

GETTING OFFICIALLY OFFICIAL

DO YOU HAVE A BUSINESS NAME?

If you have not picked a name for your business, you will want to do that before filing a DBA. Let's keep it simple for now. You can use your own name along with what you do: Bob's Building Services, Sue's Baking Corner. You can be creative, but make sure people know exactly what you do based on your name.

GET YOUR DBA ON

Go to your county clerk's office and file your DBA or Assumed name certificate. The form is pretty self-explanatory, but the clerk office can help you out if you have any questions. Remember, unless you are incorporated, you are a sole-proprietor.

GET A BUSINESS BANK ACCOUNT

Set up a bank account if you are ready for it and if you have money to deposit. It is good to have a bank account and let it 'age' a bit if you are not incurring any fees. Use this account for anything you buy for your business so you can keep track of your business expenses separately.

KEEPING GOOD RECORDS

LEDGER: YOUR KEY TO YOUR CASH

Set up a ledger using the sample on the next page. You can use that page or create the same columns on the top of a spiral notebook. You just want to have ONE location to keep track of all the money going into and out of your business.

ASSETS SHEET: YOUR KEY TO WHAT YOU START WITH

Make a list of all the items you currently own and use for your business. If you use your computer, what percentage of your time on that computer do you use for business items? Use the following worksheet.

BONUS: Make a list of things you would like to purchase as your business grows. After you have your list, put them in order of which ones you want first. These will be goals and rewards you can use for purchasing as your business grows and you begin to make money. One way of doing this list is to use sticky-notes or scraps of paper. Write each item on a different note, then put them in order with your most wanted (or best priced) item on top. When you buy something, add it to your Asset sheet along with the date you purchased it. Don't forget to put it in your ledger.

RECEIPT FOLDER: YOUR KEY TO TAX RECORDS

Get a folder or some sort of container where you can begin keeping all of your receipts. Everything you buy or money you make will go in your ledger, but the IRS (tax place) wants to see records to prove that you actually purchased the items you use on your taxes. I would suggest having a folder for purchases and a folder for receipts where you paid someone for a service. You can also have a folder where you keep track of the receipts for when you get paid for items. It helps to keep these things separated. You can even do this digitally with a smart phone. Make sure you make a note on each receipt about what it was used for and why that was for business. Did you enter those receipts in your ledger? You should do this at least monthly.