

## Checklist for New Businesses

*There are many federal, state, and local requirements for doing business in Colorado.* The following is a checklist of general issues that you may want to consider as you set up your business. Some of these items may not apply to your business or situation, and there may be other considerations not listed here.

For more help with starting a business, see the Colorado Business Resource Book.

### Incorporation

First meeting of directors/shareholders should be held immediately.

Election of new directors and appointment of officers.

Adoption of Bylaws.

Establish a corporate bank account.

Which officers are authorized to sign checks?

Trade names: Are you going to do business under a name other than the corporate name?

**Protect your ideas:** Contact the Secretary of State and the U.S. Patent and Trademark Office for information on state and federal trademarks and copyright. Trademark FAQs

Buy-sell agreements between shareholders.

Is this a small corporation? Are you going to apply for "S" corporation status? **Contact the Internal Revenue Service.**

Securities laws: Are you going to sell stock? See your attorney.

### Financial/Business Plan

Business plan, budget, cash flow projections, working capital needs: Can you cover payroll, operating expenses, taxes, etc. for a 6 month period?

Books and accounts: Contact your accountant.

Do you understand the tax implication of the entity you are using for your business?

Obtain your federal tax identification number from the IRS.

Obtain your state tax identification number from the Colorado Department of Revenue.

Do you have all of the federal, state and local tax information and forms?

Federal withholding

Federal unemployment

State withholding

State Workmen's Compensation

State & Local Sales Tax - Contact City Hall

## **Local Regulatory Environment**

Zoning: Is local zoning appropriate for your business use?

City/County business licenses: Contact City Hall or County Offices.

Special licenses for certain kinds of business: Contact City Hall.

Will you serve liquor? Obtain liquor license from City Hall.

Will you serve food? Contact local/state health department.

Will you provide public accommodations? Contact health department.

## **Insurance**

### **Department of Regulatory Agencies Small Business Guide to Insurance**

Liability

Fire and Premises

Auto

Glass

Business interruption

Crime

Officer and director liability

Products liability

## **State Regulatory Environment**

Will you be one of the businesses listed under state-regulated businesses?

Will you serve liquor? Contact Department of Revenue.

Will the Public Utilities Commission (PUC) regulate your business?

Will you buy or sell wholesale? Contact Department of Revenue.

## **Federal Regulatory Environment**

Minimum wage laws: Do you know how much you have to pay your employees?

Equal Employment Opportunity: Anti-discrimination laws may affect your business.

ADA - Have you complied with the Americans with Disabilities Act?

Will your business generate hazardous waste or materials?

Will your business generate smoke or air pollution?

Will your business discharge industrial waste into the water supply?

Does your business involve the sale or use of firearms, explosives, or fireworks? Contact your local fire department or the Federal Bureau of Alcohol, Tobacco and Firearms.

Does the work environment involve hazardous conditions that could cause injury or death to employees? Contact the Occupational Safety and Health Administration (OSHA).

### **General Management**

Who manages and how?

Do you have standard contracts for the sale of your products or for the purchase of materials? If not, consult with your attorney.

**Hiring employees:** Employee Eligibility Verification pursuant to the Immigration Reform and Control Act of 1986. Get information about e-Verify.

**Have you satisfied the requirements of the Colorado Employment Verification law?** See the Colorado Department of Labor and Employment for information.

Independent contractors or employees: Contact your attorney regarding the tax and liability impact.

Do you have employment contracts with upper-level management employees?

Noncompete agreements with key employees who might leave.

Life insurance on key employees.

**Employee fringe benefits:** vacation, sick leave, military leave, health and disability programs, automobiles or auto allowances, and other perks.

Retirement plans.

Stock options.

Notary public: Do you have or need one?

Protection of trade/business secrets: Nondisclosure agreements.

### **State-Regulated Businesses**

If your business involves one of the following, contact the Department of Regulatory Agencies.

Accountants

Acupuncturists

Appraisers

Architects

Athletic Trainers

Audiologists

Bail Bonding Agents  
Barbers  
Certified Nurse Aides  
Certified Public Accountants  
Chiropractors  
Cosmetologists  
Counselors  
Dental Hygienists  
Dentists  
Electricians  
Electrical Contractors  
Engineers  
Estheticians  
Guides, Hunting and Fishing  
Hearing Aid Dealers  
Insurance Producers  
Insurance Intermediaries  
Investment Advisors  
Investment Advisor Representatives  
Landscape Architects  
Land Surveyors  
Manicurists  
Marriage and Family Therapists  
Massage Therapists  
Mental Health Professionals  
Midwives  
Mortgage Loan Originators  
Mortgage Broker-Dealers  
Nurse Aides

Nurses

Nursing Home Administrators

Occupational Therapists

Optometrists

Osteopaths

Outfitters, Hunting and Fishing

Pharmacists

Pharmacist Interns

Physical Therapists

Physician Assistants

Physicians

Plumbers

Podiatrists

Psychiatric Technicians

Psychologists

Real Estate

Respiratory Therapy

Sales Representatives (Securities)

Social Workers

Stockbrokers

Subdivision Developers

Veterinarians