The SBDC is a program supported by the U.S. Small business administration and extended to the public on a non-discriminatory basis. SBA cannot endorse any products, opinions, or services of any external parties or activities.

Small Business Development Center

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fax: (631) 370-8895
SBDC@farmingdale.edu
www.farmingdale.edu/SBDC

Dear Entrepreneur:

The Farmingdale State Small Business Development Center (SBDC) is a cooperative effort between the United States Small Business Administration (SBA) and the State of New York, and is administered by the State University of New York (SUNY).

The Farmingdale State SBDC delivers up-to-date one-on-one counseling, training and technical assistance in all aspects of business management. Our services have included, but are not limited to, assisting small business with financial, marketing, production, organization and feasibility studies. Special SBDC programs and economic development activities include international trade assistance, procurement assistance and venture capital information.

Assistance from the Farmingdale State SBDC is available to anyone interested in starting a small business for the first time or improving or expanding an existing business. Thanks to the SBA and the State of New York, the expertise of the SUNY Farmingdale SBDC staff comes at no charge to the client.

We take great pride in promoting economic development in our community. The staff of the Farmingdale State SBDC wishes you the best of luck as you embark on your venture.

Very Truly Yours,

Lucille Wesnofske
Director

This guide was written by Ritu S. Wackett, Business Advisor, SBDC Farmingdale State College
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PART ONE – BUSINESS TYPES

When organizing a business, one of the most important decisions you will need to make will be the business structure. There are four basic forms in which for-profit businesses are organized: the sole proprietorship, the partnership, the corporation and the LLC/LLP. Each form has accompanying advantages and disadvantages, including tax consequences.

1) Proprietorship
A sole proprietorship is a business that is owned by one person. As such, you own and control the business.

Setting up a sole proprietorship is the simplest, quickest and least expensive way to go into business. Legally, all that is required for set up is to obtain a license as required by the federal, state or local government. If the business has a name other than your own, you must also register your name with your local county clerk. You do this through the use of a Certificate of Doing Business under an Assumed Name for sole proprietor, commonly referred to as a “DBA” (doing business as) form, which can be obtained from the county clerk’s office, either in person or online. (See appendix for contact information.) There is a filing fee.

However, although the sole proprietorship is the simplest of business structures, the sole proprietor is held personally liable for any business related obligation. What this means is that if your business fails to pay a vendor, defaults on a debt or loses a lawsuit, you are personally liable for the debt.

Through the eyes of the law, the sole proprietorship is not legally separate from the person who owns it. The sole proprietor simply reports all business income or losses on his or her individual tax return – IRS Form 1040 with Schedule C attached.

2) Partnership
This is a business owned by two or more persons who get together to run the operation. Partners can contribute capital, specialized knowledge, marketing or management skills, and other valuable tools. They also share the risk.

Partners share equally in the right and responsibility of managing the business, and by law each partner is responsible for all debts and obligations of the firm. This means you are personally liable for the full amount of the partnership's debts, even if they exceed your investment and you
did not personally consent to the debt. A formal written agreement should be prepared to properly define each partner’s role in the business. In the absence of a partnership agreement, the New York State Partnership Law (New York State Consolidated Laws, chapter 39) sets forth rights and duties of partners.

Partnerships must file a certificate of Conducting Business as Partners with the county clerk of each county where the business is conducted. You obtain the form to do so at the county clerk’s office, either in person or online. (See appendix for contact information.)

A partnership itself is not taxable. Instead, you must report the firm’s income and expenses on federal and state "information" tax returns, and you are taxed on your share of profits or losses at your individual tax rate. The deduction of losses from your personal income tax statement could be a tax advantage.

3) Corporation
A corporation in New York State is an entity mutually exclusive of the individual(s) who own and manage the business. A corporation is authorized to sell, buy and inherit property in its own name, and has legal rights, powers and duties. Corporations are operated for profit and may raise capital by selling shares of interest in the corporation. A corporation’s debts and obligations are distinctly its own.

To create a corporation you must meet specific statutory requirements, which include a Certificate of Incorporation with the New York State Department of State, Division of Corporations (see appendix). There are fees for name searches, for reservation of the name you select and for the Certificate of Incorporation.

In addition to filing a Certificate of Incorporation, you must create “corporate bylaws.” While bylaws do not need to be filed with the state, they are important because they set out the basic rules that govern the ongoing formalities and decisions that govern corporate life, such as how and when to hold regular and special meetings of directors and shareholders and the number of votes necessary to approve corporate decisions.
It is also important that you issue stock certificates to the initial owners (shareholders) of the corporation and record who owns the ownership interests (shares, or stock) in the business.

Corporations and their owners must observe certain formalities to retain their status as a separate entity. Specifically, corporations must:

- hold annual shareholders’ and directors’ meetings
- keep minutes of shareholders’ and directors’ meetings major decisions
- make sure that the corporate officers and directors sign documents in the name of the corporation
- maintain separate bank accounts from their owners
- keep detailed financial records, and
- file separate corporate income tax returns

*S and C Corporations*

Corporations are "C" corporations unless a special election is filed by shareholders under the tax law for "S" Corporation status. There is a time limit for an "S" election.

