

Taxes and Licensing


for: **Sole Proprietor with Sales Tax**


Too Legit!


FREE Beta Version

- 1. Get Ready**
 - Use worksheet to prepare for licensing applications - on the back
 - Decide on your banking preference - to use your name or a DBA
 - If your name: set up separate accounts for business - checking and savings
 - > If possible, deposit \$200 - \$500 for start-up costs
 - If DBA: ask your bank about business accounts - especially fees and minimum balance




-  **Get a state business license** *About \$19 + \$5 per DBA*
With the WA State Business Licensing Service (BLS): bls.dor.wa.gov
-  **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.  **File a New Business Set-Up form - For "personal property tax"**
With King County Assessor: call 206.296.5126 for instructions
Or, go to: kingcounty.gov/depts/assessor/Forms.aspx





- Opt.  Optional - If using DBA for banking - set up business checking and saving**
Take business license, and use your SSN (you don't need an EIN)

- 5.  Prepare for tax reporting - At the end of the year, you'll need these figures:**
- | | | |
|---------------------------|---|--------------------------|
| • total income | • total expenses | • mileage |
| • total retail income | • total Product Supplies | • value of bus. property |
| (if different than above) | • subtotal of Product Supplies that you paid sales on | |

Things to Prepare

- | | |
|---|--|
|  | Create places for all receipts (expenses and product supplies) and for bank statements |
|  | 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 - deposits, purchases and bills |
|  | Always transfer 40% into savings, immediately (30% for IRS + 10% for WA) |
|  | Transfer your "paychecks" over to your personal accounts - as needed |
|  | Print your bank statement each month - put them in the same place |

6. **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
 - ☺ Make report to King County - by April 30th

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Preparation Worksheet

For setting up a Service Business in Seattle, Sole Proprietor with 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