



How to Start Your Business in Volusia County ¹

Here are some basic steps for establishing your new business in Volusia County, FL:

1. Establish a unique and available business name in the State of Florida
 - a. You must first apply and register your unique business name with the State.
 - b. Go to www.sunbiz.org and follow the steps.
 - c. If your business requires specific state licenses like an electrician, you will need to secure those before starting work.
2. Choose and establish your business entity structure: Sole Proprietorship, Partnership, S-Corporation, or Limited Liability Company (LLC).²
3. Establish your Federal Employer Identification Number (FEIN). It's like your Social Security Number, but it's unique for your *company* for all business and employee tax purposes. You can easily obtain it at www.irs.org.
4. Obtain your Business Tax Receipt (BTR) from the city and/or County where your business is located. This was once known as an occupational license which is still an accurate description. You will always need a County BTR, but many cities require one as well. Go in person or online to your city's permits and licensing department to find the specific requirements for your locality.

Note: a BTR(s) is required even for home-based businesses.

5. Collecting and paying all your business taxes - Depending on your type of business, number of employees, whether you're solely a service provider or you sell goods, and any real estate the business owns, you may be liable for a variety of tax collection duties and tax payments:
 - a. **Employment taxes** – If you have employees, you will file employment taxes quarterly with both the State and IRS. Payroll taxes are withheld from employee's pay checks and many rules apply. Our strong guidance is to use a payroll service skilled in the process and knowledgeable of applicable laws.
 - b. **Sales taxes** – If you sell retail goods or taxable services, you must obtain a Sales & Use Tax permit and collect and submit those amounts to the State monthly. To establish your account, register online at: <https://taxapps.floridarevenue.com/taxregistration>
 - c. **Tangible personal property** – Applies to non-real estate assets owned by the business, e.g. furniture, computers, tools, etc. Due by April 1 each year, you are liable for tax on the assessed value of the assets filed on the [Department of revenue Form DR-405](#)
 - d. **Real Estate** - Paid on the assessed amounts for all business-owned real estate.
 - e. **Unemployment compensation** – Assessed for each employee and paid quarterly.

¹ Adapted from our partner organization, SCORE

² See our document on choosing your business entity

6. Insurance, Financial, and Special Permits – Again, based on your business’s type, size, and structure, you may need to consider other permitting and protections. Here are some examples:
 - a. **General liability insurance** – Protection against liabilities, damages, and injuries a business may incur while conducting business. Available from business insurance companies.
 - b. **Automobile insurance** – Vehicles primarily used in the service of business require *commercial* automobile insurance.
 - c. **Worker’s Compensation insurance** – Required by law for all employees. Consult your payroll service, accountant, or legal advisor.
 - d. **Property insurance** – Building or facilities you operate from will require property liability insurance.
 - e. **Bonding** – Certain service and contracting industries require this. Consult your accountant, legal advisor, or industry association
 - f. **Commercial crime and business insurance** – Can protect you from employee theft, forgery, employee misconduct, cybercrimes/hacking, extortion, ransomware attacks, etc.
 - g. **Life/continuity insurance** – Protection for when a principal, partner, or large perishes.
 - h. **Accounting** – Having an accountant advisor is highly recommended for every business. At a minimum, a business must flawlessly keep track of all the businesses invoices, expense receipts, asset listings, and liability obligations. Dedicated business bank accounts must be opened and maintained, separate from any personal transactions. Dedicated accounting software like QuickBooks manages this effectively and affordably, and is used by most accountants serving small businesses.
 - i. **Zoning** – Certain business functions may require special zoning and permitting for their jurisdiction. Check with your city’s zoning department before opening for business.
 - j. **Food service, bars, and restaurants** – Businesses serving food and/or alcohol are subject to special permits. If you will serve food or alcohol, contact the Volusia County Health Department at 386.274.0694 for the latest instructions well before you intend to open for business or go to www.myfloridalicense.com for licensing information.
 - k. **Environmental** – Some businesses that discharge solids, liquids, or gasses into the environment may need to obtain special licensing or be subject to special fees and inspections.

7. Independent contractors – Be cautious and aware of legally using independent contractors in performing your business. In some industries, like building, the practice is common and appropriate. Independent contractors you use **are not** employees. As they complete the jobs and tasks you contracted them to do, you pay them and provide them with an IRS Form 1099, at least yearly, stating the amounts you paid them. It certifies that you did not withhold payroll taxes, for which they are then responsible for filing.

There are some caveats to using 1099 contractors, and when you can and can’t, as it could be deemed avoiding legitimate payroll tax obligations. In general, a person is an employee and *not a contractor* if:

- a. The business owner schedules their work time
- b. The business owner directs their activities
- c. The business owner trains them how to perform the task
- d. The worker primarily uses the business owner’s tools and assets to perform work

- e. The business owner pays the worker's general expenses
- f. The worker exclusively, or nearly exclusively, works for the business owner
- g. The business owner pays for any of the worker's personal insurances

In conclusion

This is only intended as a starting-a-business primer. There are other many other considerations and they can vary widely from industry to industry.

If you need additional information, check with your city and Volusia County governments, www.sunbiz.org, SCORE, or the SBDC.