

HOW TO START A BUSINESS



SMB LEGAL

SMALL BUSINESS LIFECYCLE MANAGEMENT

www.smbbusinesslegal.com

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So, you want to start a business?
You've come to the right place.

Whether you are part of the 67% of small business owners who say they started their company in order to be their own boss or you have started your business for some novel but equally compelling reason we are here to help walk you through the process and hopefully provide some value.

SMB Legal's automated formation generator as well as our small business lifecycle management suite will provide you all the self-help tools necessary to spend the majority of your time, not on legal and contract tasks, but on actually growing and building your business.

FIND A PROBLEM AND VALIDATE IT

First, a company begins with an idea. Whether it is the fact that your local town doesn't have an adequate sports retail store, or you have come up with the latest and greatest business software, a business begins with that idea.

Whether you are releasing a minimum viable product or just speaking with neighbors about the lack of that sports retail store, your idea needs some sort of outside validation. There needs to be some process by which you test your idea with others, because unless others latch onto the idea, it will remain just that – an idea in your head.

DO EVERYTHING LEGALLY!

Choose a Business Form

Once you have validated your idea you need to set up your business to operate. This means doing it legally, in conformity with local, state and federal guidelines.

First, choose a business form. This is one of the most important choices a business may make. What business form will their company take. There are many forms of business but the following are the most common:

- Sole Proprietorship – Anyone at anytime can form this entity, even if they didn't mean to. This is the easiest and riskiest form to operate. There are no legal requirements and the person retains full personal liability for the actions of the business.
- Partnership – This can be an easy arrangement without formal documentation (similar to a sole proprietorship) or it can be a complicated arrangement, memorialized with an official document, including both general and limited partners. In general, there must be a general partner who retains full personal liability for the actions of the partnership. In more complicated arrangements a limited liability entity – not an individual – may take the place of a general partner. Downsides of a partnership are the difficulty in admitting new partners, lack of limited liability, fungibility of partnership interests and to some phantom income tax consequences.
- Corporation – A corporate is a legal fiction – an entity and being apart from its owners. It is a significant undertaking but it is also one of the most popular business forms. It requires adherence to corporate formalities, significant tax burdens and double taxation. However, it is the most malleable business form, allows for diffuse shareholders, provides significant limited liability protection and allows for easy investment. If a company is aiming to grow their business and take on outside investment this is the typical choice.
- LLC (Limited Liability Company) – An LLC is a recent addition to the permissible business forms. It includes the fungibility and limited liability of a corporation without double taxation. an LLC is the predominant business form of small businesses because it allows small business people to benefit from significant limited liability while also avoiding double taxation which does not make sense for many small businesses without significant outside investment.

More legal Actions

- File with your state
- Pay fees
- Get an EIN
- Proper permits and licenses
- Hire employees

USE SMB LEGAL

USE SMB LEGAL'S AUTOMATED FORMATION DOCUMENTS

All of steps of forming a business seem daunting at first, especially when laid out together. This is why SMB Legal exists, to help you through this process in an efficient and organized way.

Our self-help tools keep you on the right track and organized. You can pick from a host of business formation options, answer a few questions and then have us file the paperwork for you. We provide EIN integration to help you file with the IRS.

Use our permitting and licensing task manager to keep up to date on your permitting and licensing obligations and our guides to determine what licenses or permits are needed for your particular situation.

Finally, use our robust suite of employment documents to get you started on the right track toward business success.



USE SMB LEGAL'S SMALL BUSINESS LIFECYCLE MANAGEMENT PLATFORM

Formation of the business is only the beginning of the journey. The intention is for the business to be a success. The business must be operated legally and efficiently. SMB Legal's small business lifecycle management platform ensures that you run your business legally and efficiently.

Until now, business lifecycle management was relegated to only the largest and most successful companies. However, we wanted to democratize this service.

With our platform your business can continue to use our self-help interface to execute legal documents. Once a business is in our ecosystem, they can use our artificial intelligence and machine learning contract integrations to efficiently and effectively execute more documents in an organized fashion, that scales contract clauses and seamlessly integrates stakeholders. Additionally, our automated company governance platform and other services make SMB Legal a unique offering for small businesses and the only choice for those hoping to increase operational efficiency, avoid legal pitfalls, save time and drive revenue and growth.

Visit us to find out more www.smbbusinesslegal.com