

## **BUSINESS START-UP CHECKLIST: VIRGINIA LLC, 2024**

### **Before setting up your LLC**

- Choose a [name](#) for your business entity; make sure it's [trademarkable](#) in your state.
- Find an available [good url](#) for your business; [purchase the domain name](#).
- Determine social media handles and check their availability (if applicable).
- [Compare LLC and Sole Proprietorship options](#); make sure LLC is right for you.

### **Before you Incorporate your LLC**

- An [Operating Agreement](#) is not required to incorporate, but as your business grows you will certainly want to get one in place to protect you from personal liability. If you have more than one owner, it is highly recommended to get this in place as soon as possible after incorporating. An online law service (LegalZoom, RocketLawyer, etc) can draw up a basic Operating Agreement, but anything more complex should be done by an attorney.
- You may also wish to create [corporate bylaws](#) in addition to the Articles of Incorporation. This is *required* for nonprofits but it is optional for for-profits. It is more complex than most small businesses require; if you have questions about whether it is appropriate to have one for your business, consult an attorney.
- If needed, use an attorney or law service (LegalZoom, Rocket Lawyer, etc) to draft your [Articles of Incorporation](#) (LLCs). (You can also do this yourself using the SCC template, which saves money and will suffice for many small businesses in the start-up phase.)

### **Administrative Requirements**

- SCC registration ([State of Virginia](#)) - *Note that in order to take this step you will need to have Articles of Incorporation (see above), or you will need to use a template from SCC.*
- If you plan to operate under a different name from that of your LLC, you will need to register this name as a "dba" and get a Fictitious Name Certificate ([State of Virginia](#)).
- Get your Employee Identification Number (EIN) from the IRS ([Federal/IRS](#)).
- As of 1/1/24, within 90 days of SCC registration you are also required to complete Beneficial Ownership Information Reporting (BOIR) with the federal government to be in compliance with the new BOIR regulations. This applies to most for-profit small businesses, but organizations that are exempt can be found [here](#). More information is available at: <https://fincen.gov/boi>. (Note that entities created after 1/1/25 will have only 30 days to register.)
- Apply for a business license with the municipality where you will have your primary business location (ex: [Albemarle County](#)/[City of Charlottesville](#)/[City of Staunton](#)/[Nelson County](#))
- Set up a business bank account, separate from your personal bank account. If additional fees are negligible, I recommend both Checking and Savings, as the Savings account can be used to set aside money for taxes and/or business goals.
- Insurance: at a minimum, it's recommended that you consider [general liability insurance](#), [workers compensation](#), and [commercial property insurance](#).

## **Finance + Accounting**

- Unless you will be filing your own taxes (not usually recommended for an LLC), select an accountant and have an initial consultation. Make sure their fees are reasonable for the size of your business, and that their communication skills and follow-through are solid.
- Decide whether to hire out bookkeeping and payroll, or whether to do it in-house.
- If you have employees have them fill out [Form I-9](#) and [Form W-4](#) (for current year).
- Set up an airtight [recordkeeping](#) process for the business, ideally from Day One.
- Design and implement monthly reporting of key data and financials, also from Day One.
- Federal/state income taxes are due either quarterly or annually, depending on your set-up; consult an accountant for advice specific to your business.
- Work with an accountant to decide whether it could benefit you to elect [S-Corp, or C-Corp](#) status for your business. This is not required, and can always be done later.
- [Sales tax](#) (payable to the State): *If you buy things and resell them to customers, you must charge sales tax. This sales tax is then payable to the state (typically on a monthly basis). If you sell food or beverage, you may also need to file [meals tax](#) (check with your city/county for more information on meals tax).*
- [Use tax](#): *This applies to taxable items you buy from out of state (for example, on the internet) and do not pay sales tax on at the time of purchase; a lot of business owners don't know about this one; Virginia information is available [here](#). A general rule of thumb is that if your customer pays sales tax on it, you don't need to pay use tax on it—but consult your accountant to be sure you are doing it correctly.*
- Be sure and provide an [ST-10](#) to any ingredient or materials suppliers that provide you with items you will be reselling, so that they don't have to charge you sales tax on items that your customer will be paying sales tax on.

## **Legal**

- Use an attorney or law service to create any applicable contracts (for clients, employees, independent contractors, etc).
- Consider [trademarking](#) your name. This is not necessary for every business, and many start-up businesses do not do this at first. As your business grows, however, you may wish to trademark it. So you will want to do some research to [make sure it is theoretically trademarkable](#), even if you are not going to apply for a trademark right away.

## **Misc**

- After you incorporate, you may receive scam mail saying you need to pay a fee to register with the state, or buy posters to put up. While you do need to pay annual fees to the SCC, and may be required to post notices, you do **NOT** need to pay these intermediary companies. If the notice doesn't come from the SCC, OSHA, or the DOL, it is likely a scam.
- Additional requirements, such as certifications and permits, may exist within your industry. Be sure to research your industry standards, and follow all best practices.
- Consider hiring an experienced small business consultant to assist you during the start-up phase. A skilled consultant can enhance your efficiency, saving you both time and money while you tackle the numerous tasks involved. They also offer valuable insights on business operations, boosting your knowledge base and confidence as a fledgling entrepreneur.