



CHECKLIST

- 1 BUSINESS PLAN**
 - Draft a business plan
- 2 LOCATION**
 - Choose a location, draft a detailed floor plan
- 3 ZONING AND PERMITTING**
 - Visit the Building Commissioner at City Hall
 - File Form of Intent and submit with floor plan, certified plot plan and filing fee (\$15)
 - Receive detailed Zoning Determination from Building Commissioner;
 - Proceed according to instructions in Zoning Determination
 - Set up inspection and receive Certificate of Inspection (\$40 filing fee)
 - Contact the Fire Prevention Bureau to determine if additional permits are needed
 - If building or renovating:* Submit floor plan; Receive building permit
- 4 LICENSING**
 - Become or hire a licensed Contractor, Electrician, HVAC Technician, or Plumber
 - Obtain a Certificate of Registration from the appropriate Board(s) of Registration through the Massachusetts Division of Professional Licensure
- 5 BUSINESS CERTIFICATE**
 - Visit the Fitchburg City Clerk's Office
 - File for a City of Fitchburg business certificate (DBA) and get form notarized (only if company will be a sole proprietorship or general partnership)
 - Submit notarized form with a check or money order in the amount of the filing fee
- 6 TAXES**
 - Visit the Fitchburg City Assessor to file a Form of List
- 7 INTERNAL REVENUE SERVICE**
 - Call the Internal Revenue Service office in Worcester to schedule an appointment
 - File federal tax forms for your business
 - Get a federal tax identification number
- 8 MASSACHUSETTS DEPARTMENT OF REVENUE**
 - Contact the Massachusetts Department of Revenue
 - File Massachusetts state tax forms for your business
 - Get a Sales Tax Registration Number and Certificate
- 9 INSURANCE**
 - Do a risk assessment and inventory of your business's facility and property
 - Visit the Building Commissioner, if necessary, for advice



DETAILED STEPS

1 BUSINESS PLAN

Draft a business plan. Business plans are part of a continuous process to define your business concept, understand your market, set goals and effectively meet client needs. Typically, plans encompass operational issues including, but not limited to, the following:

- What services and products will your business provide and what needs do these fulfill?
- Who is your target market and how will you reach them?
- How will your company secure and repay financing?

This section contains instructions for entrepreneurs looking to start a home improvement business, including advice for aspiring contractors, electricians, HVAC technicians, and plumbers. This guide contains instructions for sole proprietors only. Additional steps are required if you plan to hire other individuals. For more information, visit the **Massachusetts Department of Business and Technology** website.

<http://www.mass.gov/dbt>

Or, contact the **Central Massachusetts Regional Small Business Development Center** for a detailed business plan guide with a sample business plan:

Clark University SBDC
950 Main Street
Worcester, MA 01610
508-793-7615
<http://www.clarku.edu/offices/sbdc>

TIP: This guide concerns the regulations and licensing requirements for starting a sole proprietorship with no employees. If planning on hiring employees, please consult Appendix II, “Navigating the Regulations to Becoming an Employer”

2 LOCATION

Choose a location for your business and draft a detailed floor plan for submission to the **City of Fitchburg Building Commissioner** along with the **Form of Intent**. The floor plan must show how the business or use is going to be set up within the principal structure.

3 ZONING AND PERMITTING

Visit the **Building Commissioner** at **City Hall**.

Building Commissioner
Fitchburg City Hall
166 Boulder Drive
Fitchburg MA 01420
978-829-1880

File a **Form of Intent**. Along with the Form of Intent you must submit a floor plan that shows how the business or use is going to be set up within the principal structure, a certified plot plan showing adequate off street parking and setbacks to property lines, and the \$30.00 filing fee. Be

prepared to provide an explanation about your business and intentions.

The **Building Commissioner** will review your application and write a **Zoning Determination** that will outline step-by-step what you need to do to proceed with your business. Follow the steps in the Zoning Determination.

For home-based businesses:

Home Occupation is allowed by right in Fitchburg provided that it:

- Is conducted solely within a dwelling and solely by the person(s) occupying the dwelling as a primary residence;
- Is clearly incidental and secondary to the use of the premises for residential purposes;
- Does not produce offensive noise, vibration, smoke, dust, odors, heat, lighting, electrical interference, radioactive emission or environmental pollution;
- Does not utilize exterior storage of material or equipment;
- Does not exhibit any exterior indication, including signs, of its presence or any variation from residential appearance;
- Does not produce any customer, pupil, or client trips to the occupation site and has no nonresident employees;
- Is registered as a business with the City Clerk

If these conditions are not met, a home occupation may be allowed by **special permit** issued by the **Board of Appeals**.

Contact the **Fire Prevention Bureau** located at the **Fitchburg Fire Department** to determine whether additional permits or fire prevention systems are needed.

*Fire Headquarters
33 North Street
Fitchburg MA 01420
978-345-9672*

4 LICENSING

In order to become a licensed contractor, electrician, HVAC technician, or plumber you must complete several levels of instruction and certification. The full listing of home improvement licenses is provided by the **Massachusetts Division of Professional Licensure**.

Register with the **Massachusetts Board of Building Regulations and Standards (BBRS)**.

- 4a. If you plan to do residential contracting including, but not limited to, carpentry, roofing, siding, and/or window work, then you must register with the **BBRS Massachusetts Home Improvement Contractor Program**. Call the Home Improvement Contractor Program office at 617-727-7532 to request an application or download the forms online. This program also details contract requirements and provides sample contracts. Depending on scope of your intended business or your professional background, you may be exempt from the registration requirement.

