



How to Start a Business in Iowa

Checklist

1. Form your business.

1.1. Review formation options in Iowa.

Review the different formation options offered in Iowa and pick the one that best suits your business.

1.2. Name your business.

Research your business name and check with the Iowa Secretary of State if it is available for you to use. Then, apply to reserve the name.

1.3. Get an Employer Identification Number.

Apply for an EIN with the IRS.

1.4. Register your business in Iowa.

Sole proprietorships and general partnerships must contact their local county recorder to find out about registering their business. Limited partnerships, limited liability partnerships, limited liability companies, and corporations must register with the Iowa Secretary of State.

1.5. Obtain necessary permits and licenses.

The state of Iowa does not require businesses to have a statewide business license. You may, however, need specific business licenses and permits depending on the type of business you start in Iowa.

1.6. Register a fictitious business name.

Sole proprietorships and general partnerships must register a trade name with their local county recorder while all other business structures must file a resolution to adopt a fictitious name with the state. This can only be done if your business is already registered.

2. Register your business for taxes.

2.1. Register for Iowa sales tax.

If your business sells tangible personal property and other taxable products and services, you require a sales tax permit. You can register for sales tax with the Iowa Department of Revenue by mail, fax, or online.

2.2. Register for consumer's use tax.

Iowa businesses that purchase taxable goods or services that are consumed in Iowa but do not pay sales tax when they are making the purchase must register for consumer's use tax. This can be done by mail, fax, or online.

2.3. Register for withholding tax.

Businesses in Iowa that have employees must register for withholding tax as they are required to withhold federal income tax on the compensation they pay their employees. This can be done by mail, fax, or online.

3. Report new hires and get insurance.

3.1. Report employees to the state.

Employers in Iowa are required to report new hires and re-hired employees to the state within 15 days of employment.

3.2. Obtain mandatory insurance.

Iowa's law requires all employers to provide workers' compensation coverage to their employees.

3.3. Display required posters.

Employers are required to display certain mandatory posters in the workplace. These are available on the Iowa Workforce Development website.