

# HOW TO START A BUSINESS ROADMAP



## MONTGOMERY, ALABAMA IS A GREAT LOCATION FOR YOUR BUSINESS TO START, STAY AND GROW!

Our goal is to make conducting City-related transactions as smooth and seamless as possible. Below we've outlined the steps you need to take and what you need to know about the City as you operate your business as well as helpful resources to get you started.

### STEP 1. BUSINESS EDUCATION & TRAINING

If you've never started a business before, the first step is to educate yourself on what it takes to have and run a successful business. Take advantage of free training and counseling services.

The Montgomery Chamber of Commerce created the Work Together Business Studio and Co-Space, for makers, creatives, small businesses, entrepreneurs, freelancers and the community to connect, innovate, create, train and empower.

Alabama State University offers technical and management assistance to small businesses and prospective business owners by offering no-cost business advising and educational training through its Small Business Development Center.

#### EDUCATION & TRAINING QUICK LINKS

Work Together Business Studio - Chamber  
Entrepreneur's Toolkit - Chamber  
Alabama Small Business Development Center - ASU  
Online Learning and Educational Products - IRS



### STEP 2. WRITE A BUSINESS PLAN

A good business plan guides you through each stage of starting and managing your business. You'll use your business plan as a roadmap for how to structure, run, and grow your new business. Here you'll find resources to help you map out how to start and run your business successfully.

#### WRITE A BUSINESS PLAN QUICK LINKS

The Small Business Administration (SBA) Written Guide  
Montgomery Chamber of Commerce Business Plan Outline  
The Lean Business Plan Template (PDF)



## STEP 3. FINANCE YOUR BUSINESS

Financing your business is often dependent on having a sound business plan that identifies start-up capital needs and cash flow requirements. Once this information is in hand, find out which financing options are best for you and to contact those resources regarding any assistance that may be available for your business.

Find government-backed loans, venture capital and research grants to help you get started.

### Most financing sources are determined by the following:

- Your vision, presentation, negotiation skills and marketing strategy
- The amount of funding you need and how you plan to use it
- Your personal financial history and current financial condition
- The type and amount of collateral you have
- Your skills, expertise and ability to manage the type of business you plan to create

### Small business financing sources may include:

- Personal resources
- Family and friends
- Traditional banks
- Small Business Administration loans
- Private investors

**FINANCE YOUR BUSINESS QUICK LINKS**  
Loan / Funding Programs- SBA



## STEP 4. CHOOSE A BUSINESS LOCATION

Selecting a location for your business is among the most important decisions business owners must make. From home-based businesses to identifying a suitable commercial space, the significance of location should never be under-estimated. Before you identify your business' location, be sure to get all the facts and make an informed decision.

### Zoning & Site Selection

Once you choose the place you want to do business, you can request a Business Location Assessment from the City's team of Building Permit professionals prior to leasing, purchasing, or otherwise committing to a property. Businesses are only allowed in the proper zoning district and must receive a Certificate of Occupancy or "CO". If the building you have chosen will operate with the same use as before (you want to open a restaurant where a restaurant used to be) you are already ahead of the game. If you are changing the use - such as converting office space to a restaurant - you may have more things to change.

### Other Factors Influencing Site Selection

Other key factors in selecting a business location are proximity to customers, ease of access for shipments and supplies, and the cost of renovation or new construction. While not available in all locations, local, state or federal incentives may be available to reduce your costs and encourage you to locate your business in special districts.

**BUSINESS LOCATION QUICK LINKS**  
Certificate of Occupancy Form  
Taxes & Incentives  
City of Montgomery Zoning Ordinance (PDF)



## STEP 5. FORMALIZE YOUR BUSINESS

Formalizing your business means taking time to complete the legal, regulatory, and structural steps required to start a business.

### Decide the Legal Structure

Decide which form of ownership is best for you: sole proprietorship, partnership, Limited Liability Company (LLC), corporation, S corporation, nonprofit or cooperative. Financial, tax and legal obligations are impacted by the legal structure of the business entity. Speak with your legal advisor to determine the best structure for your business.

If you choose partnership, Limited Liability Company (LLC), corporation, S corporation, nonprofit or cooperative - you will need to apply for a Federal Employer Identification Number (FEIN) obtained through the U.S Internal Revenue Service (IRS).

If you choose sole proprietorship - you will need to use your Tax Identification Number (this will be your Social Security Number or ITIN)

### Register Your Business Name

Registering your business name is important to the branding of your business in the City of Montgomery. When doing business in any name other than your personal name, it is important to register your "Doing Business As" (DBA) name with the appropriate authorities.

#### FORMALIZE YOUR BUSINESS QUICK LINKS

SBA's: "Choose Your Business Structure"  
 Entrepreneur Magazine: "Choose Your Business Structure"  
 Apply for a Federal Employer Identification Number (FEIN) Online  
 Everify Your Business Online  
 Alabama Office of the Secretary of State, Name Reservation Online Portal



## STEP 6. OBTAIN BUSINESS LICENSES & PERMITS

Congratulations! Below you'll find all the forms you need to successfully start your business.

Certificate of Occupancy  
 Business License Application

Tax Forms  
 Gas Tax | PJ Gas Tax  
 Sales Tax | PJ Sales Tax  
 City of Montgomery Lodging Tax | PJ Lodging Tax  
 Rental Tax Return- City & Police Jurisdiction  
 Beer Tax  
 Whiskey Tax  
 Wine Tax

