



# Starting a Business in Tennessee

Starting a business can be an exciting, yet scary, undertaking. Many entrepreneurs have a great product or service to offer, but they don't know exactly how to get their business off the ground. Choosing the right CPA firm to help you get started may be one of the most important decisions you'll make.

## Things to do before you are ready to do business

### Why KraftCPAs?

In six decades, KraftCPAs has evolved from an accounting and tax firm to a full-service financial and business advisory firm serving entrepreneurs, owners exiting a business, and everyone in between. We've helped entrepreneurial clients in Tennessee start and grow their businesses through our financial and consulting services including:

- » Start-up consulting assistance
- » Outsourced accounting, bookkeeping & payroll
- » Tax planning, compliance & consulting
- » Accounting software selection, implementation & training
- » Technology consulting, network design & installation, remote access
- » Budgets, projections & feasibility studies
- » Personal financial, tax & estate planning
- » Business valuation
- » Assurance services (compilation, review, audit)
- » Managed IT services
- » Employee benefit plan design\*

### Getting Started

Keeping track of the required filings, deadlines, licenses, and registrations when starting a business in Tennessee can be overwhelming. We set up an online guide to help you get started. Visit

[kraftcpas.com/TNbusiness](http://kraftcpas.com/TNbusiness)

for more information on how to:

- » Obtain a federal I.D. number
- » Elect corporate status
- » Obtain worker's compensation coverage
- » Apply for a Tennessee account number
- » Apply for a liquor license
- » Apply for a business tax license
- » Obtain a sales and use tax certificate of registration
- » Keep track of important tax deadlines



You'll need a CPA firm not only to assist you with accounting and tax matters, but to advise you on general business issues as you set up your new business and plan for the future. Look for a CPA with experience in assisting entrepreneurial clients and seek help in the following areas:

## Business planning

Every business should have a written business plan. While you may not want your CPA to develop the plan for you, he/she can be helpful in suggesting what you should consider in your planning process and what items you should include in the plan. Well thought-out business plans are essential to the long-range success of your business and can be very helpful in obtaining financing.

## Obtaining financing

With contacts in the banking community, your CPA should be able to introduce you to bankers who may be able to provide financing. In addition, at the bank's request, you may need a CPA to prepare financial projections.

## Selecting your business entity type

Deciding whether your business will be a proprietorship, partnership, LLC, PLLC, C corp or S corp will have tax and legal ramifications. Ask your CPA for guidance in deciding which entity type best suits your needs and objectives.

## Choosing an attorney

You'll need an attorney to draft articles of incorporation or a partnership agreement. If you don't have an attorney, ask your CPA for recommendations.

## Setting up technology

These days, technology can make or break your business. Proper set up of your network, email, remote access, and security can save you time, money, and frustration in the future.

## Setting up your accounting system

Who better than an accounting firm to help you set up an accounting system that's right for your type of business? Your CPA can recommend the appropriate hardware, accounting software, and training to meet your needs and fit your budget.

## Choosing an employee benefit plan

Employee benefit plans are a great way to save for retirement — and represent a terrific employee incentive — however, they are tricky and complicated. You need a team of experts who can listen to your objectives, recommend various plan options to meet your needs, set up your plan, provide employee education and support, and select and manage the plan's investments.\*

## Outsourcing options

Early-stage entrepreneurs, who must focus on core business activities like product development, marketing, and customer service, can become distracted by time-consuming functions like accounting and tax. Outsourcing is the smart and cost-effective way to get top-quality professionals without putting them on the payroll. The benefits of outsourcing include:

- » fewer people on your staff
- » less office space/equipment needed
- » reduced salaries and benefits
- » no training time required
- » no daily supervision required
- » experienced staff for a fraction of the cost

\*Plan investment services are provided by our affiliate, Kraft Asset Management, LLC.

“The people at KraftCPAs are much more than just our accountants. Over our many years together, they have taken time to know our business. I regularly rely on them for sound business advice. The multitude of services they offer have been invaluable to our success.”

*Mark Homrich* Volunteer Barge & Transport, Inc.