

How to Set Up A Service Business in Seattle: Taxes and Licensing

for: **Sole Proprietor with no Sales Tax**

Too Legit!

DRAFT

1. **Get Prepared**



- Set up separate banking accounts - checking and savings
- If possible, deposit \$200 - \$500 for start up costs
- Use worksheet to prepare for licensing applications - on the back

2. **Get a state business license** *About \$25*

With the WA State Business Licensing Service (BLS): bls.dor.wa.gov

3. **Get a city business license** *About \$110 (\$55 if you plan to earn under \$20K)*

With the City of Seattle: seattle.gov/licenses/get-a-business-license

4. **Prepare for tax reporting**

At the end of the year, you'll need these figures:

- total income
- mileage
- total expenses

Things to Prepare



- Create a place for all receipts spent on expenses
- Create a record for all of your income (ie. notebook, spreadsheet, collect invoices)
- Set up mileage tracking: notebook in car, or mileage with income record

Habits to Start Now



- Use your business account for all business transactions
- Deposit all income and payments into your business checking
- Always transfer 20% into savings, immediately
- Print your bank statement each month - put them in the same place

5. **Requirements: Put on your calendar**



- Renew City of Seattle business license - by December 31st
- File City of Seattle B&O Tax - January 31st
- File WA State Taxes - by January 31st
- File Federal Taxes - by April 15th

Preparation Worksheet

For setting up a Service Business in Seattle, Sole Proprietor & No Sales Tax

Your Industry / Field

Ex: Massage Therapist
or Consultant

Basic description

1 phrase - 2 sentences

Business Entity
(SP or LLC)

Sole Proprietor

Business Name

DBAs

Doing Business As -
Alternate names to use

NAICS Code

Look up at: naics.com

Estimated Revenue

\$

Annual

Start Date

Location

Other cities or counties?

Bank to be used

As you fill out applications, collect notes here:

UBI

City of Seattle - SELF

user id

password

WA State - BLS

user name

password