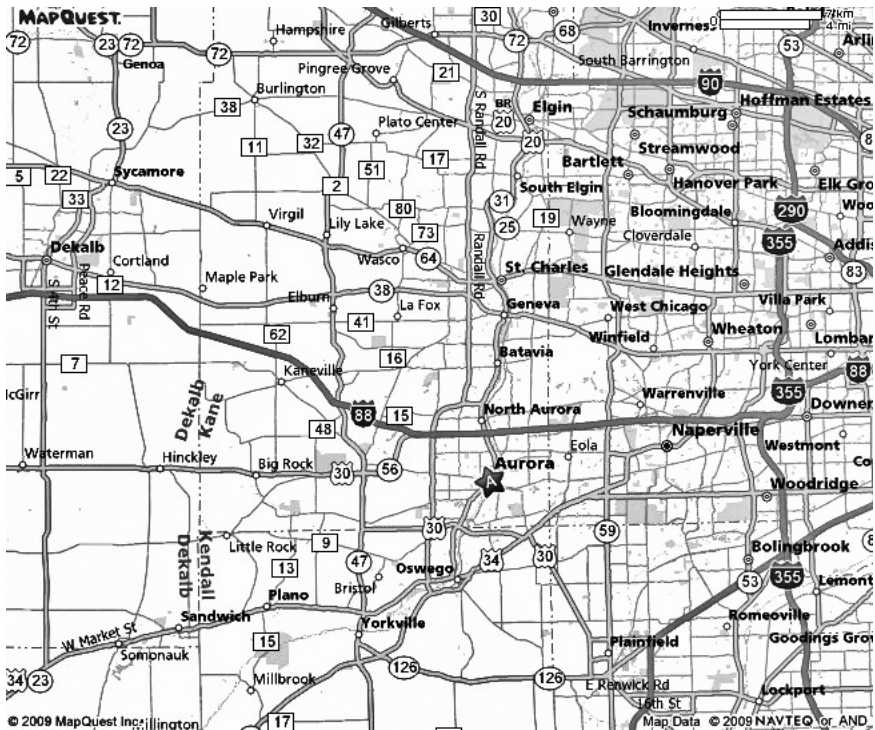


STARTING A SMALL BUSINESS IN THE FOX VALLEY



*Thinking about going into business?
Planning to expand your business?
Having difficulty with your business?*

Then contact SCORE for confidential,
FREE business counseling.

www.scorefoxvalley.org

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Fox Valley SCORE thanks Kane County Riverboat Fund, Leaders Bank, The Alfred Bertsted Foundation and the Community Foundation of the Fox River Valley for their continued support.

“All SBA funded programs are extended to the public on a non-discriminatory basis. Reasonable accommodations for persons with disabilities will be made if requested 2 weeks in advance. Contact the chapter office for more information.”

WELCOME TO THE FOX VALLEY

Starting a business is an exciting and rewarding experience. However, prior planning and research are essential because of increased complexities in society. This SCORE guide, *Starting A Business In The Fox Valley*, is intended to help you locate the resources, assistance and information you'll need to develop your own business plans.

This guide contains telephone numbers, websites and addresses of Federal, State of Illinois, local government agencies and local resources which can help you establish your business.

You can do most of the research and information collection needed to develop your own business plans. In most counseling sessions the client receives supportive literature and guidance to reinforce their learning for preparation of their plans.

Where independent professional resources are required or requested, SCORE can refer clients to providers who specialize in small business accounting, law, marketing, finance or other disciplines that may meet the entrepreneurs' needs.

Organizing your business

There are various ways to organize your business in Illinois:

- Sole Proprietorship
- Partnerships (General, Limited, Registered Limited Liability)
- Limited Liability Company
- Corporations (C and S)

Each has different advantages and disadvantages concerning liabilities, taxation, and record keeping. They require different levels of effort to establish and maintain legal status.

Sole Proprietorships and Partnerships must register with the county clerk when the business uses a name other than the owner(s) full legal name. This is the Assumed Name Act.