Under Section 1362 of the Internal Revenue Code, certain small business corporations may report income on personal tax returns. This is accomplished, after filing a Certificate of Incorporation with the Secretary of State, by filing Form 2553 with the Internal Revenue Service. Once the IRS grants its approval, a similar election form called CT-6, "Election by a Small Business Corporation," must be filed with the NYS Department of Taxation and Finance (see Appendix).

An "S" corporation is taxed under subchapter "S" of the Internal Revenue Code, which means that it is taxed similarly to a partnership. Income and expenses of the "S" corporation flow through to investors in proportion to their share holdings, and profits or losses are taxed to shareholders at their individual tax rates.

In contrast, a "C" corporation is a separate, taxable entity that reports its income and expenses on a corporation income tax return, and is taxed at corporate income tax rates. Profits are taxed before dividends are paid. Shareholders pay taxes on dividends by reporting them as income. This results in double taxation of profits paid as dividends. By electing "S" corporation status, this double taxation of corporate profits can be avoided.
Not all corporations qualify for "S" corporation status. An "S" corporation may not have more than 75 shareholders, non-individual shareholders other than estates and certain trusts, nonresident aliens as shareholders or more than one class of stock.

One of the main advantages of incorporating is that the owner’s personal assets are protected from the creditors of the corporation. Since only corporate assets need to be used to pay business debts, you stand to lose only the money you’ve invested in the corporation.

There are some exceptions in which limited personal liability will not shield an owner’s personal assets. An owner of a corporation can be held personally liable if he/she:

• personally and directly injures someone
• personally guarantees a bank loan or a business debt on which the corporation defaults
• fails to deposit taxes from employees’ wages
• does something intentionally fraudulent or illegal that causes harm to the company or someone else, or treats the corporation as an extension of his/her personal affairs, rather than as a separate legal entity

4) Limited Liability Company (LLC) and Limited Liability Partnership (LLP)*

The limited liability company (LLC): Combines attributes from both corporations and partnerships (in the case of one person LLCs, sole proprietorships): the corporation’s protection from personal liability for business debts and the simpler tax structure of partnerships. And while setting up an LLC is more difficult than creating a partnership or sole proprietorship, running one is significantly easier than running a corporation.

To create an LLC, you must begin by filing an “Articles of Organization” with the New York State Department of State. You may obtain this form (in PDF format) at http://www.dos.state.ny.us/corp/llccorp.html (for mailing address, see Appendix). There is a filing fee.

In addition to filing the Articles of Organization, you must create a written LLC operating agreement. While this does not need to be filed with the state, it is a critical document because it sets out the LLC member’s rights and responsibilities, their percentage interests in the business and their share of profits.
For tax purposes, one owner LLCs are treated the same as sole proprietorships. Profits are reported on Schedule C as part of your individual 1040 tax return. Self-employment taxes on LLC net income must be paid just as you would with any self-employment business.

Similarly, multiple owner LLCs are treated as a partnership by the IRS. The tax return that the LLC completes and files is IRS Form 1065, Partnership Information Return. On this form, LLC profits are reported and allocated to each of the owners according to the LLC’s operating agreement. Each owner is given a Schedule K-1, which shows each owner’s share of LLC income or loss. The owner then reports and pays taxes on this income on the owner’s annual 1040 income tax return.

**The limited partnership (LLP):** This is a special form of partnership with financial liability limited to the amount of each partner’s investment. There must be at least one general partner. The general partner controls the firm and is responsible for its debt and obligations. In exchange for limited liability, the limited partner gives up the right to participate in the day-to-day management and control of the business. A limited partnership Certificate of Registration must be filed with the New York State Department of State, Division of Corporations, State Records and Uniform Commercial Code. You may download the form at [http://www.dos.state.ny.us/pdfs/dos1526.pdf](http://www.dos.state.ny.us/pdfs/dos1526.pdf) (see Appendix for mailing address). Immediately after filing the certificate, a notice must be published in two newspapers in the county where the business is located. The notice must run each week for six successive weeks specifying the details of the limited partnership. There is a filing fee.

While the partnership does not pay taxes, it must file Form 1065, an informational return, with the IRS each year. This form sets out each partner’s share of the partnership’s profits (or losses), which the IRS reviews to make sure the partners are reporting their income correctly.

