

IN BRIEF

New Business Basics

Congratulations on your new business venture. While ASAP does not provide tax or legal advisory services, and there are a number of items to review and discuss with your CPA and legal counsel, here are some basics for you to consider and reference. This list should not be construed as all-inclusive please refer to the IRS and State for additional resources.



Establish

- Business Name (and DBA if applicable)
- Legal Counsel
 - Articles of Org.
 - Operating Agreement
- Insurance
- CPA
 - Tax Planning

Register

- Federal FEIN/TIN#
- State
 - Sales Tax/Wage Withholding (CR100)
 - State Unemployment Insurance Acct. (UITL)
- City
 - Business License
 - Sales Tax
 - Liquor License

Build

- Hiring
 - Employee/Employer Forms
 - HR (employee handbook, job descriptions, checklists, etc.)
- Accounting/Payroll
 - Setting up QuickBooks
 - Tracking Start Up Costs/Expenses
 - Ongoing Bookkeeping
 - Payroll Processing

EmployER & EmployEE Taxes

Taxes are deducted from each Employee's Gross Wages and Compensation for Social Security, Medicare, Federal Withholding, and State Withholding Taxes. Employers pay taxes based on Employee's Gross Wages and Compensation (1). Your Employer taxes are on top of the Gross Wages paid to each employee and are part of each payroll liability.

Payroll Recordkeeping Obligations

Under the Fair Labor Standards Act (FLSA), employers are required to track and record payroll and employee records for at least three years. In addition to the FLSA (2), each state(2) may have its own laws on payroll recordkeeping. Be sure to review your state's labor laws carefully.

Workers Compensation Insurance

In general, if your business has employees, workers compensation(3) coverage is required. Rates are established by state and by business classification. Consider Pay-As-You-Go where your premium is based on actual payroll (rather than an estimated premium).

Resources:

- 1) [Overview, Employer and Employee Taxes](#)
- 2) [Fair Labor Standards Act](#) , [Colorado Wage Act](#)
- 3) [Overview, Workers Compensation Insurance](#)

Other:

- [IRS Checklist for Starting a Business](#)
- [Colorado Business Resource Guide](#)
- [About.com Business Structure Basics](#)
- [Employee or Independent Contractor](#)
- [Restaurant Payroll](#)

Where ASAP can assist:

Payroll Processing	Time & Labor	Accounting
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Applying for tax accounts and registering your business can often be complex. ASAP provides assistance in ensuring your applications are filed correctly based on your business, contact ASAP to speak with a business specialist. 877-728-6777