County Clerks Offices

- | | |
|--------------------------------|----------------------------------|
| Cook.....312-603-5656 | Kendall..... 630-553-4104 |
| DuPage....630-407-5500 | McHenry 815-334-4242 |
| DeKalb815-895-7148 | Will 815-740-4615 |
| Kane.....630-232-5950 | |

Before deciding on a name, you must make sure that no one else is using the name or a similar name. The county clerk will not do this for you. Check telephone books, the reference section of your local library, or www.GoDaddy.com

Partnerships should also create a legal document (contract) to protect all of the partners. It is important to decide how to dissolve the partnership at this time.

Corporations and Limited Liability Companies must register with the State of Illinois, you may need a Federal Tax ID number. When you register with the State, it will check for similar names. We recommend you hire an attorney to complete the paperwork required.

Secretary of State Offices

- Limited Partnerships312-793-2872**
- Limited Liability Companies217-524-8008**
- Corporation Business Services312-793-3380**
- Websitewww.cyberdriveillinois.com**

The Federal Government will not check for names and if you think that trademarks, patents or copyrights are involved, you may need a specialist to help you do the research.

Legal guidance is strongly recommended in selecting and setting up the business form that is best suited for you and your business. Call the local Chamber of Commerce for a referral. Possibly, your county has a bar association which will give you the names of several lawyers.

Licensing-Zoning-Permits-Local Restrictions

It is necessary to check with various government authorities before starting a business. In Illinois, certain professions and businesses must register with the State to obtain a license or professional permit. For example: barbers, accountants, roofing contractors, athletic trainers, nail technicians and others.

Check licensing requirements for your business with the Department of Professional Registration.....312-814-4500 Website.....www.idfpr.com

At the city and county levels, some communities may require businesses to be licensed or registered and to comply to local zoning requirement. Some businesses may also need health department inspections and permits.

Before buying or leasing property for your business, verify that it meets zoning codes. If your location required construction or modification, you may need building permits for the city or county. These requirements also apply to home based businesses.

<u>County Offices</u>	<u>Zoning</u>	<u>Building Permits</u>
Cook	312-603-0500	312-603-0500
www.cookcountyclerk.com		
DuPage	630-407-6700	630-407-6700
www.dupageco.org/countyclerk		
DeKalb	815-895-7188	815-895-7188
www.dekalbcounty.org		
Kane	630-232-3492	630-232-3485
www.co.kane.il.us/coc		
Kendall	630-553-4141	630-553-4141
www.co.kendall.il.us/countyclerk		
McHenry	815-334-4560	815-334-4560
www.co.mchenry.il.us/countydept		
Will	815-774-3321	815-774-3321
www.willcountyillinois.com		

Taxes

All businesses must pay Federal and State taxes.

Federal Taxes include:

- Personal Income tax
- Corporate Income tax
- Employee Withholding tax
- Employer/employee Social Security tax
- Employee Unemployment tax

A free Federal Business Tax kit may be obtained from:

IRS Forms Distribution Center..... 800-829-3676

Websitewww.irs.gov/formspubs

As a sole proprietor or a partnership, you will use your existing Social Security Number as a Tax ID. If you have employees or are incorporated, you'll need a Federal Employer Identification Number (FEIN). Your accountant can help you decide.

Call and request Form SS4800-829-1040

The Federal Government also provides advice concerning; starting a business, training, financing, Small Business Administration (SBA) services, minority businesses, veteran's programs, women in business, international trade and procurement of government contracts.

Website.....www.irs.gov (search for Form SS4)

US SBA"Answer Desk"800-827-5722

Website..... www.sba.gov

Taxes (continued)

State Taxes include:

- Personal Income tax
- Corporate Income tax
- Retail Occupation tax
- Illinois Workman's Compensation
- Unemployment tax
- Service Use tax
- Service Occupation tax

Retailers, manufacturers and other resellers must register with the State to receive an Occupation Tax number and must submit periodic tax payments to the State.

**For information, forms and a free Tax Registration Start-up Kit:
Illinois Department of Revenue
P.O. Box 19044**

**Tax Registration Kit 800-356-6302
Other help or info. www.revenue.state.il.us ... 800-732-8866**

When you hire your first employee you must register for an Employment Security Account Number.

You must notify this department when buying or selling a business. If you are an incorporated business, this department will issue you a State Incorporation Number.