*For additional information regarding LLC’s and LLP’s, refer to Publication 16 of the New York State Department of Taxation and Finance. It may be downloaded (in PDF form) at [http://www.tax.state.ny.us/pubs_and_bulls/General.htm](http://www.tax.state.ny.us/pubs_and_bulls/General.htm).*
## In Summary: A Quick Reference Guide to Legal Business Formations

<table>
<thead>
<tr>
<th></th>
<th>Proprietorship</th>
<th>Partnership</th>
<th>Corporation (S or C)</th>
<th>LLC and LLP</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Best Suited For</strong></td>
<td>Single owner business; tax rates determined by bracket of individual; owner personally liable for all debts and aspects of business</td>
<td>Two or more business owners; partners are personally liable for all debts and acts of business</td>
<td>Single or multiple owner business where owner(s) need(s) company fringe benefits and liability protection</td>
<td>Single or multiple owner business where owner(s) need(s) limited liability but want to be taxed as a partnership</td>
</tr>
<tr>
<td><strong>Type of Entity</strong></td>
<td>Inseparable from owner</td>
<td>Inseparable owner but can have debt or property in its name</td>
<td>Separate legal entity</td>
<td>Separate legal entity</td>
</tr>
<tr>
<td><strong>Main Advantages</strong></td>
<td>Inexpensive to setup; few administrative duties</td>
<td>Inexpensive to setup; few administrative duties</td>
<td>Limited liability; company paid fringe benefits (C Corp.); tax savings through income splitting (C Corp.); Capital is easy to raise through sale of stock</td>
<td>Limited Liability; pass-through entity; unlimited number of owners; capital is easy to raise through sale of interests</td>
</tr>
<tr>
<td><strong>Main Disadvantages</strong></td>
<td>Unlimited liability; no tax benefits; business dissolves upon death of owner</td>
<td>Unlimited liability; also liable for partners’ acts; no tax benefits; legally dissolves upon change or death of partner</td>
<td>Can be costly to form; more administrative duties; S Corp. limited to 75 shareholders</td>
<td>Can be costly to form; more administrative duties</td>
</tr>
<tr>
<td><strong>Taxes</strong></td>
<td>Owner is responsible; file Schedule C with Form 1040</td>
<td>Partners are responsible; file Form 1065</td>
<td>C Corp. pays its own, S Corp. passes through to owners; file Form 1120, S Corps. file Form 1120S</td>
<td>Taxes as a partnership; file Form 1065, with Schedule K-1 in the case of multiple owners</td>
</tr>
</tbody>
</table>
PART TWO – WRITING A BUSINESS PLAN

Once you have given some careful consideration to the business, you’ll be ready to put ideas in writing. Just as a building needs a blueprint, a business needs a business plan. A business plan is a formal document which explains in some detail your plan to develop a financially successful business.

Preparing a business plan forces you to think through every aspect of your business. If you need outside capital, the business plan will be one of the first things the lender or investor will want to see. In particular it will help organize and consolidate ideas so you can better promote your business.

The business plan serves as an assessment tool for you, the owner. As you work your way through the points of the plan, you will need to reaffirm the viability of your ideas. As you grow as a business, a plan will help you keep track of the details and make sure the business is progressing as you intended.

Structure of a Business Plan:
- Statement of Purpose
- Business Description
- Products and Services
- Market Analysis
- Management and Operations
- Financial Analysis and Projections

Please refer to the Business Plan Guide, provided by the SUNY Farmingdale SBDC, for additional information and tips. The business advisors at the SUNY Farmingdale SBDC will aid and assist you through the process of preparing an effective business plan.

PART THREE – FINANCING YOUR BUSINESS

As you already know, one key to a successful business start-up and expansion is your ability to obtain and secure appropriate financing. Raising capital is the most basic of all business activities. But, this does not need to be a complex and frustrating process, as is commonly believed. With the assistance of the Farmingdale State SBDC, you will be informed and will be able to plan effectively to assure that raising money for your business will not be a painful experience.
Searching for the money you need
There are several sources to consider when looking for financing. It is important to consider all of your options before making a decision.

**Personal savings:** the primary source of capital for most new businesses comes from savings and other forms of personal resources.

**Relatives and friends:** Many entrepreneurs look to private sources such as friends and family when starting a new business venture.

**Banks and credit unions:** The most common source of funding, banks and credit unions will provide a loan if you can show your business proposal is sound.

**Venture capital firms:** These firms help expanding companies grow in exchange for equity or partial ownership. (For a list of venture capital firms licensed by the SBA, go to [http://www.sba.gov/INV/liclink.html](http://www.sba.gov/INV/liclink.html).)

Getting the money you need: Types of business loans
Most small businesses require a loan of some sort. The following is a brief overview of types of business loans. The Farmingdale State SBDC business advisors can provide a more in-depth perspective of small business loan options in order to help you apply for and secure a loan.

**Short-term:** generally have the maturity of up to one year. These include working-capital loans, accounts-receivable loans and lines of credit.

**Long-term:** have maturities greater than one year but usually less than seven years. Real estate and equipment loans may have maturities of up to 25 years. Long-term loans are used for major business expenses such as purchasing real estate and facilities, construction, durable equipment, furniture and fixtures, vehicles, etc.

