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# The University of Georgia

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**Center for Agribusiness and Economic Development**

**College of Agricultural and Environmental Sciences**

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## Georgia New Business Start Up Check List

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Center Report 06-10  
September, 2006

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## Georgia New Business Start-up Check List

*(Disclaimer: It is important to note that laws and regulations are continually changing and this document is meant to be used as a guide and may not reflect recent changes in laws and regulations. It is up to the user to verify the information presented in this document)*

Small businesses, even home based business must comply with numerous local, state and federal regulations. It may be easy to avoid or ignore regulatory details but may come back to haunt you down the road as regulations can have a significant impact on a business. Failing to address applicable regulations in the beginning may avert some red tape in the short term, but could be a serious impediment to future growth. Taking the time to research the applicable regulations is as important as knowing your market.

This document was created to provide a checklist of some of the most common regulations and requirements facing small businesses. Regulations vary by industry and this checklist is not exhaustive. Failure to fully investigate the regulations that affect your industry could lead to being out of compliance resulting in your business being unprotected legally, leading to financial penalties and jeopardizing your business. It is ultimately up to the business owner to investigate and address the regulations that adhere to their specific business.

- **Business Licenses** -In the State of Georgia, business licenses may be obtained from the county and/or city in which the primary place of business would be located. Therefore, it may be beneficial to contact your local business licensing authority for further information. To find out who regulates business licenses in your county, you may contact your local chamber of commerce office. To obtain the number for your local chamber office you can contact the Georgia Chamber of Commerce at 404-223-2264 or by visiting their website at: [www.gachamber.com](http://www.gachamber.com).

**Source:** Georgia Secretary of State

**Website:** <http://www.sos.state.ga.us/firststop/faqs.htm>

**Telephone:** (404) 417-4490

**Forms:** [www.georgia.gov/00/channel\\_title/0,2094,4802\\_5039,00.html](http://www.georgia.gov/00/channel_title/0,2094,4802_5039,00.html)

- **Business Registration** - All businesses that operate in Georgia or conduct business in the state are required to register for one or more tax-specific identification numbers or licenses. If you need additional registration information, contact Registration and Licensing at 404-417-4490. Registration information is also available at

**Source:** Georgia Department of Revenue

**Website:** <https://services.georgia.gov/dor/olbr/TaxRegistrationGateway>

**Telephone:** 404-417-4490

- **Doing Business As (dba) or Fictitious Business Name** - Individuals doing business under a name other than their personal or legal name or when registered as a business under a business name other than their legal or personal name or when a registered corporate name, partnership, or trademark mark are required to notify the public. The purpose is to protect the public by providing information of a public record of the identity of a fictitious business name owner. Corporations doing business under their corporate name or to those practicing any profession under a partnership name are exempt. These can also be known as "trade names." At times, a dba is used when a company decides to do business under a name other than that in which they are registered. Pursuant to O.C.G.A. 10-1-490 trade names are registered with the Clerk of Superior Court of the county where the business is principally located.

**Source:** Georgia Secretary of State

**Source:** <http://www.sos.state.ga.us/corporations>

**Telephone:** 404-656-2817

- **Business Organization** - There are many legal forms of business. The most common are Sole Proprietorships, General and Limited Partnerships, C and S Corporations and Limited Liability Companies. Each legal structure provides different organizational options that provide differing levels of liability protection and varying tax and liability. It is important that you investigate each form of business and consult an attorney and or accountant to determine which is the best form of business for your business.

**Source:** Georgia Secretary of State

**Source:** <http://www.sos.state.ga.us/corporations>

**Telephone:** 404-656-2817

## **TAXES AND RELATED ISSUES**

- **Sales and Use Tax**- Any business entity that sells, offers for sale, regularly solicits sales of tangible personal property, certain taxable services, or contracts to provide services in the State of Georgia is required to register for a Sales and Use Tax Certificate of Registration. Georgia's basic state sales tax is 4.0%. However, there are a number additional of state and local sales taxes that may apply depending on the goods and services sold This registration does not require renewal and remains in effect as long as the business entity exists with no change in ownership or structure. Registration forms can be faxed to 404 417-4318.

**Website:** [www.etax.dor.ga.gov/ctr/formsreg.shtml](http://www.etax.dor.ga.gov/ctr/formsreg.shtml)

**Contact:** TSD-sales-tax-lic@dor.ga.gov

**Source:** Georgia Department of Revenue

**Note:** The State of Georgia has classified certain materials utilized in agricultural production as tax exempt, these items include containers sold for agricultural production, draft livestock, potting soil used for production. There are a number of exempt items which can be found at the website below.

