ACA Small Business Checklist Checklist Results

License and registration requirements are not the same for every business. Not all businesses need a license and some may need more than one.

Select from the list below to create a checklist pertinent to your particular business that will direct you to most of the business forms you may need and information for contacting licensing agencies. For additional information regarding Transaction Privilege Tax, Business, and Regulatory licensing, see the <u>Business Licensing</u> page.

PLEASE NOTE: While creating your checklist, if you do not find your particular business occupation/activity, there may be several items that will direct you to most of the information you need. For example, if you plan to open a bowling alley, activities you might select include: selling a product, selling food/beverage, amusement, rental, etc.

For information on Business Resources, Counseling and Assistance Organizations, Financing Options and Funding Sources, and Business Considerations - including buying a business, see <u>I am thinking about starting a business in Arizona</u>.

STATE LICENSING Business License

Contrary to popular belief, Arizona does not issue nor require a "generic" state business license just because you are in business. Therefore, direct customer service activities, such as house cleaning, lawn maintenance, pet sitting, etc., do not typically need a license from the state to be in business.

Transaction Privilege (Sales) Tax (TPT) License

If you plan to sell a product or engage in a service subject to state and/or local transaction privilege (sales) or use tax, you will most likely need to obtain the state transaction privilege tax (TPT) license (commonly referred to as a sales tax, resale, wholesale, vendor or tax license) from the Arizona Department of Revenue. For more information, see Engaging in activities subject to transaction privilege (sales)/use tax.

Regulatory (Professional/Special) Licensing/Permits

If your business is involved in activities supervised and regulated by one or more state offices, then you may need to obtain special licenses, certification, or permits, in addition to any other licenses/permits that may be required.

For questions about whether or not your business activity is subject to state regulatory compliance/licensing, check with the appropriate <u>state regulatory agencies</u> and review the <u>Arizona Revised Statutes</u>. For more information, see <u>Business Licensing</u>.

LOCAL COMPLIANCE Zoning

There may be restrictions on where you can locate your business and what improvements you can make to your existing property, so it is necessary to contact the city/town (or county if business will be based in an unincorporated region of the county) planning and zoning division regarding zoning laws before you commit to anything.

Business Licensing

Most city/town offices require businesses based within their jurisdiction - including those that operate from their home via the Internet - to obtain their business license. Businesses operating within their jurisdiction may also need to obtain their business license. This is true even if the business is engaged in an activity that does not require a license from the state.

County offices do not typically issue a general business license, however, they may still have business compliance requirements/restrictions. See Special Licensing/Compliance section below.

There is not a "blanket state license" that allows you to "opt out" of obtaining any local licenses which may be required.

Contact the business licensing division of any city/town/county office in which your business will be based and/or operate to verify any license requirements they may have for your particular business/business activity. **Special Licensing/Compliance**

Certain types of businesses or business activities may be subject to special licensing at the local level - in addition to any other business license requirements. Examples include: alarm-related businesses; auctioneers/auction houses; carnivals; coin-operated game machines/centers; concession games; curb painters; escort bureaus; filming; food-related businesses; fortune telling; hanging flyers; knocking on doors; activities involving liquor and related products; massage businesses; mechanical rides; pawn shops/pawnbrokers; pet grooming; pool halls; selling ammunition/firearms; selling scrap metal; selling antiques or second-hand items, including gold, clothing, and appliances; sexually-oriented businesses; special events; mobile food vendors; street/sidewalk vendors; teenage dance halls; towing services; valet services; etc.

The county health departments issue permits to - and perform inspections on - businesses like food establishments, pet shops, public accommodations, public and semi-public swimming pools, mobile food vendors, and trailer parks. The county regulates water, wastewater and solid waste related activities.

City/town offices generally require pretreatment devices - such as grease traps or sand/oil interceptors - for businesses that discharge to the local sewer system. Types of businesses include restaurants, auto shops, car washes, laundromats, bakeries, and breweries.

Contact the different city/town/county departments directly - such as building, regulatory (special) licensing, environmental, fire, and police/sheriff – to inquire about any business compliance requirements or restrictions they may have for your particular business/business activity.

ENVIRONMENTAL COMPLIANCE

Your business may be subject to environmental compliance at the state, local and/or federal level. Many industries are subject to environmental compliance, including: Asphalt, Auto Repair, Car Wash, Construction, Dry Cleaner/Laundry, Food Processing, Pest Control, Pharmaceutical, Photographer, Portland Cement Plant, Print Shop, RV/Mobile Home Park, School, Solid Waste Hauler, Spray Painting Booth, Water Company, Woodworking Shop, etc.

BONDING/INSURANCE

Although not generally a legal requirement, bonding and insurance for service businesses may be required or requested by your customers in order to perform your services. Please refer to your <u>personal insurance agent</u> or a bonding company for assistance on this matter and any additional insurance needs.

BUSINESS TAXES

Our <u>Business Taxes</u> page includes links to many helpful resources including: Business Basics - A Guide to Taxes for Arizona Businesses; Starting a Business - What New Business Owners Need to Know About Federal Taxes; and Seminars, Workshops and Online Learning.

PROTECT YOUR BUSINESS

Visit <u>Protecting Small Businesses</u> on the Federal Trade Commission (FTC) website for information to help you avoid scams, protect your computers and networks, keep your customers' data safe – and protect your bottom line. Stay connected by subscribing to the FTC's Business Blog.

BUSINESS COUNSELORS

Some organizations, such as the <u>Arizona Small Business Development Centers (AZSBDC) Network</u> and <u>SCORE</u> offer small business entrepreneurs confidential business counseling services at no charge, local and online workshops, as well as, resources, templates and tools to assist entrepreneurs.

FEEDBACK/SUGGESTIONS

Didn't find what you needed? Find a bad link? Identify information that needs to be added/updated? Encounter a problem? Call the Program Manager at 602-845-1274.

Did you find this Checklist Program easy to use and helpful? We welcome your feedback and suggestions - and appreciate your support - to enhance this free, online tool! Email: smallbiz@azcommerce.com and add in the subject line.

DISCLAIMER

The ACA Checklist Program is not intended to be comprehensive and should not be used as the sole reference when starting a business in Arizona. Regulations and other legal requirements change constantly and there may be some obligations for your specific business activity this Checklist Program does not cover. We strongly suggest you consult an <u>attorney</u>, <u>accountant or other business consultant</u>.

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Thank you for using the ACA Checklist Program. We hope you will take advantage of this statewide "go-to" resource for each phase of your business development. We wish you much success in your business endeavor.

Sincerely, Arizona Commerce Authority - Small Business Services