**United States Small Business Administration (SBA) Loan Maturities:** SBA loan programs are generally intended to encourage longer term small business financing, but actual loan maturities are based on the ability to repay, the purpose of loan proceeds, and the useful life of the assets financed. However, maximum loan maturities have been established: 25 for real estate; up to 10 years for equipment (depending on the useful life of the equipment); and generally up to seven years for working capital. Short-term loans are also available through the SBA to help small businesses meet their short-term and cyclical working capital needs.
PART FOUR – GOVERNMENT REGULATIONS AND YOUR BUSINESS

There are an array of federal, state and local regulations that your business must comply with. The subsequent list is a good guideline, but is by no means exhaustive. There are variations by industry. Be sure to thoroughly investigate the regulations that affect your industry. (The permit section lists industries/occupations regulated by the State of New York.) Remember, being out of compliance could leave you unprotected legally, lead to expensive penalties, and jeopardize your business.

1) Business Licenses
   **Cities and Towns:** According to State law, each city or township may require permits – check your local municipality for license requirements. This can be done by contacting the Town Clerk in each town where you will be conducting business (see Appendix for contact information).
   **Villages:** Contact the Village Clerk to determine if a permit is required.

2) Business Permits
   The following is a list of industries/occupations that require a state permit. For assistance contact:
   - Governor’s Office for Regulatory Reform (GORR)
     P.O. Box 2107
     Albany, NY 12220-0107
     Phone: 518-474-8275 or 800-342-3464
     [http://www.nys-permits.org](http://www.nys-permits.org)
Accountant/Accounting Services
Acupuncture
Adult Day Care
Advertising Services
Alarm Installers
All Terrain Vehicle (ATV) Dealers
Ambulance Service
Ambulance Services
Animal Breeding
Antique Sales
Antique Shows
Apartment Referrals
Apparel Manufacturing
Arcade
Architectural Services
Armored Car Service
Asbestos Removal
Athletic Trainers
Auctions/Auctioneer
Audiologist
Automotive Supply Store
Bagel Shop
Bail Enforcement Agent
Bait/Tackle Shop
Bakery
Barber Shops
Beauty Salon
Beauty Supply Store
Bed and Breakfast
Bedding (Manufacturing/Renovation)
Bicycle Shop (Sales/Repair/Rentals)
Billiard Parlor
Billing Service
Bingo Hall
Boat Dealers
Bodega
Body Piercing
Book Store
Bookkeeping
Bowling Alley
Building Supplies/Lumber Stores
Bus Service/Company Café
Camera/Photographic Supply Stores
Campground
Candy Store
Car Detailing
Carpentry
Carpet and Upholstery Cleaning
Carpet Stores (Sales and Installation)
Catering
Charter Bus Service
Chimney Cleaning Service
Chiropractic
Cigar Shops
Cigarette Shops
Cleaning Services (Residential and Commercial)
Clerical/Secretarial Services
Clothing and Accessory Stores
Coin Processor
Coin Shows
Commission Merchant (Farm Products Dealer)
Computer Consulting
Computer Equipment Sales
Computer Maintenance/Repair Services
Computer Program/Design Services
Convenient Food Stores
Courier Service
Court Reporting
Craft Shop
Craft Show
Craft/Hobby Vendor
Credit Counseling/Credit Repair
Credit Reporting
Dating Service
Day Care/School Age Child Care
Debt Collection Agency
Deli
Delivery Services
Demolition Services
Dental
Dietetics/Nutrition
Diner
Disc Jockey Service
Disposal Plants
Doughnut Shop
Driving Schools
Dry Cleaning
Electrical Contractor
Electrical Repair Services
Electronics Store
Employment Agencies
Engineering Services
Escort Service
Extermination Services
Fabric Shop/Sewing Supply Shop
Fast Food Establishments
Fishing Guides
Fish/Seafood Market
Flea Markets
Floor Covering Stores
Florist
Food Processing/Manufacturing
Food/Beverage Vendors
Fuel Oil Dealer
Funeral Homes
Furniture Movers
Furniture/Home Furnishing Stores
Garbage/Trash Collection
Gasoline Station
General Contractor – Heavy Construction
General Contractor – Non-Residential
General Contractor – Residential
General Merchandise Sales
Gift Baskets
Gift/Novelty/Souvenir Shops
Graphic Design/Printing
Greenhouse
Grills/Bars
Grocery Store
Gun Shop
Hardware Stores
Haulers
Health Club/Fitness Center
Health Food Store
Health Spa
Hearing Aid Dispensing
Home Improvements
Home Inspection
Hotels and Motels
Household Appliance Stores
Household Appliance Repair Shops
Household Goods Moving
Hunting Guides
Interior Decorating/Design
Investment Counselors/Advisory Services
Itinerant Vehicle Collector
Jewelry Store
Landscaping
Laundry/Laundromat/Laundrette
Lawn and Garden Services
Limousine Service
Liquor Service
Lobbyists
Locksmith Shop
Lottery Sales Agent
Luggage/Leather Goods Store
Maids Services
Mail Order
Masonry, Stonework, Tile Setting, Plastering
Massage Parlor
Midwifery
Miniature Golf
Modeling
Agency/Registry
Motor Vehicle Dealers (New and Used)
Motor Vehicle Rental Company
Motor Vehicle Repair Shop
Motor Vehicle Trailer/Dismantler
Motor Cycle Sales (New and Used)
Mountain Climbing/Rock Climbing Guide Services
Moving Companies
Music Productions
Music Store
Notary Public
Nurseries
Nursery School
Nurses Registry
Nursing
Occupational Therapy
Optometry/Ophthalmic Dispensing
Painting and Paper Hanging
Paint/Glass/Wallpaper Stores
Passenger Transportation (Except Taxi and Limousine)
Pawnshop
Payroll Service
Pest and Insect Control Services
Pet Boarding/Kennels
Pet Cemetery
Pet Grooming
Pet Sitting/Walking Service
Pet Store/Shop
Pharmacy
Photographic Services
Physical Therapy
Physicians/Doctors
Pizzeria
Plastics Manufacturing
Plumbing, Heating and Air Conditioning
Podiatry
Private Investigation
Process Server
Psychology
Public Relations
Real Estate Sales/Brokers/Appraisals
Rendering Plants
Respiratory Therapy
Restaurant
Resume Writing Services
Roofing, Siding and Sheet Metal Work
Second Hand Clothing
Security Guard Services
Security Systems (Installation and Monitoring)
Shoe Repair
Shops/Shoe shine Parlors
Small Engine Repair Services (Except Automotive)
Snowmobile Dealers
Snowplowing
Social Referral Service
Social Work
Specialty Food Stores (Cookies/Teas/Spices/Herbs)
Speech Pathologist
Sporting Goods Store
Stamp Show
Supermarket
Surveying Services
Talent Agency/Registry
Tanning Salon
Tattoo Parlor
Tax Preparation Services
Taxi Service
Telemarketing
Telephone Answering Service
Temporary Placement Agencies
Textile Manufacturing
Theatre/Stadium/Arena
Theatrical Agents/Registry
Towing Services (Automotive)
Transport Property/Freight
Transportation of Passengers (Except Taxi and Limousine)
Travel Agency
Tree Farms
Tree Services
Trucking
Underwater Logging
Used Books
Vending Machines
Veterinary Medicine
Video Store – Sales and Rentals
Whitewater Rafting Guides
Wine Store

