NF93-148 Checklist for Starting a Home-Based Business

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Checklist for Starting a Home-Based Business

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There are many things to keep in mind when you consider starting a home-based business. A new business venture will affect both you and your family. Carefully analyze your reasons for starting a business and how the business will fit with your family and its activities. Ask yourself the following questions:

- Do you want to earn more money?
- Do you want to be more creative?
- Do you want more contact with people outside your family and neighbors?
- Are you looking for more flexibility in your work and family schedule?
- Are you ready for different challenges and adventures?
- Have you discussed the proposed business activity with your family?
- Have they decided upon their level of involvement in the business operation?
- Are they willing to make adjustments when necessary?
- Have you agreed to spending the money needed for business startup and for initial operating capital?

Before you dive headfirst into a home-based business, you must understand what's involved. Use the following checklist as you begin planning your home-based business:

- Check local zoning regulations with city/county officials.
Obtain local permits and/or variances from city/county zoning officials, pay fees, and have permits in hand.

Contact the Nebraska Department of Economic Development's One Stop Business Assistance Center at 1-800-426-6505 to determine the state licenses, permits and regulations applicable to your particular kind of business.

Choose a name for your business. Avoid a name that is the same or very similar to the name of an already established business. Develop a logo, if desired.

Complete an Application for State Registration of Trade Name (if applicable). Call the Secretary of State at 402-471-4079 to obtain form.

Complete a Nebraska Tax Application (Form 20) to secure a Nebraska tax identification number. To obtain form, call 1-800-742-7474.

Contact the Internal Revenue Service to obtain a federal employer identification number (EIN) and other items as necessary. Call 1-800-TAX-FORM. An EIN is required for all partnerships and corporations as well as sole proprietorships if wages are paid to one or more employees.

Open a checking account in the business name.

Establish prices or a fee schedule.

Decide on needed insurance and/or bonding coverage and secure cost quotations from insurance agent or broker.

Write a business plan.

Seek financing, if needed.

Set up work area.

Obtain business cards, letterhead and stationery.

Obtain an answering machine and/or business phone line.

Determine record-keeping requirements and set up a bookkeeping system.

Do advertising and publicity.

Start promoting your business.

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File NF148 under CONSUMER EDUCATION
D-5, Consumer Information — General
Issued November 1993