

PROSPERA

ESTABLISHING A BUSINESS CHECKLIST

Determine Your Business Structure

Consult with an attorney and/or accountant to determine the best fit for you.

Reserve a Business Name

Reserve a business name for up to 120 days while you prepare to file your organizational documents. Research the availability of your desired business name, including a domain name for an internet address and relevant social media sites. <https://biz.sosmt.gov/forms/business>

File Organizational Documents

This step will vary depending on the type of business structure that you have chosen. All of the necessary forms are available online at <https://biz.sosmt.gov/forms/business>. The Business Entity Types section of this guide details which documents are required for each business structure.

Apply for Tax ID Numbers

The Internal Revenue Service requires federal tax identification numbers (aka EIN) for partnerships, corporations, and businesses that hire employees. EINs are free and can be obtained through the IRS. Every employer who resides in Montana and every non-resident employer who pays wages for services performed in Montana must withhold Montana income tax. To obtain a state withholding tax ID number, contact the Montana Department of Revenue. Employers pay state unemployment insurance (UI) taxes. If you are an employer subject to the UI law, you are a "covered" employer and must pay UI taxes. To obtain a state unemployment insurance tax ID number, contact the Montana Department of Labor and Industry.

Apply for Professional Licenses

Montana law requires licensing for some professions—such as architects, barbers, and dentists. To determine whether you need a professional license, contact the Montana Department of Labor and Industry.

Apply for Local Licenses

Each city and county has specific requirements. Contact your county courthouse or city office to learn more.

Determine the Types of Insurance Coverage Needed

Identify an insurance provider after determining what your business insurance needs are with the help of resources such as SBA.gov. General liability insurance is a common, minimum insurance for most business types.

Apply for Worker's Compensation Insurance

If you plan to hire employees, you are required to provide insurance coverage under Worker's Compensation Laws. Information is available from the Montana Department of Labor and Industry.

Open Business Banking Account(s)

Banks will require the following to establish a business bank account: Tax ID, business organization documents, proof of existence documents, authorization by providing a valid ID, and funds for a minimum deposit.