

B.E.S.T. CHECKLIST FOR NEW BUSINESS TAXPAYERS

CHOOSE A NAME AND BUSINESS STRUCTURE

- Determine the type and name of the business that you wish to start as well as the date that you wish to open.
- Determine the form of ownership: sole proprietorship, partnership, Limited Liability Entity (LLE), C-corporation, S-corporation, nonprofit or cooperative.

REGISTER YOUR BUSINESS

- Obtain a Tax Identification number. If operating as a partnership, LLE, or corporation, contact the IRS (www.IRS.gov) to register for a Federal Employer's Identification Number (FEIN). If operating as a sole proprietor, you may use your Social Security Number (SSN).
- If operating as an LLE or corporation, register the name of the business with the Alabama Secretary of State. Visit www.sos.alabama.gov for additional information. Entities registering with the Alabama Secretary of State will be required to file Form BPT-IN (Alabama Business Privilege Tax Initial Tax Return) within 2 ½ months after organizing, or qualifying to do business in Alabama with the Alabama Secretary of State.
- Visit the Department of Revenue's My Alabama Taxes website (www.MyAlabamaTaxes.alabama.gov) to register for the appropriate tax account(s). Various accounts may be required based upon the business operations. Some accounts that may be required include:
 - Withholding number, if you have employees
 - Sales Tax number, if you sell tangible personal property

Note: You will need to retain the sign-on ID and access code received in this process to register to file the monthly returns in My Alabama Taxes (MAT).

OBTAIN LICENSES AND PERMITS

- Obtain applicable licenses.
 - State/county business privilege licenses are issued at the local county probate offices. Visit <https://revenue.alabama.gov/business-license/business-licensing/county-probate-office-directory/> for a list of contacts. Note: Some counties have a separate county license.
 - City business licenses are issued at the city clerk's office. Visit www.alam.org/municipal-directory.html for a list of municipalities and contact information.
- If applicable, obtain occupational permits from State regulatory boards or agencies. For example, cosmetology board, contractor's board, home builders board, etc. Visit <http://inform.alabama.gov/agencysearch.aspx> to search for agencies and contact information.

FILE APPLICABLE RETURNS

- Visit www.MyAlabamaTaxes.alabama.gov to file any required monthly, quarterly or annual tax returns and remit any monies due. Note: In the event of "no activity", a return is still required to be filed in a timely manner, or applicable penalties may apply.

RECORDKEEPING

- Maintain records related to tax returns, tax payments and any licenses or permits purchased, for the time period required by the applicable statute of limitations.

COMMUNICATION

- Notify the Department of Revenue of any changes in business structure, ownership, business address or contact information.
- Notify the Department of Revenue in the event that the business ceases operations for any period of time.
- Before an LLE or corporation will be allowed to withdraw or dissolve, the entity will need to contact the Alabama Secretary of State for directions on how to formally withdraw or dissolve. Failure to follow these procedures will result in additional tax filing obligations for these entities, regardless of whether the entity continues to actually conduct business in Alabama.