

**Info sheet >>>**

## **STEP-BY-STEP INCORPORATION GUIDE**

*What you need to know to form a business.*

### **GENERAL PARTNERSHIP**

This resource will help entrepreneurs understand the steps required to legally incorporate and operate in New York State. Not all business structures that are available under the New York Business Corporations Law are included; only the most common ones are within our Step-By-Step Incorporation Guide Info sheets.

#### **GENERAL PARTNERSHIP DEFINED**

A general partnership is a two or more-person owned/controlled business. All partners are jointly and severally liable for partnership debts.

#### **GENERAL PARTNERSHIP**

- All partners are jointly and severally liable for partnerships debts
- Publication not required
- Ownership is divided among partners or as written in Partnership Agreement (PA)
  - Existence ends with death of partner or per terms of PA

#### **LIMITED PARTNERSHIP**

- Limited partners are liable only up to capital they invested in the partnership
- General partner is personally liable for all partnership debts
- Certificate of Publication is required
- Ownership is the same as General Partnership, *except*:
  - General partners have more control than limited partners

### **STEP-BY-STEP >>>**

**1.**

#### **Verify availability of and secure a business name.**

- This can be done through a free search here: [https://www.dos.ny.gov/corps/bus\\_entity\\_search.html](https://www.dos.ny.gov/corps/bus_entity_search.html)

#### **File a Certificate of Assumed Name (if applicable):**

**2.**

- **Filing Fee: \$25 for Certificate of Assumed Name plus county clerk fees for each county the business intends to do business.**
  - **\$100 for each county within NYC, and \$25 for each county outside NYC.**
- Form can be found here: <https://www.dos.ny.gov/forms/corporations/1338-f.pdf>.

**DISCLAIMER:** This info sheet is not intended to provide legal advice and is not a substitute for advice from an attorney, nor does it give rise to an attorney-client relationship. It should be used for educational and informational purposes only. The Rural Law Initiative makes every effort to provide complete and up-to-date legal information. However, legal advice must be tailored to your specific circumstances and laws are always changing. Accordingly, we make no warranties about the accuracy of the information contained herein, and disclaim liability for damages resulting from reliance on these materials.

**STEP-BY-STEP continued>>>****Execute a Partnership Agreement**

- 3.**
- The agreement sets out the responsibilities of each partner, and the procedural rules for partnership governance.
  - Partnership agreement templates can be found online or with your local small business development center.

**Obtain professional licenses (if applicable).**

- 4.**
- Helpful links to identify possible licenses or permits: <http://www.nys-permits.org/>

**Obtain an Employer Identification Number (EIN)**

- 5.**
- Must file **Form SS-4** found here : <https://www.irs.gov/pub/irs-pdf/fss4.pdf> **or** complete the **online application** found here <https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>.

**An important note >>>**

*An EIN is required if hiring employees, opening a business bank account and making purchases on behalf of the business.*

**If you have employees, register for Unemployment Insurance Tax and Employee Withholding Tax:**

- 6.**
- <https://labor.ny.gov/ui/employer.shtm>.

**If you are selling taxable goods or services, you will need to obtain a Certificate of Authority:**

- 7.**
- To find proper form visit: [https://www.tax.ny.gov/bus/multi/register\\_license.htm](https://www.tax.ny.gov/bus/multi/register_license.htm).

**Obtain Other Relevant Insurance: Worker's Compensation, General Liability, etc.****8.**

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