



## Right ... From the Start

Congratulations on making the decision to launch your own business. Now it's time to develop a plan and choose a legal structure, if you haven't done so, and make sure you comply with state and federal regulations. You can learn more about these requirements on our website, but here's some of what's involved:

### **Make a plan**

Studies show that business owners who craft a business plan have a higher rate of success. Just as you wouldn't travel in unfamiliar territory without a road map, you shouldn't embark on a business venture without an idea of where you're going and how to get there. See the *Plan for Profitability* page in this packet.

### **Choose a legal structure**

How you structure your business is up to you. You can be a sole proprietor or form a partnership. Perhaps a corporation or limited liability company offers more of what you need. The City can't offer you legal advice, but an attorney can. Effective July 1, 2013, if you incorporate your business, you must file with the New Mexico Secretary of State at [www.sos.state.nm.us](http://www.sos.state.nm.us).

### **Obtain a federal tax ID number**

Your business must be recognized by the federal government. While your personal Social Security number might suffice for a sole proprietorship, most businesses require an Employer Identification Number, or EIN. Apply for an EIN at the Internal Revenue Service website at [www.irs.gov](http://www.irs.gov).

### **Obtain a state gross receipts tax (CRS) number**

Apply for a state gross receipts tax number online at the New Mexico Tax and Revenue Service website at [www.tax.newmexico.gov](http://www.tax.newmexico.gov).

### **Register your business with the City of Lovington**

Visit us in person at City Hall after you've received or applied for the state gross receipts tax. Bring proof of the application if you haven't been issued a number.

### **Obtain necessary permits or certifications**

Permits and certifications are required for specific industries, including construction, financial services, manufactured housing, alcohol and gaming. To see whether your business requires special permits, visit the New Mexico Regulation and Licensing Division website at [www.rld.state.nm.us](http://www.rld.state.nm.us).

### **Follow the law when you hire**

The U.S. Department of Labor website at [www.dol.gov](http://www.dol.gov), lists federal rules governing workplace safety, wages and hours and nondiscrimination. Find rules specific to New Mexico – such as the state minimum wage – at the New Mexico Department of Workforce Solutions, [www.dws.state.nm.us](http://www.dws.state.nm.us). This is also where you register as an employer. To register for workers' compensation insurance, visit the Worker's Compensation Administration at [www.workerscomp.state.nm.us](http://www.workerscomp.state.nm.us).