Starting a business -

**What are my legal obligations when starting my own business?**

(from CAB <http://www.cab.org.nz/vat/eb/small-business/Pages/Startingasmallbusiness.aspx> )

Assuming you already know what service or product your business will be providing and how it will operate, and have the funds and necessary knowledge to proceed, the main things you will need to do are:

* Work out what kind of [structure the business](http://www.business.govt.nz/getting-started/taking-the-first-steps/choosing-the-right-business-structure/#e170) will work within (e.g. sole trader, partnership, or [company](http://www.cab.org.nz/vat/eb/small-business/Pages/Startingasmallbusiness.aspx#9))
* Decide what your business will be called, ensuring that the name isn’t similar to [an existing business name](http://www.cab.org.nz/vat/eb/small-business/Pages/Helpforsmallbusiness.aspx#6).
* If you will be using a logo for your new business, ensure that it is not too similar to the logo of an existing business. Also consider trademarking your logo. More about this is on our [Help for small business](http://www.cab.org.nz/vat/eb/small-business/Pages/Helpforsmallbusiness.aspx#6) page.
* Find out about [your tax obligations](http://www.cab.org.nz/vat/money/ird/Pages/SelfemployTax.aspx) regarding your business
* Get any required licences associated with your trade (e.g. from the appropriate regulatory authority) or relating to work premises (from the local council)

Should I set up my business as a company?  
  
You might start a company because you want to be able to:  
  
grow your business by allowing shareholders to invest in the business (and receive dividends from any profits in return),   
limit your personal liability, or  
pay a lower rate of tax on profits.  
However it is a bit more complicated to set up and run a company, compared to running a business as a sole trader (for example). A company must have shareholders and directors and must file annual returns. It must have a company constitution and hold annual general meetings.   
  
Visit the business.govt.nz website for an overview of the different business structures, to help you decide whether a company is the most appropriate structure for you.

More information about the legal aspect of starting a business is on the Ministry of Business, Innovation and Employment's (MBIE's) [business.govt website](http://www.business.govt.nz/). You can also call MBIE on 0800 424 946 to speak to a business adviser.

Longer checklist

<https://www.govt.nz/browse/work/self-employed-or-running-a-home-business/how-to-start-your-own-business/>

Or from Xero

<https://www.xero.com/nz/resources/small-business-guides/checklists/starting-a-business-checklist/>

WREDA Checklist  
<http://www.wellingtonbusiness.help/#type/1/need/1>

Māori Business Support

<https://www.tpk.govt.nz/en/whakamahia/maori-business-growth-support>

**What laws apply?**

<https://www.business.govt.nz/compliance-matters/>

What does regulator need to know?

Who are you?

What you will do?

What assurances do we have for safety of the product or service

What assurances do we have for safety of workers? Of the public?

Application Form to trade

Structure of company?

Registration (if needed)

Will you pay taxes?

Will you claim GST?

Finances - bank account set up including Anti Money Laundering Act compliance

**Licensing or Registering a business**

<https://www.business.govt.nz/getting-started/taking-the-first-steps/10-step-guide-to-starting-a-business/> covers general areas to think about but information is patchy and merely links to existing central government structures without providing structure information for logical areas. For example licensing goes to this page and shows gap in information links  
<https://www.business.govt.nz/compliance-matters/licensing-and-registering/licensing/immigration-advisers-licensing-exemptions>

Companies Act

<https://companies-register.companiesoffice.govt.nz/help-centre/before-you-start-a-company/before-you-set-up-a-company/>

Specifics of Licensing via Wellington City Council

<https://wellington.govt.nz/services/consents-and-licences/food-safety/food-sellers/mobile-food-vendors-and-food-stalls> Food stalls

<https://wellington.govt.nz/your-council/plans-policies-and-bylaws/policies/trading-in-public-places-policy> Trading Places

Food Truck Registration Info Sheet  
<https://wellington.govt.nz/~/media/services/consents-and-licenses/food-safety/files/food-seller-registration-infosheet.pdf?la=en>

Food Truck Registration Application Form

<https://wellington.govt.nz/~/media/services/consents-and-licenses/food-safety/files/food-seller-app-single-site.pdf?la=en>

**Tax - Inland Revenue - Inland Revenue Act 2007**

<http://www.legislation.govt.nz/act/public/2007/0097/latest/DLM1512301.html>

GST - <http://www.ird.govt.nz/gst/gst-registering/> register if annual income over $X

<http://www.ird.govt.nz/gst/gst-registering/claiming-and-returning-gst/> pay and claim GST

Income as business

Expenses of business

<http://www.ird.govt.nz/business-income-tax/?id=201405MegaMenu>

Income tax of sole trader or independent contractor

* what‘s needed depends on trader income too whether

Income tax of employees - payments by employer

**Employment**

Employment Relations Act,

Minimum Wages Act,

Holidays Act,

Health and Safety at Work Act

General Obligations as employer on

<https://www.employment.govt.nz/> including Employment Agreement Builder Tool to make employment process easier

<https://eab.business.govt.nz/employmentagreementbuilder/startscreen/>

<https://www.employment.govt.nz/starting-employment/rights-and-responsibilities/>

<https://www.employment.govt.nz/tools-and-resources/> with downloadable Holidays Act and Wages spreadsheet

Paying staff

<https://www.employment.govt.nz/assets/Uploads/tools-and-resources/checklists/assessing-your-payroll-system.pdf>

MPI Ministry of Primary Industries

Food Act 2014

The Food Act 2014 came into force on 1 March 2016. It takes a new approach to managing food safety. Find out more about the Food Act and what it means for you.

See Food Safety laws on MPI page <https://www.mpi.govt.nz/food-safety/food-act-2014/> Food Act and <https://www.mpi.govt.nz/food-safety/food-act-2014/where-do-i-fit/> and <https://www.mpi.govt.nz/food-safety/food-act-2014/businesses-with-a-deemed-food-control-plan/>

MPI

Businesses with a deemed food control plan

If you are currently operating under a deemed food control plan, you should apply to register your business under the Food Act 2014 before 30 November 2018. Find out your options and how to register.

**Is My Business Feasible?**

<https://www.business.govt.nz/feasibility-and-risk-checker/> general quizz about starting a business. It advises referring to Business.govt.nz on compliance matters to start with and referring elsewhere when needed. IMHO this advice is insufficient and there are gaps on the website information.

Guide on IRD Website for Smart Business

<http://www.ird.govt.nz/forms-guides/number/forms-300-399/ir320-guide-smart-business.html>

This focuses on record keeping and payment responsibilities not on how to operate a business