

# Forming a Small Business

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Special to Business in Savannah

As the economy recovers, many entrepreneurs are taking the opportunity to start new businesses. According to the Kauffman Index of Startup Activity, the rate of new business creation is again on the rise after a five-year slump that hit its low in 2014.

But opening a new business correctly requires more than just a good idea and a lease. To make sure your new business starts off on the right foot, you should keep in mind the following considerations if you are looking to formally establish your company in Savannah.

First, you will need to legally form your business entity with the state. To do this, you or your attorney will need to file a business creation application with the Georgia Secretary of State's office. This application will include information on your proposed business name, your business purpose, the principal address and email address of your new business, and your registered agent for process in the state of Georgia.

The Secretary of State's office generally processes business creation applications within two to four weeks, but they do offer expedited filing for an additional fee. You may also reserve your name with the Secretary of State's office if you are not yet ready to form the company but want to make sure that no one else takes your desired name.

In conjunction with filing your business creation application, you should prepare bylaws if you are forming a corporation and an operating agreement if you are forming a limited liability company (LLC). You should consult an attorney who specializes in business law to help you draft these documents.

Additionally, you will need to file an application for trade name registration with the Clerk of Superior Court of Chatham County if your business will be operating under a different name than your LLC or corporation. To do this, you must fill out an application, pay the application fee, and search the Clerk of Superior Court's records to confirm that your desired trade name is not already in use. If you decide to expand your business outside of the county, you will need to run additional searches in the other counties where you plan to operate.

Finally, you may need to file a Business Tax Return form with the Business and Alcohol Regulations division of the City to determine the amount of taxes you will owe and to obtain your business license. Upon review of your application, the City may require you to follow additional steps to obtain your license. Depending upon the type of business you are

forming, these additional requirements may include filing for a Federal Employee Identification Number (FEIN) with the IRS, filing for a Georgia State Tax ID Number with the Georgia Department of Revenue, and obtaining certain licenses from the state. Unincorporated Chatham County and other municipalities within the county have similar requirements.

Every business is different, and this article is by no means meant as an exhaustive list of all steps required to legally run your business in Savannah. You should consult professionals, including an attorney, to walk you through the process in order to ensure that your new enterprise has a solid legal foundation.

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