



How to Start a Business in Vermont Checklist

1. Form your business.

1.1. Review Vermont formation options.

Review the different ways one can form a business in Vermont and select the one that best suits your business.

1.2. Name your business.

Check whether the name you chose for your business is available for you to use and file an application to reserve your business name.

1.3. Register an assumed business name.

If you are forming a sole proprietorship or partnership and wish to operate under a name that differs from the legal name of your business, you must register an assumed business name. For any other business entity, only register an assumed business name once your business is registered with the state.

1.4. Get an Employer Identification Number.

Apply for an Employer Identification Number with the IRS.

1.5. Register your business in Vermont.

Except for sole proprietorships, all business types must file with the Vermont Secretary of State to register their business. Applications can be filed by mail or online.

1.6. Obtain necessary permits and licenses.

The state of Vermont does not require a general business license but many of the cities in Vermont do. You may also need additional licenses depending on the activities of your business.

2. Register your business for taxes.

2.1. Register with the Vermont Department of Taxes.

Register a business tax account through the Vermont Online Business Service Center or directly with the Vermont Department of Taxes.

2.2. Register for Vermont sales and use tax.

If your business sells tangible personal property, you must register for sales and use tax.

2.3. Register for Vermont meals and rooms tax.

If your business sells meals, serves alcohol, or rents rooms to the public, you must register for meals and rooms tax.

2.4. Register for withholding tax.

If your business employs individuals in Vermont and pays wages, pensions, annuities, and other payments, you must register for withholding tax.

3. Hire employees and report them to the state.

3.1. File new hire reports.

In Vermont, new hire reporting is mandatory. This can be done by mail or online. New hire reports must be filed within 10 days of employment.

3.2. Obtain mandatory insurance coverage.

Employers in Vermont are required to have workers' compensation and unemployment insurance.