If the industry or occupation that your business entails is not listed above, it is still a good idea to contact GORR. Permit requirements do change; taking the time to do a little research now will avert potential obstacles later. In addition, it is recommended that you contact your local municipality prior to filing for a state permit.
3) Certificate of Occupancy (CO)
If you are planning on occupying a new or used building for a new business, you may have to apply for a CO from your town or city zoning department. For information contact the town or city zoning entity where the business is to be located (see Appendix).

4) Protecting Your Idea
a. Trademark – A word, name, symbol, device or any combination of these that identifies and distinguishes goods used in interstate (federal registration) or intrastate (state registration) commerce.

b. Service Mark – A mark that identifies and distinguishes services and includes various distinctive features of advertising.

For federal registration of a trademark or service mark contact:
United States Department of Commerce
Trademark Office
2021 Jefferson Davis Highway
Arlington, Virginia 22202
Phone: 800-786-9199
http://www.uspto.gov

For New York State registration of a trademark or service mark contact:
Department of State
Miscellaneous Records Section
162 Washington Avenue
Albany, New York 12231
http://www.dos.state.ny.us/corp/miscfae.html

c. Patent – A U.S. patent for an invention is the grant of a property right to the inventor(s), issued by the U.S. Patent and Trademark Office. The right conferred by the patent grant is, in the language of the statute and of the grant itself, "the right to exclude others from making, using, offering for sale, or selling" the invention in the United States or "importing" the invention into the United States.

To register a patent contact:
United States Department of State
Assistant Commissioner for Trademarks, Patent Applications
Washington, DC 20231
Phone: 800-786-9199
**d. Copyrights** – Protect the thoughts and ideas of authors, composers and artists. A copyright prevents illegal copying of written matter, works of art or computer programs. In order to insure copyright protection, the copyright owner should always include notices on all copies of the work.

*To obtain more information, contact:*
  - United States Copyright Office
  - United States Library of Congress
  - James Madison Memorial Building
  - Washington, DC 20559
  - Phone: 202-707-3000

**5) Tax Information**

*a. Federal Taxes, State Taxes and Federal Insurance Contributions Act (FICA)* – Business owners are required by law to withhold the following from wages paid to employees: federal income taxes, state income taxes and FICA (Social Security) insurance. Income taxes will also be levied by the federal and state governments on earnings of any business. Therefore, each business must file an income tax return with both agencies. Businesses may be required to file estimated taxes on a quarterly basis.

*For federal tax information contact:*
  - United States Internal Revenue Service
  - 1180 Veteran’s Memorial Highway
  - Hauppauge, New York 11785
  - Phone: 631-851-4726

*For New York State tax information contact:*
  - New York State Tax Department
  - Taxpayers Assistance Bureau
  - W. A. Harriman Campus
  - Albany, New York 12227
  - Phone: 800-225-5829
  - [www.tax.state.ny](http://www.tax.state.ny)

*For Social Security Insurance (FICA) information, contact:*
  - United States Social Security Administration
  - 1121 Walt Whitman Road
  - Melville, New York 11747
  - Phone: 800-772-1213
b. Federal Self-Employment Tax – Everyone must pay Social Security Tax. If you are self employed (as in the case of a sole proprietorship or partnership), your Social Security contribution is made through the self employment tax.

