



How to Start a Business in Texas Checklist

1. Form your business.

1.1. Review formation options in Texas.

There are six types of business entities in Texas. Choose the one that suits your business best.

1.2. Name your business.

After checking to see your name does not exist, register your business name with the Secretary of State.

1.3. Get an Employer Identification Number.

Apply for an EIN with the IRS.

1.4. Register your business in Texas.

Sole proprietorships and general partners do not need to file with the state. LLCs and corporations must file certificates of formation online.

1.5. Obtain necessary permits and licenses.

Check the Department of Licensing and Regulation website to see if your business requires any special licenses. If you do, apply for them online.

2. Register your business for taxes.

2.1. Register for a Sales and Use Tax.

Apply for your sales tax permit at the Texas Comptroller for free.

2.2. File for Franchise Tax.

The Texas Comptroller sets up a Franchise Tax account for you once you have registered your business with the Secretary of State. You need only wait for the Comptroller to mail you confirmation and then complete a questionnaire.

2.3. Register properties for local Property Tax.

Approach your local tax authorities to register for local Property Tax assessments of any properties used to generate income.

3. Hire employees and report them to the state.

3.1. Report employees to the state.

Register with the Child Support Division of the Office of the Attorney General to begin reporting new hires.