*Unprepared food* is exempt from the state portion of the sales tax but not from the local portion. See the following website for additional information.

**Website:** [www.etax.dor.ga.gov/HotTopics.shtml](http://www.etax.dor.ga.gov/HotTopics.shtml)

- **Federal Employer Identification Number** - An Employer Identification Number (EIN) is also known as a Federal Tax Identification Number, and is used to identify a business entity. The EIN is needed for a host of purposes, including paying payroll and other taxes doing business with government, creating a business checking account, and forming a legal business structure.

**Source:** Internal Revenue Service

**Website:** [www.irs.gov/businesses/small/article/0,,id=98350,00.html](http://www.irs.gov/businesses/small/article/0,,id=98350,00.html)

- **State Taxpayer Identification Number (STIN)** is a number assigned by the Georgia Department of Revenue to every business that registers for a tax specific identification number, permit, or license. Each registration for a particular business is housed under its STIN. The Department uses the STIN to reference taxpayer account information, as well as to establish liabilities and credits.

Registration with the Department of Revenue does not relieve a business from its requirement to register with the Secretary of State or any other agency. You must contact the appropriate agency to obtain their registration requirements.

**Source:** Georgia Department of Revenue

**Telephone:** 404-417-4490

**Website:** [www.etax.dor.ga.gov/inctax/sti.shtml](http://www.etax.dor.ga.gov/inctax/sti.shtml)

**Contact:** ctaxreg@dor.ga.gov

- **Federal Self-Employment Tax** -Everybody is required to pay Social Security Taxes, even the self employed. Self employed people are required to make payments via the self employment tax.

**Source:** Internal Revenue Service

**Telephone:** 1-800-829-1040

**Website:** [www.irs.gov/localcontacts](http://www.irs.gov/localcontacts)

## PROPERTY AND SITE ISSUES

- **Certificate of Occupancy** -Utilizing a new or used building may require a Certificate of Occupancy form from a city or county zoning department. As a rule of thumb, all new buildings and existing commercial properties that have an up fit or addition or require a building permit are required to have a certificate of occupancy inspection prior to being occupied. The contractor is responsible for notifying the appropriate regulating body.
- **Zoning** - A business operating out of any building will need to be zoned for business use in that geographic area. An office in the home may have special considerations. In most cases, there is a zoning or planning office that will provide help. You can also check with your local chamber of commerce for help in determining the appropriate zoning and permitting agency..
- Many occupations and activities must be **licensed or permitted**. There are permits required for parking lots, signage, home based businesses, noise, etc...
- **Georgia Division of Public Health** is responsible for regulating and inspecting the food service industry, sewer systems, and tourist accommodations. These businesses that involve the sale of food or lodging and will generally have health inspection requirements. These may be determined by consulting the Georgia Division of Public Health and your local county Health Department, which is often the enforcement body for state health regulations and inspections.

**Source:** Georgia Division of Public Health

**Website:** <http://health.state.ga.us/programs/envservices/index.asp>

**Telephone:** 404-657-6534

- **Georgia Department of Agriculture** is responsible for regulating and enforcing many food related businesses across the state. The following provides a brief description of the various regulatory functions provided by the Department of Agriculture and contact information.

· **Consumer Protection Division** administers state laws, rules and regulations for retail and wholesale grocery stores, retail seafood stores and places in the business of food processing and plants which are currently required to obtain a license from the Commissioner under any other provision of law: bakeries, confectionaries, fruit, nuts and vegetables stores and places of business, and similar establishments, mobile or permanent, engaged in sale of food primarily for consumption off the premises

**Source:** Georgia Department of Agriculture

**Telephone:** (404) 656-3627

**Website:** [http://agr.georgia.gov/00/article/0,2086,38902732\\_0\\_40971469,00.html](http://agr.georgia.gov/00/article/0,2086,38902732_0_40971469,00.html)

**Specific areas of responsibility include:**

- **Food Safety** is responsible for enforcing state laws, rules and regulations by conducting sanitation inspection of retail food stores, salvage food operations, mobile meat trucks and rolling stores to insure good manufacturing practices. Various tests are performed during inspection including fat tests to check fat content in ground beef, candling shell eggs for wholesomeness, and black light for signs of rodent infestation. They also check scanners and scales to insure accuracy of pricing and weight and the shelves of retail and wholesale stores for out of date food products.

