

FACT SHEET FOR STARTING A SMALL BUSINESS IN NEW JERSEY

1. Statutes in New Jersey covering both a sole proprietorship and a partnership require that your business trade name be registered separately in each county where it will be used to do business. When doing business under your own name as a sole proprietor county registration is desired but is not required. If a business operates under more than one trade name a separate certificate is required for each name. Each County Clerk's office establishes the trade name registration procedure for that County.

Monmouth County Procedure - You must go in person to the *Deed and Mortgage Room* located on the first floor of the County Clerk's building (located in the Market Yard Parking Lot behind the American Hotel) to compare the selected business name with all other names already in use in the County. Once your business name is determined to be unique you go to Business Trade Name Registration office on the second floor to complete three copies of the *Certificate of Trade Name* form. All owners must be present and have identification suitable for notarizing the signatures. There is no charge for notarizing the signatures. One of the three *Certificates of Trade Name* will be issued to you immediately to open a business checking account. A second copy will be mailed to you after verification with the third copy going to Trenton. The filing fee is \$54.00 in cash or money order. Call 732-431-7320 for further information.

Ocean County Procedure - The business owner may obtain the *Trade Name Registration* Form in person at the County Clerk's office, Room 119, or may request a *Trade Name Registration* package be mailed by calling 732-506-5198. The cost to file in person is \$50.00 plus \$5.00 for notarizing each person's signature. As in Monmouth County one form will be returned to you to open a bank account, another will be mailed back to you after verification and the third will be mailed to Trenton. If you register by mail the fee is \$53.00 which includes \$3.00 for the name search. However, you must bear the cost of the signature notarization for each person.

2. Anyone establishing a business in New Jersey must register it for tax purposes 15 days before starting business. You may write to State of New Jersey, Department of the Treasury, Division of Revenue, PO Box 252, Trenton, NJ 08646-0252 or call Client Registration at 609-292-1730 to request a copy of the REG-P. By filing the form NJ-REG, contained in the package, you will be registered for all applicable taxes and related liabilities administered by

the Division of Taxation and Division of Labor. Another resource is the State government web site www.state.nj.us/treasury/taxation.

3. If you have one or more hired employees you must file the State of New Jersey New Hire Reporting Form which is a part of the REG-P package. All sole proprietorships operating in NJ must obtain Worker's Compensation insurance if one or more individuals, excluding the business owner, receive compensation for service. There are no exclusions for family members or minimum payroll.
4. Every employer must apply for an "Employer Identification Number" (Form SS4) to comply with Federal Income Tax, Social Security and federal Unemployment Insurance regulations. For Federal business tax information contact the IRS office at 800-829-4933. You can also obtain an EIN by logging on to www.irs.gov and entering "online EIN" in the search site box on the home page. Remember, you need an EIN if you have employees, operate your business as a corporation or partnership or have a Keogh plan.
5. There are many state and municipal ordinances that govern business operations. In some communities a mercantile license may be required. If you sell alcoholic beverages or perform engineering services, sell real estate, do electrical installations or plumbing, operate a drug store, food establishment, barber shop, beauty parlor, etc. there is a likelihood that some local regulations will govern your business. Investigate carefully with your local officials to make sure you are in compliance with all regulations and also obtain a Certificate of Occupancy for the premises.
6. If your business is subject to consumer regulations, consult any local office of the Division of Consumer Affairs. You will find the address in the telephone book under "State of New Jersey" listings or call 800-242-5846 or 973-504-6200.
7. The Immigration and Naturalization Service will provide a copy of the Publication "Handbook for Employers" which provides instructions on how to complete the "Employer Eligibility Verification" Form I-9, which is required by law when hiring a new employee. To obtain a copy and for additional information call (973) 645-4400.
8. Before entering any business deal, always check the terms and conditions carefully. If a lease is involved, take it to your lawyer for review. If it involves real estate, be sure there is a reputable broker, as his license protects your interests. Every real estate transaction must be in writing to be valid and, conversely, you are responsible for every commitment you agree to in writing.
9. To contact other State agencies call Directory Assistance, State Government Information Center at 609-292-2121.