

## Apply for a Business License

Contact your state's Department of Licensing for applications and instructions on how to file for a business license. Each state has unique application, filing, and registration requirements. Your Caring for People Services training coordinator will provide assistance in this matter if needed.

## Apply for Your Federal Employers Identification Number (FEIN)

Also known as the Tax Identification Number (TIN), Federal Employer Identification Number (FEIN), or the Federal Tax Identification Number, this is a unique nine-digit number assigned for purposes of identification by the Internal Revenue Service (IRS) to business entities operating in the United States. When the number is used for identification rather than employment tax reporting, it is usually referred to as a TIN, and when used for the purpose of reporting employment taxes, it is usually referred to as an EIN.

Similar in purpose to the Social Security Number assigned to individuals, EINs are used by employers, sole proprietors, corporations, partnerships, non-profit organizations, trusts and estates, government agencies, certain individuals and other business entities. The IRS uses this number to identify taxpayers who are required to file various business tax returns. Individuals who are employers may choose to either obtain an EIN or use their Social Security Number for the purpose of reporting taxes withheld on behalf of their employees.

An EIN is usually written in the form 00-0000000 whereas a Social Security Number is usually written in the form 000-00-0000 in order to differentiate between the two.

EINs do not expire but they are only numbers given to identify businesses. Nonprofit organizations need EINs to apply for an exemption from federal income tax. Exemption is terminated if annual reports are not filed. To maintain a group exemption letter, the central organization must submit an annual report, at least 90 days before the close of its annual accounting period.

For additional information about a FEIN number visit the US Internal Revenue Service website at <http://www.irs.gov/>

## Choose Your Business Structure and Make Appropriate Filings

You should consult with a business attorney, CPA, or tax consultant when deciding what business structure is right for you.

The actual formal mechanics of creating a corporation is known as "incorporation." The process involves completing and filing a "Certificate of Incorporation" or "Articles of Incorporation" and paying a filing fee. Each state has its own set of laws governing the process of incorporating.

Corporate existence starts when the articles of incorporation are filed with the state office that handles incorporations (e.g., usually the Secretary of State or Corporation Commissioner), along with the required filing fees. Accelerated incorporations or same-day filings are available in some states.