Contact the IRS at:
United States Internal Revenue Service
1180 Veteran’s Memorial Highway
Hauppauge, New York 11785
Phone: 631-851-4726
www.irs.ustreas.gov

c. Sales Tax Number and Authorization – Businesses which purchase merchandise and material for resale must apply for a tax number (also known as a resale certificate) to avoid paying taxes from their suppliers. In addition, they must obtain a tax authorization to collect sales tax from their customers.

To obtain more information contact:
In Nassau County
Sales Tax Division
New York State Department of Taxation and Finance
175 Fulton Avenue
Hempstead, New York 11550
Phone: 800-972-1233

In Suffolk County
Sales Tax Division
New York State Department of Taxation and Finance
State Office Building
Veterans Memorial Highway
Hauppauge, New York 11778
Phone: 800-972-1233

d. Property Taxes – County, town and school taxes are only applicable to businesses owning real property. Each town or city regulates its own assessments. For further information contact the Town/City Assessor where the business is located.

e. Unemployment Insurance Tax – Businesses are required to pay federal unemployment insurance tax if the company has one or more employees for 20 weeks in a calendar year, or it had gross wages of $1,500 or more in a calendar year. Businesses are similarly required to pay New York State unemployment insurance.

For New York State unemployment insurance information, contact:
New York State Department of Labor
Division of Employment
301 W. Old Country Road
Hicksville, New York 11801
Phone: 516-934-8517
For federal unemployment insurance information, contact:
United States Internal Revenue Service
1180 Veteran’s Memorial Highway
Hauppauge, New York 11785
Phone: 631-851-4726
www.irs.ustreas.gov

6) Employer Identification Number (EIN)
The EIN is a nine digit number which takes on the following format:
00-0000000. The IRS uses the number to identify taxpayers who are
required to file various business tax returns. All businesses are required to
have one, except for sole proprietorships with no employees. In the case
of the latter a social security number will usually suffice, check with rele-
vant financial institutions first. To obtain an EIN, you may download an
You may also contact the IRS at:
United States Internal Revenue Service
1180 Veteran’s Memorial Highway
Hauppauge, New York 11785
Phone: 631-851-4726 or 866-816-2065
www.irs.ustreas.gov

7) Worker’s Compensation and Disability Benefits
If a business employs three or more people, workers’ compensation insur-
ance must be carried to provide protection for on-the-job accidents.

For further information contact:
Nassau
New York State Insurance Fund
8 Corporate Center Drive
2nd Floor
Melville, NY 11747
Phone: 613-756-4000
Suffolk
New York State Insurance Fund
8 Corporate Center Drive
3rd Floor
Melville, NY 11747
Phone: 613-756-4300
www.socialsecurity.gov.locator

8) Immigration Act
The Federal Immigration and Control Act of 1986 requires all employers
to verify the employment eligibility of new employees. The law obliges
an employer to process Employment Eligibility Verification Form I-9.
Contact the Immigration and Naturalization Service (INS) for forms and assistance at:

- INS Office of the Business Liaison
  - Room 3034
  - 425 I Street, NW
  - Washington, DC 20536
  - Phone: 800-357-2099

9) Industrial Regulations

Laws require that businesses comply with safety and health regulations. New business owners should request inspection of their premises prior to commencing business operations.

For further information, contact:

- United States Department of Labor
  - Occupational Safety and Health Administration (OSHA)
  - 201 Varick Street
  - Room 670
  - New York, New York 10014
  - Phone: 212-337-2378
  - www.osha.gov

10) Zoning and Variances

Local municipalities have ordinances regulating the businesses within their jurisdictions. Some of these ordinances define the procedures for obtaining permits for structural changes in existing buildings zoned for commercial and manufacturing uses, as well as applying for variances. Contact the town, city or village zoning board where the business will be located for more specific information (see Appendix).

**The New York State Department of Taxation and Finance has published Publication 20: New York State Tax Guide for Business. It is an excellent resource for start-up businesses. It can be downloaded (in PDF form) at www.tax.state.ny.us/pdf/publications/pub20_1201.pdf.**
APPENDIX

1. Credit Reporting Organizations
Equifax
P.O. Box 740241
Atlanta, GA 30374
Phone: 1-800-685-1111
www.equifax.com

Experian
200 Madison Avenue
Sixth Floor
New York, NY 10016-3903
Phone: 888-397-3742
www.experian.com

2. Federal Agencies
United States Department of Commerce
26 Federal Plaza
New York, New York 10278
Phone: 212-264-3860
www.doc.gov

United States Department of Commerce
Economic Development Administration
Curtis Center, Suite 140 South Independence Square West Philadelphia, Pennsylvania 19106
Phone: 215-597-4603
www.doc.gov/eda

United States Department of Commerce
Minority Business Development Agency
26 Federal Plaza
New York, New York 10278
Phone: 212-264-3262
www.mbdagov

