



541 E. Grand River Ave., P.O. Box 310, East Lansing, MI 48826
Phone: 517/337-4518, Fax 517/337-4510

12-step Business Planning Checklist

- **STEP ONE: Develop a Business Plan**
 - See MSU College of Law – Small Business & Nonprofit Clinic Business Planning Guide to organize and strategically develop your idea.
- **STEP TWO: Have you determined the type of business structure your organization will assume?**
 - To learn more about the advantages and disadvantages of various legal structures, access the following link for more information:
<http://www.michigan.gov/medcguide/1,1607,7-149-9268---,00.html>
 - Contact MSU College of Law – Small Business & Nonprofit Clinic, or an attorney, accountant or business counselor to help you determine which business structure is best for your business.
- **STEP THREE: Contact an attorney to file your business with the State of Michigan.**
 - MSU College of Law - Small Business & Nonprofit Clinic can help you prepare the necessary documents to file your business.
- **STEP FOUR: Obtain a federal employer identification number—EIN**
 - You may obtain an EIN either calling 866-816-2065 or by faxing your SS-4 (Application for Employer Identification Number – EIN) to (606) 292-5760. For more information, visit the IRS web site at www.irs.gov.
- **STEP FIVE: Beware of hidden liabilities if you are purchasing an existing business.**
 - As the purchaser of even a portion of a business, you may be held responsible for the previous owner's liabilities, regardless of any contractual language to the contrary. As the purchaser of the business, you should make sure that the seller of the business provides proof that there are no hidden liabilities.

- If you're the seller of the business, contact the Michigan Department of Treasury at (517) 636-5260 to obtain form 514 to request a Tax Clearance letter, or you may access the information online at:
http://www.michigan.gov/treasury/1,1607,7-121-1750_2330-7450--,00.html.
 - If you're the purchaser of a business, it is wise to obtain a copy of this Tax Clearance letter from the seller prior to the closing date or signing any purchase agreements. Also, contact the Unemployment Agency at (800) 638-3994 to obtain information on successor liability.
- **STEP SIX: Have you given careful consideration to the business location and is the operation consistent with current zoning and building codes?**
- Make sure the location that has been chosen is zoned appropriately for your type of business and that all state and local building codes and barrier free design rules are met. A certificate of occupancy is also required from the local government. Contact the local government authorities, including the building department, for pertinent information. Some inspections and alterations may be required to meet state and/or city codes. When operating a business out of your home, check with your city clerk's office about zoning variances.
 - For zoning compliance in East Lansing, call 517-319-6930.
 - For building permits in East Lansing, call 517-319-6850.
- **STEP SEVEN: Is your business or profession subject to any special state or local licensing or permit requirements?**
- Some occupations, professions and business activities require certification or licensing. Check with the county clerk and/or your city clerk to determine if any local licenses or registrations are required and obtain the necessary forms.
 - For information on state licensing requirements, please contact the appropriate agency listed below:
 - Department of Labor and Economic Growth
DLEG is responsible for licensing in the areas of building construction, utilities, insurance and finance, commercial businesses and cosmetology. Their contact information is:

611 W. Ottawa
P.O. Box 30004
Lansing, MI 48909

Phone: 517-373-1820

Fax: 517-373-2129

- o Michigan Family Independence Agency
FIA provides licensing for Adult Foster Care and Homes; Child Day Care Facilities, Caring Institutions, Foster Care Homes, and Placing Agencies; Juvenile Court Operated Facilities and Children's or Adult Foster Care. Their contact information is:

Lansing

7109 W. Saginaw 2nd Floor

Lansing, MI 48909

General phone: 517-335-6124

Fax: 517-335-6121

General Application Requests and Licensee Inquiries

Licensing Unit: 517-241-2488

Toll free: 1-866-685-0006

- o Michigan Department of Community Health
DCH regulates health professionals in Michigan who are licensed, registered or certified for 32 health care occupations and also licenses health care facilities. Their contact information is:

Bureau of Health Professions

PO Box 30670

Lansing, MI 48909-8170

Phone: (517) 373-8068

Fax: (517) 241-3082

- o Michigan Department of Transportation
MDOT manages licenses and permits for road construction, parades on state roads, highway advertising, utility coordination, buses and limousines and transport permits for the trucking industry.