**Source:** Georgia Department of Agriculture

**Telephone:** (404) 656-3632

**Website:** [http://agr.georgia.gov/00/article/0,2086,38902732\\_0\\_40971469,00.html](http://agr.georgia.gov/00/article/0,2086,38902732_0_40971469,00.html)

- **Grocery Stores-** The Georgia Department of Agriculture reviews blue prints of retail operations prior to their construction as well as reviewing sandwich and retail store labels to insure compliance with state and federal laws, rules and regulations.

**Source:** Georgia Department of Agriculture

**Telephone:** (404) 656-3622

**Website:** [http://agr.georgia.gov/00/article/0,2086,38902732\\_0\\_40972622,00.html](http://agr.georgia.gov/00/article/0,2086,38902732_0_40972622,00.html)

- **Dairy** is responsible for establishments only involved in the production or processing of dairy or related products .

**Source:** Georgia Department of Agriculture

**Telephone:** (404) 656-3723

**Website:** [http://agr.georgia.gov/00/article/0,2086,38902732\\_0\\_40971722,00.html](http://agr.georgia.gov/00/article/0,2086,38902732_0_40971722,00.html)

- **Organic Agriculture** provides information on organic agriculture in Georgia.

**Source:** Georgia Department of Agriculture

**Telephone:** (706) 595-3408

**Website:** [http://agr.georgia.gov/00/article/0,2086,38902732\\_0\\_40972659,00.html](http://agr.georgia.gov/00/article/0,2086,38902732_0_40972659,00.html)

- Fire Department Inspection** - Businesses having regular entry and use of the facilities by the public, as well as housing flammable materials, will generally need a fire department inspection. Consult your local fire department for more information.
- Environmental permits** - Your business may require an environmental permit. Environmental permit information can be found under the Department of Environment and Natural Resources. Examples include; Ambient air monitoring, non-point sources of pollution, including erosion and sedimentation, and solid waste disposal.

**Source:** Georgia Environmental Protection Division  
**Website:** [http://www.gaepd.org/Documents/index\\_air.html](http://www.gaepd.org/Documents/index_air.html)  
**Telephone:** 1-800-241-4113

## TRADEMARKS, PATENTS AND COPYRIGHTS

- **Trademarks** can be a word, phrase, symbol or design, or a combination of these that identifies and distinguishes one product or business from another. Trademarks can be obtained at the state level and at the national level. National trademarks supersede state trademarks.

- **Source:** Georgia Secretary of State  
**Website:** <http://www.sos.state.ga.us/corporations/trademarks.htm>  
**Telephone:** (404) 656-2861

- **Federal Registration of Trademark** provides nationwide protections for a \$325 registration fee (small entity). The trademark lasts indefinitely if renewed every 10 years. However, there is a catch, between the 5<sup>th</sup> and 6<sup>th</sup> year, an affidavit must be filed to keep the registration alive

**Source:** U.S Patent and Trademark Office  
**Telephone:** 1 800 786-9199  
[www.uspto.gov/main/trademarks.htm](http://www.uspto.gov/main/trademarks.htm)

- **Federal Patent Registration-** Generally, the term of a new patent is 20 years from the date on which the application for the patent was filed in the United States or, in special cases, from the date an earlier related application was filed, subject to the payment of maintenance fees. U.S. patent grants are effective only within the United States, U.S. territories, and U.S. possessions. Under certain circumstances, patent term extensions or adjustments may be available. There are a number of different types of patents available. It is important to read the various types and seek professional help to ensure that the patent is filed correctly. The types of patents are:

- Provisional Patent Application
- Non-provisional (Utility) Patent Application Filing Guide
- Design Patent Application Filing Guide
- Plant Patent Application
- International Application

**Source:** U.S Patent and Trademark Office and Georgia Secretary of State  
**Website:** [www.uspto.gov/web/patents/types.htm](http://www.uspto.gov/web/patents/types.htm)  
**Telephone:** 1-800-786-9199

**Note:** Only attorneys and agents registered with the U.S. Patent Office may represent inventors in related matters and perform searches.

- **Copyrights** -Copyright, a form of intellectual property law, protects original works of authorship including literary, dramatic, musical, and artistic works, such as poetry, novels, movies, songs, computer software, and architecture. A copyright prevents illegal copying of written matter, works of art or computer programs. In order to ensure copyright protection, the copyright owner should always include notices on all copies of the work. Copyright does not protect facts, ideas, systems, or methods of operation, although it may protect the way these things are expressed.