United States Department of Labor
200 Constitution Ave., NW
Washington, DC 20210
Phone: 1-866-487-2365
www.dol.gov

United States Small Business Administration (SBA)
35 Pinelawn Road
Melville, New York 11747
Phone: 631-454-0750
www.sba.gov

United States Department of Veteran’s Affairs
245 West Houston Street
New York, New York 10014
Phone: 800-827-1000
www.va.gov

3. State Agencies
Advocate’s Office for Persons with Disabilities
One Empire State Plaza
Suite 1001
Albany, New York 12223
Phone: 1-800-522-4369
www.oapwd.org

Division of Alcohol Beverage Control
State Liquor Authority
317 Lenox Ave., 4th Floor
New York, New York 10027
Phone: 212-961-8385
www.abc.state.ny.us/

Empire State Development
150 Motor Parkway
3rd Floor, Suite 311
Hauppauge, New York 11788
Phone: 631-435-0717
www.empire.state.ny
www.nylovesmallbiz.com
Superintendent of Banks
New York State Banking Department
1 State Street
New York, New York 10004
Phone: 1-877-BANK-NYS
www.banking.state.ny.us

New York State Office of Children and Family Services
State Office Building
Capital View Office Park
52 Washington Street
Rensselaer, NY 12144
Phone: 518-473-7793
www.ocfs.state.ny.us

New York State Department of Motor Vehicles
International Registration Bureau
6 Empire State Plaza
Albany, New York 12228
Phone: 800-342-5368
www.nydmv.state.ny.us

New York State Department of State Division of Corporations, State Records, and Uniform Commercial Code
99 Washington Avenue, 6th Floor
Albany, NY 12231
Phone: 518-473-2492
www.dos.state.ny.us/corp/corpwww.html

New York State Department of State Division of Licensing Services
250 Veteran’s Hwy., Room 2A15
Hauppauge, New York 11788
Phone: 631-952-6579
www.dos.state.ny.us/lcns/licensing.html

New York State Department of Labor Division of Labor Standards
345 Hudson Street
New York, New York 10014
Phone: 212-352-6700

New York State Small Business Development Center
Campus Commons
Farmingdale State College
Farmingdale, New York 11735
www.farmingdale.edu/SBDC

4. County Agencies

Nassau County
Nassau County Clerk’s Office
240 Old Country Road
Room 108
Mineola, New York 11501
Phone: 516-571-2663
www.co.nassau.ny.us/clerk/index.html

Nassau County Department of Commerce and Industry
1100 Franklin Avenue
Mineola, New York 11501
Phone: 516-571-4160

Nassau County Office of Consumer Affairs
160 Old Country Road
Mineola, New York 11501
Phone: 516-571-3871

Nassau County Department of Health
240 Old Country Road
5th Floor
Mineola, New York 11501
Phone: 516-571-3680
Nassau County Veteran’s Service Agency  
1425 Old Country Road  
Plainview, New York 11803  
Phone: 516-572-8452

Empire State Development  
Minority and Women Owned Business Office  
633 Third Avenue  
New York, New York 10017  
Phone: 800-782-8369

Governor’s Office of Regulatory Reform  
P.O. Box 2107  
Albany, New York 12220-0107  
Phone: 518-474-8275 or 800-342-3464  
www.gorr.state.ny.us/gorr

Suffolk County  
Suffolk County Clerk’s Office  
310 Center Drive  
Riverhead, New York 11901  
Phone: 631-852-2001  
www.so.suffolk.ny.us/clerk

Suffolk County Office of Consumer Affairs  
P.O. Box 6100  
Hauppauge, New York 11788  
Phone: 631-853-4600

Suffolk County Department of Economic Development  
H. Lee Denison Building  
100 Veterans Highway  
P.O. Box 6100  
Hauppauge, NY 11788  
Phone: 631-853-4800

Suffolk County Minority Affairs Division  
Minority Business Enterprises Coalition & Women’s Business Enterprises Coalition  
H. Lee Denison Building, 3rd Floor  
100 Veteran’s Highway  
Hauppauge, New York 11788  
Phone: 631-853-5692

Suffolk County Veteran’s Service Agency  
H. Lee Denison Building, 3rd Floor  
100 Veteran’s Highway  
Hauppauge, New York 11788  
Phone: 631-853-8387

5. Town and City Zoning Entities  
Nassau County  
Hempstead Board of Zoning Appeals  
Town Hall  
Hempstead, New York 11550  
Phone: 516-489-5000

North Hempstead Board of Zoning Appeals  
200 Plandome Road  
Manhasset, New York 11030  
Phone: 516-869-7659

Oyster Bay Zoning Board of Appeals  
74 Audrey Avenue  
Oyster Bay, New York 11771  
Phone: 516-624-6232

Glen Cove Department of Building and Planning  
Zoning Office  
9 Glen Street  
Glen Cove, New York 11542  
Phone: 516-676-4490
Long Beach Zoning Board of Appeals
City Hall, Room 304
Long Beach, New York 11561
Phone: 516-431-1000 ext. 274

