

Checklist: Starting a Business in Virginia

Making the decision to start a new business is relatively simple – what comes next, however, is the hard part. You are faced with myriad choices and decisions regarding every facet of your business, and are responsible for dealing with and adhering to regulations and rules at the state, federal, and local levels.

The checklist below details many of the things to consider and steps to take when starting a business in Virginia. It should not, however, be viewed as complete and all-inclusive, and is not a substitute for discussions and/or retention of an experienced business law attorney.

Business Name, Location & Essentials

- Check to see whether proposed business name, and any fictitious name, is distinguishable according to the Virginia State Corporation Commission (VSCC)
- Conduct a Trademark search of your name. If already in use, determine whether your use would result in consumer confusion
- Determine whether proposed domain name is available for use
- If you will conduct business in other states, research registration requirements in those jurisdictions
- Finalize lease, or other similar agreement, if necessary, for business address and location
- Prepare a business plan

Legal Items

- Review all options and determine which legal structure is appropriate for your business (corporation, limited liability corporation, partnership, etc.)
- Ensure proposed business name meets all VSCC guidelines and regulations
- Determine who will serve as business' Registered Agent
- Register business with VSCC and file Articles of Incorporation or Organization
- Register your business name and its trade name in any other states in which you will be conducting business as a foreign entity
- Register business with any local jurisdictions as necessary
- Apply for applicable business licenses or permits
- If necessary, begin Trademark Application for business name
- Draft and finalize HR documents
 - Employee handbook
 - Employment and/or consulting agreements
 - Standard contract, etc.

Business Formalities

- LLC Operating Agreement (if new business is an LLC)
 - Names and addresses of members
 - Amounts of members' contributions and percentage of interest in LLC
 - Member managed versus Manager managed
 - Voting ratios of members
 - Transfers of interests in LLC
 - Termination/Dissolution details
- Corporate Bylaws (if new business is a corporation)
 - Number of directors and corporate officers
 - Capital contributions
 - Number and type of shares and stock classes
 - Meeting and voting requirements and rights
 - Transfers of interests and buy/sell provisions
 - Termination/Dissolution details
- Partnership Agreement (if new business is a partnership)
 - General partnership versus limited partnership
 - Partners' contributions
 - Liability limits of partners
 - Termination/Dissolution details

Financial Items

- Issue stock certificates if corporation
- Obtain Federal EIN
- Register with local tax boards or authorities
 - Sales and use tax
 - Withholding tax
 - Self-employment tax
 - Corporation and Pass Through Entity Tax
- Open business bank account
- Discuss any questions with a CPA (tax filings, employee withholding, 401k, accounting and record keeping, etc.)
- Set-up accounting and record keeping systems
- Set-up payroll

Insurance

- Research available options and obtain necessary insurance coverage – business liability, business auto, renter's, etc.
- Workers compensation insurance
- Unemployment insurance
- Health insurance for employees if required
- Applicable malpractice insurance, if appropriate
- Life, disability, etc. insurance, if applicable