**Source:** U.S Patent and Trademark Office and Georgia Secretary of State

**Website:** <http://www.copyright.gov>

**Telephone:** 202-707-3000

## INSURANCE

- **Insurance** - Businesses need insurance for protection against fire, theft and other losses. Businesses may require specialized insurance, some of which are required by law. It is important to have an insurance specialist thoroughly analyze your business to determine your insurance needs. Remember, insurance may have limitations, waivers of coverage and exemptions of which you need to be aware. Some of the most common business insurance is as follows:
  - *Liability Insurance* - Protects your business from liability in the event someone or something is injured while using your product. Liability insurance protects against injury claims, property damages, and advertising claims as well as selling or manufacturing products in the event of a person becoming injured as a result of using the product.
  - *Property* - Property insurance provides protection for your property which can include equipment and or buildings. Rule of thumb, if you cannot afford to replace it, insure it.
  - *Business Interruption or income* - Covers fixed costs when your businesses is not operational because of some type of damage, i.e., covers taxes, utilities and other continuing expenses
  - *"Key Man"* - Often time required if the company is borrowing money. It provides income if a critical member of your company becomes ill or dies and provides capital during the transitional period.
  - *Automobile/Vehicle* - It is obvious that a vehicle owned by your business should be insured for both liability and replacement purposes. What is less obvious is that you may need special insurance (called "non-owned automobile coverage") if you use your personal vehicle on company business. This policy covers the business' liability for any damage which may result for such usage.
  - *Office and Director* - If your business has officers and directors, your business may want to consider this insurance to provide them protection from any personal liability they

may incur as a result of their company actions. .

*Home Office* - If you have a home based business, make sure your homeowners policy will cover office equipment.

**Sources: Georgia Insurance and Fire Safety Commission**

**Telephone: 800-656-2298**

**Website: [www.inscomm.state.ga.us/INSURANCE/RegulatoryServices.aspx](http://www.inscomm.state.ga.us/INSURANCE/RegulatoryServices.aspx)**

## LABOR ISSUES

- **Labor laws**- Federal and State laws regarding employee protection apply to all businesses that have employ people. These laws encompass a variety of topics to include state labor laws, work force availability, prevailing wages, unemployment insurance, unionization, benefits packages and employment services contact your state government.

**Source:** Georgia Department of Labor

**Website:** [http://www.dol.state.ga.us/service\\_dir.htm](http://www.dol.state.ga.us/service_dir.htm)

**Telephone:** (404) 232-3515

**Source:** U.S. Department of Labor

**Website:** [www.dol.gov](http://www.dol.gov)

**Telephone:** 1-866-4-USA-DOL

- **Unemployment Insurance** -Businesses are required by the state to pay unemployment insurance tax if the company has one or more employees for 20 weeks in a calendar year, or it has paid gross wages of \$1,500 or more in a calendar year. The taxes are payable at a rate of 2.7 percent on the first \$8,500 in annual wages of an employee.

**Source:** Georgia Department of Labor

**Website:** [http://www.dol.state.ga.us/ui\\_rules.htm](http://www.dol.state.ga.us/ui_rules.htm)

**Telephone:** (404) 232-3990

- **Workers Compensation** - In general, if you employ more than 3 people in addition to the sole proprietor, partners, formulators of the LLC, executor of the estate, and bearer of the trust you are required to have workers compensation insurance. It does not matter if these employees are full time, part time, regular seasonal or family members. Exceptions to coverage requirements include railroad carriers, U.S. Government agencies, farm laborers, and domestic servants. Go to the following website or call to learn more.

**Source:** State Board of Workers Compensation

**Telephone:** (404) 657-7285

**Website**

[http://sbwc.georgia.gov/00/article/0,2086,11394008\\_11400533\\_42600637,00.html](http://sbwc.georgia.gov/00/article/0,2086,11394008_11400533_42600637,00.html)

- **Immigration Worker Policy** - The Federal Immigration Reform and Control Act of 1986 requires all employers to verify the employment eligibility of new employees. The law obligates an employer to process Employment Eligibility Verification Form I-9. Employers must keep each I-9 on file for at least three years, or one year after employment ends, whichever is longer. There are numerous forms of acceptable I.D. that can be found on the back of the I-9 form.