Suffolk County
Babylon Zoning Board of Appeals
200 East Sunrise Highway
Lindenhurst, New York 11757
Phone: 631-957-3011

Brookhaven Board of Zoning Appeals
3233 Route 112
Medford, New York 11763
Phone: 631-451-6400

East Hampton Zoning Board of Appeals
300 Pantigo Place
East Hampton, New York 11937
Phone: 631-324-8816

Huntington Zoning Board of Appeals
100 Main Street
Huntington, New York 11743
Phone: 631-351-3123

Islip Building and Engineering Department
Zoning Office
1 Manitton Court
Islip, New York 11751
Phone: 631-224-5438

Riverhead Zoning Board of Appeals
Town Hall
200 Howell Avenue
Riverhead, New York 11901
Phone: 631-727-3200 ext. 240

Shelter Island Zoning Board
46 North Ferry Road
Shelter Island, New York 11964
Phone: 631-749-0758

Smithtown Board of Zoning Appeals
99 West Main Street
Smithtown, New York 11787
Phone: 631-360-7540

Southampton Zoning Board of Appeals
116 Hampton Road
Southampton, New York 11968
Phone: 631-287-5707

Southold Zoning Board of Appeals
53095 Main Road
Southold, New York 11971
Phone: 631-765-1809

6. Town and City Clerk’s Offices
Nassau County
Hempstead Town Clerk
1 Washington Street
Hempstead, New York 11550
Phone: 516-489-5000, ext. 3046

North Hempstead Town Clerk
200 Plandome Road
Manhasset, New York 11030
Phone: 516-869-7646

Oyster Bay Town Clerk
54 Audrey Avenue
Oyster Bay, New York 11771
Phone: 516-624-6322

Glen Cove City Clerk
9-13 Glen Street
Glen Cove, New York 11542
Phone: 516-676-3345
Long Beach City Clerk  
City Hall, Room 307  
Long Beach, New York  
Phone: 516-431-1000 ext.331

Suffolk County

Babylon Town Clerk  
200 East Sunrise Highway  
Lindenhurst, New York 11757  
Phone: 631-957-3005

Brookhaven Town Clerk  
205 S. Ocean Avenue  
Patchogue, New York 11772  
Phone: (631) 451-9101

East Hampton Town Clerk  
159 Pantigo Road  
East Hampton, New York 11937  
Phone: 631-324-4143

Huntington Town Clerk  
100 Main Street  
Huntington, New York 11743  
Phone: 631-351-3206

Islip Town Clerk  
655 Main Street  
Islip, New York 11751  
Phone: 631-224-5490

Riverhead Town Clerk  
210 Howell Avenue  
Riverhead, New York 11901  
Phone: 631-727-3200

Shelter Island Town Clerk  
44 N. Ferry Road  
Shelter Island, New York 11964  
Phone: 631-749-1166

Smithtown Town Clerk  
99 West Main Street  
P.O. Box 646  
Smithtown, New York 11787  
Phone: 631-360-7620

Southampton Town Clerk  
116 Hampton Road  
Southampton, New York 11968  
Phone: 631-287-5740

Southold Town Clerk  
53095 Main Road  
Southold, New York 11971  
Phone: 631-765-1801

7. Networking Organizations
(In addition to these networking organizations, contact your local chamber of commerce as a good networking point of contact.)

Advancement for Commerce, Industry and Technology (ACIT)  
P.O. Box 151  
Farmingdale, New York 11735  
Phone: 631-789-1660  
www.acit-li.org

American Woman’s Economic Development Corporation (AWED)  
216 E. 45th Street  
10th Floor  
New York, New York 10017  
www.awed.org

Long Island Association (LIA)  
80 Hauppauge Road  
Commack, New York 11725  
Phone: 631-499-4400  
www.longislandassociation.org
Long Island Center for Business and Professional Women
60 Weston Street
Huntington Station, New York 11746
Phone: 631-673-0209

Long Island Development Corporation (LIDC)
45 Seaman Ave.
Bethpage, NY 11714
Phone: 516-433-5000
www.lidc.org

Hauppauge Industrial Association (HIA)
P.O. Box 11004
Hauppauge, New York 11788
Phone: 631-543-5355
www.hia-li.org

Long Island Forum for Technology (LIFT)
111 West Main Street
Bay Shore, New York 11706
Phone: 631-969-3700
www.lift.org

National Association of Women Business Owners (NAWBO)
40 Great Neck Road
Great Neck, New York 11021
Phone: 516-466-3459

New York State Association of Black Women Owned Enterprises (BWE)
730 Fulton Avenue
Hempstead, New York 11550
Phone: 516-485-5900

Minority Business Enterprises Coalition & Women’s Business Enterprises Coalition
Suffolk County Minority Affairs Division
H. Lee Denison Building, 3rd Floor
100 Veteran’s Highway
Hauppauge, New York 11788
Phone: 631-853-5692

The Business and Professional Women’s Club of Nassau County
c/o S. Cappitelli
P.O. Box 43
Long Beach, New York 11788
Phone: 516-933-3636