in Connecticut.

<http://portal.ct.gov/Services/Business/Start-Your-Business>

Part of Connecticut's Official State Website

This site guides you through all sorts of resources for small businesses.

## Checklist for Starting a Business in CT\*

*\* The information provided is not legal advice but merely providing the reader with an identification of issues to consider when establishing a new business entity.*

1. Decide upon and set up the legal structure of the business
  - Because many of the registrations needed to start a business in Connecticut require that you have an official name, choosing the legal form is important as a first step. Otherwise, you may have to re-register if you change the name later and incur more time and registration fees. For example, if you choose to name the company "Apple Sauce and Gravy" and later decide to be a corporation or a Limited Liability Company, your legal name will be either "Apple Sauce and Gravy, Inc." or "Apple Sauce and Gravy, LLC."
  - Depending on the type of business and the legal structure you choose, you may be required to sequence your steps differently and may be required to file other state licenses, registrations or permits in addition to those mentioned below.
  - We recommend that you understand the pros and cons (obligations) of each type of business entity before electing one.

## 2. Name Selection

- Once you've selected several possible names, you should go on the CT Secretary of State website to [search the Business/Filings](#).
- Then enter the name(s) being considered to see if someone else has already registered the name.

## 3. File/Register the Company

- Check whether "LLC", "Inc." or other designation is required to be part of the business name.
- As appropriate, register the company with the Connecticut Secretary of State, website at <http://portal.ct.gov/sots>.
- If necessary, file a Trade Name Certificate with the Town/City Clerk.

## 4. Register for a Federal Tax Number (referred to as an EIN, Employer Identification Number, FEIN or Federal Employer Identification Number)

- It is appropriate for all businesses, even sole proprietors, so that you aren't giving out your social security number. Go to [www.irs.gov](http://www.irs.gov).

## 5. Obtain a State Tax Registration Number/ID from [DRS](#) (the Connecticut Department of Revenue Services)

- Every business in Connecticut must have a state tax number. Your business may be liable for collecting sales tax, and if you have employees, state withholding may be required.
- Check to see if the business will be liable for other state taxes (i.e., such as the Business Entity Tax with an LLC). Go to [www.ct.gov/drs](http://www.ct.gov/drs).

## 6. If Hiring Employees

- Businesses hiring employees must register with the state Department of Labor (DOL), Employer Status Unit, for a State Unemployment Tax Number. Go to <http://www.ctdol.state.ct.us/>.
- Determine rules regarding immigration and residency status for foreign nationals. Go to <https://www.uscis.gov/i-9> for the I-9 form and requirements.

## 7. Obtain Required Licenses/Permits

- All business types should check with their Town/City Clerk and town Zoning Office for local regulations. Every town has its own set of rules, and what is permitted in some towns is illegal in others. Also, rules differ within a town or city depending on where the business is located. This is especially important for home-based businesses.
- Also check State licensing needs for your business <https://www.cerc.com/licenses/default.aspx> and any Federal government requirements, such as with alcohol related sales.

## 8. Insurance

- If you have employees, you will have to provide Workers Compensation and Unemployment Insurance.
  - a. For Workers Compensation – Connecticut Workers Compensation Commission [www.wcc.state.ct.us](http://www.wcc.state.ct.us) or 1-800-223-9675.
  - b. For Unemployment Insurance – State Department of Labor <http://www.ctdol.state.ct.us/>.
- All businesses should determine what kind of insurance is needed. Confer with a commercial insurance broker. Suggestions to discuss:
  - a. business liability insurance
  - b. product liability insurance
  - c. key member life insurance
  - d. business cyber-risk insurance
- For Home Based Businesses - your homeowners policy generally does not cover liability for business activities in the home or the loss of business property and equipment. Check with your insurance company for appropriate riders and supplemental business coverage.

## 9. Other Required Documents

- Depending on the type of business entity selected, there may be other government document requirements, such as an Operating Agreement for a limited liability company, By-Laws for a corporation or a Partnership Agreement for a partnership.

Even if you know your service or products, starting a business can be hard!

[Find a mentor](#) to help guide you through!