**Source:** US Department of Labor

**Telephone:** 1-866-4-USA-DOL

**Website:** [www.dol.gov/esa/regs/compliance/ofccp/ca\\_irca.htm](http://www.dol.gov/esa/regs/compliance/ofccp/ca_irca.htm)

**Form Website:** [www.uscis.gov/graphics/formsfee/forms/i-9.htm](http://www.uscis.gov/graphics/formsfee/forms/i-9.htm)

## HEALTH AND SAFETY

- **OSHA** The Federal Occupational Safety and Health Administration (OSHA) outlines specific health and safety standards employers must provide for the protection of employees. It is important to minimize workplace risks and associated costs. North Carolina State offers an online course designed to help businesses owners identify and minimize workplace risks. Visit their website: [www.ies.ncsu.edu/safetyhealthmgmt/](http://www.ies.ncsu.edu/safetyhealthmgmt/)

**Source:** U.S. Department of Labor

**Website:** <http://www.osha.gov/>

**Telephone:** 1-800-321-OSHA

**Source:** U.S. Department of Labor

**Website:** <http://www.osha.gov/>

**Telephone:** (770) 493-6644

- **Workers Compensation-** Workers compensation insurance is required if your business employs three or more people. It provides protection to workers injured on the job. The website below provides answers to frequently asked questions.  
[http://sbwc.georgia.gov/00/channel\\_modifieddate/0,2096,11394008\\_12749187,00.html](http://sbwc.georgia.gov/00/channel_modifieddate/0,2096,11394008_12749187,00.html)

**Source:** State Board of Workers' Compensation

**Website:** <http://sbwc.georgia.gov/02/sbwc/home/0,2235,11394008,00.html>

**Telephone:** 404-656-2048

## FOOD SPECIFIC

- ❑ **UPC code or Uniform Code Council** - if your business will involve selling products through retail establishments, there is a good chance that you will need to get a UPC bar code. Most retailers require these UPC codes on products and you should have it incorporated into your label and or packaging. The UPC is obtained from The Uniform Code Council, Inc., which is not a government agency. The Council assigns a manufacturer's ID code for the purposes of bar coding.:

**Source:** Uniform Code Council Inc.,

**Website:** <http://www.uc-council.org/>

**Telephone:** (513) 435-3870.

The following Services are offered though The University of Georgia's Department of Food Science & Technology Extension program. They all share common contact information.

- ❑ **Food Nutrition Labels** -UGA Food Science Outreach provides nutritional analysis of your recipe formulation (strictly confidential) and provide a "camera ready" nutritional facts label for your product. This label meets the FDA labeling requirements. If you are located INSIDE the State of Georgia click here for our requirements for performing a nutrition analysis of your product.
- ❑ **Better Process Control School** -The Better Process Control School offers instruction which fulfills the FDA and USDA Good Manufacturing Practices (GMP) requirements to certify supervisors of acidification, thermal processing, and container closure evaluation operations during the canning of low-acid or acidified foods. Classes are typically offered in March each year. See the current EFS calendar for more information.
- ❑ **Quality Audits** - This is a program designed to provide insight and evaluation for plant efficiency improvements, regulatory compliance and product safety. This is followed by a comprehensive workshop for plant management and supervisors to develop total quality management concepts.
- ❑ **Sanitation Workshops** -Emphasis is on the control of food safety and quality. Course content includes food spoilage, food poisoning and food infection, cleaning and sanitizing, personal hygiene, and basic microbiology.
- ❑ **Food Process Development and Validation**

**Source:** UGA Food Science Outreach Extension

**Website:** <http://www.efsonline.uga.edu>

**Telephone:** (706) 542-2574

# The Center for Agribusiness and Economic Development



The Center for Agribusiness and Economic Development is a unit of the College of Agricultural and Environmental Sciences of the University of Georgia, combining the missions of research and extension. The Center has among its objectives:

- To provide feasibility and other short term studies for current or potential Georgia agribusiness firms and/or emerging food and fiber industries.
- To provide agricultural, natural resource, and demographic data for private and public decision makers.

To find out more, visit our Web site at: <http://www.caed.uga.edu>

**Or contact:**

**John McKissick, Director  
Center for Agribusiness and Economic Development  
Lumpkin House  
The University of Georgia  
Athens, Georgia 30602-7509  
Phone (706)542-0760**

The University of Georgia and Fort Valley State University, and the U.S. Department of Agriculture and counties of the state cooperating. The Cooperative Extension Service offers educational programs, assistance and materials to all people without regard to race, color, national origin, age, sex or disability.

An equal opportunity/affirmative action organization committed to a diverse work force.

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**Center Report 06-10**

**September, 2006**

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Issued in furtherance of Cooperation Extension Acts of May 8 and June 30, 1914, the University of Georgia College of Agricultural and Environmental Sciences, and the U.S. Department of Agriculture cooperating.

**J. Scott Angle, Dean and Director**