



A Guide to Starting Your Business in Harrisonburg



START HERE!



IS YOUR BUSINESS IDEA FEASIBLE?

DRAFT YOUR BUSINESS PLAN AND PROJECTIONS

REGISTER YOUR BUSINESS AND ITS NAME



CHOOSE A LEGAL BUSINESS ENTITY STRUCTURE



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S CORP?



APPLY FOR A FEDERAL TAX ID NUMBER



SECURE FINANCING



FIND A LOCATION

For a more in-depth guide, visit www.harrisonburgdevelopment.com/starting-a-business or call Harrisonburg Economic Development at (540) 432-7701.

APPLY FOR PERMITS



REGISTER YOUR TRADE NAME



APPLY FOR A BUSINESS LICENSE



FINALIZE THE PAPERWORK



OPEN!

Prepared by:



Congratulations on your decision to start a business! With a strong entrepreneurial spirit, a supportive business ecosystem and a pipeline of talented, energetic college graduates, Harrisonburg is the ideal place to start a business.

This guide can serve as a road map as you journey from a business idea to an open business. If you have questions along the path, please feel free to contact Harrisonburg Economic Development at (540) 432-7701 or econ_dev@harrisonburgva.gov.

Other agencies within the city will also be a part of your journey including Community Development, the Commissioner of Revenue, and the Treasurer's Office. Thank you for being a part of growing the Harrisonburg economy. We look forward to working with you on your journey to opening your business!





The Shenandoah Valley Small Business Development Center (SVSBDC) is a great partner for aspiring entrepreneurs. Start off with their free Start Smart Workshop. The workshop covers the steps to a successful start, including registrations, regulations, and the components of sound business planning and financial projections. Visit their website at: www.valleysbdc.org/services/training/startsmart/ for details on registering. They also have an Idea Analysis Checklist to help you determine if your business idea is feasible.

DRAFT YOUR BUSINESS PLAN & PROJECTIONS

Once you have determined your idea's feasibility, utilize the SVSBDC's Planning Your Start-Up Checklist to get organized. Next, you can progress to drafting a business plan and projections. You can find a link to all of these helpful planning documents at: www.harrisonburgdevelopment.com/documents-help-get-started/.



A business becomes a ‘legal entity’ meaning that it can own property, can hold bank accounts, and pays taxes almost exactly as if it were a living citizen of the Commonwealth of Virginia. There are several types, however, each with its own benefits and limitations. While it can be changed later, it is far easier to make this decision correctly before going further.

The ‘right choice’ for you is truly dependent on your needs. Get to know the types and make a good decision for yourself. This decision impacts taxes, the relationships between owners, and, legal liability. If the company is sued for personal injury, can the plaintiff sue you personally and take your house, car, and bank accounts? These are important considerations. A lawyer or a business counselor can help you analyze the options and pick which is best for your company.



Virginia offers an online registration system. You can register by starting at: bosapp.cyberdatainc.com/bos/. If your business structure is too complicated for the online system, or if you are starting a non-profit organization, the forms must be filled out and filed manually with the State Corporation Commission (SCC). A lawyer can help you with this. Virginia's Business Information Hotline can assist: (866) 248-8814.

Other things to consider:

- Check with SCC to make sure your company name isn't taken, and register your name and trademarks with the federal government.
- You can register for Small, Women-owned, and Minority-owned Business certification at: www.sbsd.virginia.gov/certification-division/swam/. This designation can enhance procurement opportunities with state funded projects.



The same way a person has a Social Security Number, a business has federal and state tax numbers. Visit: www.irs.gov/businesses/small-businesses-self-employed/small-business-forms-and-publications for assistance in obtaining a federal tax ID number. Virginia's Business One Stop can assist in obtaining a state ID number. Their website is: bosapp.cyberdatainc.com/bos/.

FIND A LOCATION

Harrisonburg Economic Development can help you find the right space for your business. Whether your company is big or small, we can identify potential locations for you and provide specifications of each space. Additionally, our office can arrange tours of each space for you. Our mission is to find the best space available to help your business succeed. **It's important to verify that the zoning is appropriate for your business by speaking with the city's Community Development Department.**

REGISTER YOUR TRADE NAME



Register your business trade name with the Rockingham County Circuit Court at:

www.rockinghamcountyva.gov/363/Business-Trade-Name

SECURE FINANCING

Throughout this process, you should be exploring your financing options either from friends, family, investors, banks or government programs. The timing of this step varies by case and is up to you. The Harrisonburg Business Loan Program provides up to \$25,000 to encourage small business development and expansion. The program provides an alternative to traditional loans, making it easier for small businesses to access funding.

The SVSBDC can assist you in exploring all your financing options. Some existing programs include:

- The Small Business Administration's 7(a) Loan Program and the Microloan Program.

- The Virginia Small Business Financing Authority is the Commonwealth of Virginia’s financing arm, offering program for small businesses.
- The Virginia Economic Development Partnership offers a variety of financing and incentive programs in conjunction with Harrisonburg Economic Development.

APPLY FOR PERMITS

Visit the city’s Community Development office to discuss zoning requirements and to determine which permits you will need to operate your business. These may include building permits, sign permits, health inspection, fire inspection and others. Economic Development can assist you in working with other city agencies.

APPLY FOR A BUSINESS LICENSE

All business and professional operations must purchase a business license before commencing operation in the City of Harrisonburg, including home-based businesses. For business license information and application, visit the city’s business license page at:

www.harrisonburgva.gov/business-license.



FINALIZE THE PAPERWORK

Review and finalize all your important documents from insurance, bank accounts, real estate, government registrations, special licenses and permits. You're almost at the end of the path!



CONTACT US

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