**Illinois Department of
Employment Security312-793-5700
Website www.ides.state.il.us**

The Illinois Workman's Compensation Act and the Illinois Occupation Disease Act requires that employers provide certain stated benefits to employees for work related accidents and diseases. You must have Compensation Insurance for your employees. For more info:

**Illinois Industrial Commission.....312-814-6611
100 West Randolph Street, 8th Floor
Chicago, IL 60601
Website www.fwcc.il.gov**

Local Taxes

County and municipal governments may also levy Retailer's Use and Service taxes. Contact your county and city clerks to determine tax liabilities for your type of business.

Small Business Development Centers (SBDC)

Several colleges and universities are participating in a program sponsored by the SBA and Illinois Department of Commerce and Economic Opportunity. These institutions provide small businesses with management, financial and technical assistance.

This program helps in areas of procuring Federal contracts, capital formation, international trade, economic or market analysis and other services. They also provide low cost seminars and training opportunities. Call the institution nearest you to enroll in classes.

College of DuPage (COD)..... 630-942-2600
2525 Cabot Dr. #201
Lisle, IL 60523
www.cod.edu/bpi

Elgin Community College..... 847-214-7488
1700 Spartan Drive, Business Center, Room #107
Elgin, IL 60123
www.elgin.edu/business

Joliet Junior College..... 815-280-1400
214 N. Ottawa St.
Joliet, IL 60432
www.jjcced.org

McHenry County Community College.... 815-455-6098
8900 Highway US 14
Crystal Lake, IL 60012
www.shahcenter.mchenry.edu

Waubonsee Community College..... 630-906-4143
5 East Galena Blvd.
Aurora, IL 60506
www.waubonsee.edu

Other Resources

The **Office of Consumer Affairs** in Washington, DC provides advice and technical assistance to businesses on consumer concerns involving advertising, warranties, credit and complaint handling.
www.dcra.dc.gov **202-442-4400**

The **Office of Small and Disadvantaged Business Utilization, Environmental Protection Agency, (EPA)** can help with environmental laws and explain the impact on your business.
www.osdbu.dot.gov **800-532-1169**

The **Federal Trade Commission, Franchise and Rule Information Hotline** can assist when you are considering buying a franchise.
www.ftc.gov **312-960-5633**

Independent Accountants of Illinois
www.illinoisaccountants.com **800-222-2270**

Coalition of Citizens with Disabilities provides advice and assistance with matters pertaining to the ADA-Disabilities Act.
www.ccdionlione.org **800-433-8848**

Consumer Credit Counseling can provide assistance with personnel credit problems.
www.aurorafcs.org **630-844-3327**

Bar Associations

Illinois State Bar Association..... 800-678-4009
www.isba.org

Cook County..... 312-630-1157
www.cookcountybar.org

DuPage County 630-653-7779
www.dcba.org

Kane County..... 630-762-1900
www.kanebar.org

DeKalb County..... 815-787-4455
www.dekalbbar.org

The local libraries and the Chambers of Commerce are excellent sources of information on many subjects.

**FOR COUNSELING LOCATIONS/HOURS AND LINKS
VISIT OUR WEBSITE AT:
www.SCOREFoxValley.org**

Or call the counseling location most convenient to your home or work:

Aurora/Waubonsee College.....	630-906-4143
Aurora Fox Valley Chapter	630-692-1162
Elgin Office	847-214-7488
Elmhurst Chamber of Commerce.....	630-834-6060
Joliet Junior College	815-280-1418
Lisle	630-942-2600
McHenry	815-479-7709
Naperville Chamber of Commerce	630-355-4141
Resource Bank - DeKalb.....	815-748-1649

What is the SCORE Association?

The SCORE Association is a non-profit organization dedicated to helping the small business community through no-fee mentoring, business counseling and low fee educational workshops. SCORE members volunteer their time and considerable expertise to help coach the next generation of entrepreneurs at *no cost*.

SCORE has 389 chapters and over 10,500 members nationwide. These volunteers have assisted in excess of 5.2 million business owners since it was established in 1964.

The SCORE membership is comprised of both working and retired business owners and corporate executives, who collectively give over 1 million volunteer hours annually, sharing their real-world knowledge with aspiring entrepreneurs and established small business owners.



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