State Transportation Building

425 W. Ottawa St.

P.O. Box 30050

Lansing, MI 48909

Phone: 517-373-2090

- o Michigan Department of Environmental Quality
The DEQ provides a compilation of the environmental laws, rules and permits that provide the basis for the preservation and improvement of Michigan's environment. Their contact number is:

Michigan Department of Environmental Quality
525 West Allegan Street
P.O. Box 30473
Lansing, MI 48909-7973
(517) 373-7917

For general information, call: 1-800-662-9278

- o Michigan Department of Agriculture
Find licensing and regulation information for the following: pesticides, agricultural products, animals, food industries, retail gasoline and more at MDA.

525 West Allegan St.
Lansing, MI 48909
Phone: (517) 373-1104
Toll Free: (800) 292-3939
Fax: (517) 335-7071

- o For local licensing requirements and registration, please contact East Lansing City Clerk:

Teresa Brazee
410 Abbott Rd Room 100
Phone: 517-319-6891
Fax: 517-337-1607

Email: tbrazee@cityofeastlansing.com

- o **STEP EIGHT: Have you registered with the IRS for payment of federal taxes?**
 - o All businesses are required to pay taxes to the federal government. The legal structure, whether there are employees or one is self-employed, and the type of business determines which taxes apply and time-line of payment. Most businesses are required to make regular payments of estimated tax throughout the year. For more information, visit the IRS web site at www.irs.gov. If you have questions about determining your federal tax liability or your payment schedule, contact the IRS at (800) 829-1040.
 - o Consult accountants for compliance or help with taxes. Below is a list of accountants who could help you:
 1. Maner, Costerisan & Ellis
Attn: David M. Biel, CPA, CFE
544 Cherbourg Drive Suite 200
Lansing, MI 48917
Phone: 517-323-7500
 2. Audrey Morris, CPA
1816 Pageant Way

Holt, MI 48842
Phone: 517-694-0173

3. **ATS & Associates**
Peggy J. McNichol, CPA (Nonprofit accountant)
6920 S. Cedar Suite 1
Lansing, MI 48911
Phone: 517-694-9570
Fax: 517-694-9580
Email: peggy@atsassociates.biz

- STEP NINE: Have you registered with the Michigan Department of Treasury for payment of state taxes?**
- Depending on the type of business conducted; whether or not there are employees; the amount of gross receipts; selling or leasing a product, etc., the business may be required to pay Michigan taxes. To determine your liability and to register for Michigan taxes, a Registration for Michigan Taxes form 518 is required to be completed and returned to the Michigan Department of Treasury.
 - Consult above accountants if needed.
 - Be aware that that if you have income from sources other than wages, you may be required to make estimated tax payments on a quarterly basis to the Michigan Department of Treasury as well as federal tax authorities. Contact the Michigan Department of Treasury at (800) 367-6263 or (517) 636-4660 or access the forms and information online at: http://www.michigan.gov/treasury/1,1607,7-121-1750_2143_2144---,00.html
- STEP TEN: Will your business hire employees?**
- If employees are hired, there are responsibilities with both the state and federal government. NOTE: If your business is a corporation, anyone who performs services for the corporation or receives remuneration—including an “owner”—is considered an employee. There are many tax, insurance and regulatory requirements of which one must be aware. Click on the “Hiring Employees” section of the Michigan website to learn more about an employer’s obligations. The website can be accessed at: <http://www.michigan.gov/medcguide/1,1607,7-149-9404---,00.html>
 - For more information hiring employees, call (800) 524-9846.
- STEP ELEVEN: Have all environmental regulations been checked to ensure that your business will meet all air, water, and solid waste standards?**

- To ensure that your business meets all of the environmental regulations that apply to a specific type of business, contact the Michigan Department of Environmental Quality at (800) 662-9278.

- **STEP TWELVE: Is your business adequately insured?**
 - Contact an insurance agent to determine the types of insurance the business should purchase. Shop around. Insurance rates and types of coverage vary greatly among insurance carriers. You should check with your current insurance agency to find out if they offer business insurance as well. It is usually less expensive to insure with one agency for all your insurance needs.

 - Have you made arrangements for utility service? Check with the utility companies to ensure prompt delivery of service and to obtain the cost of service extensions, the amount of any required deposits, and written price and supply agreements.

Source: Michigan.gov