Zarla

How to Start a Business in Maryland
Checklist

1. **Form your business.** ☐

   1.1. Review Maryland formation options. ☐

   There are four primary ways of forming a business in Maryland. Select the one that best suits your business.

   1.2. Name your business. ☐

   Perform a business entity search on the Maryland Business Express website to check that your chosen name is available to use. Then, file a name reservation of register a trade name.

   1.3. Get an Employer Identification Number. ☐

   Apply for an Employer Identification Number on the IRS website.

   1.4. Register your business in Maryland. ☐

   Register your business with the Maryland State Department of Assessments and Taxation (SDAT). This can be done online through the Maryland Business Express website or by obtaining the relevant application forms, completing them, and submitting them to the SDAT accompanied by the applicable filing fee.

   1.5. Obtain necessary permits and licenses. ☐

   Obtain licenses and permits you need to operate your business in Maryland. To find out what licenses and permits you need, contact your local clerk of the court and county office, and visit the Maryland licensing OneStop portal.

2. **Register your business for taxes.** ☐

   2.1. Set up Maryland tax and insurance accounts. ☐

   Register for tax and insurance accounts with the Comptroller of Maryland.

2.2. Apply for a Maryland sales and use tax account. ☐

If your business makes sales or provides taxable services in Maryland, you must apply for sales and use tax. Register an account with the Comptroller of Maryland.

2.3. Apply for an employer's withholding tax account. ☐

Employers paying salaries, wages, or compensation to individuals are required to have an employer's withholding tax account. Register an account with the Comptroller of Maryland.

2.4. Apply for an unemployment insurance account. ☐

Industrial and commercial employers, as well as many nonprofit businesses, are subject to the state unemployment insurance law and must register an unemployment insurance account with the Comptroller of Maryland.

3. Report employees to the state and get insurance. ☐

3.1. Report new employees to the state. ☐

Report new hires to the Maryland State Directory of New Hires Reporting within the first 20 days of their employment.

3.2. Obtain mandatory insurance. ☐

In Maryland, workers' compensation insurance is mandatory. Maryland is also a mandatory vehicle insurance state.