*Massachusetts Home Improvement Contractor Registration Program
State Board of Building Regulations and Standards
One Ashburton Place, Room 1301
Boston, MA 02108
617- 727-7532*

<http://www.state.ma.us/bbrs/hic.htm>

Return your completed application and two certified checks or money orders for your registration fee and one-time Guaranty Fund contribution. Licensed construction supervisors in good standing are exempt from the registration fee but everyone is required to donate to the Guaranty Fund, which reimburses up to \$75,000 of any damages incurred by a home owner whose contractor violates the law. As a sole proprietor, your mandatory donation will be \$100.

Note: Home Improvement Contractor Registration does not give you the authority to perform the duties of a licensed tradesman such as a plumber or electrician. If you plan to become a licensed plumber or electrician, please contact the **Massachusetts Division of Professional Licensure** for details.

- For **HVAC technicians** licensing is handled by the **Department of Public Safety** (Listed as **Executive Office of Public Safety** below)
- For **electricians** by the **Board of State Examiners of Electricians**
- For **contractors** by the **Board of Building Regulations and Standards**
- For **plumbers** by the **Board of State Examiners of Plumbers and Gas Fitters**

You can find applications for examination, as well as other forms, frequently asked questions, instructions, and information at the websites listed below.

Massachusetts Division of Professional Licensure
239 Causeway Street, Suite 500
Boston, MA 02114
<http://www.mass.gov/dpl>

Board of State Examiners of Plumbers & Gasfitters
617-727-9952
<http://www.mass.gov/dpl/boards/pl>

Board of State Examiners of Electricians
617-727-9931
<http://www.mass.gov/dpl/boards/el>

Executive Office of Public Safety
One Ashburton Place, Suite 2133
Boston, MA 02108
617-727-7775
<http://www.mass.gov/dps/>

For information on Registration Examinations, please contact the PSI at 1-800-733-9267 or at <http://www.psiexams.com>.

Have your facility inspected by the appropriate **Board(s) of Registration** and have your **Business Certificate** ready for the inspectors.

Division of Professional Licensure
Office of Investigations
239 Causeway St, Suite 400
Boston, MA 02114

5 BUSINESS CERTIFICATE

You must complete a zoning check before a business certificate will be issued (see section 3).

Prior to opening your business, you must file with the **Fitchburg City Clerk's Office** for a **Doing Business As (DBA) Certificate**.

*City Clerk
Fitchburg City Hall
166 Boulder Drive
Fitchburg MA 01420
978-829-1820*

5a. After filling out the application, have it notarized. Return the completed and notarized form to the Fitchburg City Clerk's office.

TIP: Open a business account with your local bank or credit union. If you are not using your social security number for your business, be sure to get your Tax ID# before opening a business bank account. A separate business account spares you the hassle of untangling personal and business transactions when you file taxes, decreases the likelihood of a missed deduction, and facilitates transparent recordkeeping in the event of an audit. Business accounts also increase credibility with potential lenders and clients and accommodate business growth. If possible get a debit card with your account to help you with back up record keeping.

6 TAXES

Visit the **Fitchburg City Assessor** to file a Form of List. A Form of List is used to document the property owned by your business, so that it may be assessed and taxed by the city. Once you file a Form of List with the City Assessor, a time will be arranged to visit your place of business and assess it for city taxes. The office is open from 8:30am-4:30pm, Monday through Friday.

*City Assessor
Fitchburg City Hall
166 Boulder Drive
Fitchburg, MA 01420
978-829-1860*

7 INTERNAL REVENUE SERVICE

You must also file all necessary tax forms with the **United States Internal Revenue Service**. Once you file these forms, the IRS will give you a tax identification number and provide instructions on compliance with federal regulations.

Typically, along with a basic Form 1040, you must file a *Schedule SE* form (15.3% Soc Security/Medicare Rate for Self-Employed filers) and a Federal *Schedule C* form (Taxed Profit or Loss from Business).

An introductory guide and access to all applicable forms are available through the IRS website:

<http://www.irs.gov/businesses/small/article/0,,id=115043,00.html>

Internal Revenue Service
120 Front Street
Worcester, MA 01608
508-793-8227
<http://www.irs.gov>

8 MASSACHUSETTS DEPARTMENT OF REVENUE

You must also file tax forms with the **Massachusetts Department of Revenue (DOR)**. As a sole proprietor, you are most likely required to file two forms with the Massachusetts Department of Revenue:

- **Form 1** – Massachusetts Resident Income Tax Return (or Form 1 NR/PY for Non-Residents or Part-Year Residents)
- **Schedule C** – Profit or Loss from Business of Profession (self-employed)

A comprehensive guide to small business taxes, as well as online access to all applicable forms, can be found at the website:

<http://www.dor.state.ma.us/business/taxguide/toc.htm>

For additional information, or to obtain the forms by mail, contact the Customer Service Bureau:

Customer Service Bureau
Massachusetts Department of Revenue
200 Arlington Street
Chelsea, MA 02150
617-887-MDOR (6367)
800-392-6089
www.mass.gov/dor

In addition to the Schedule C, if you plan to sell tangible goods, you must obtain Form ST-1 to register to pay Massachusetts state sales tax. Currently, the rate is five percent of taxable items sold.

Complete a *WebFile* for Business application at the DOR website, and in turn you will receive a Sales and Use Tax Registration Certificate (Form ST-1) to be displayed at your place of business.

For a clear and comprehensive introductory information pertaining to sales tax, refer to “A Guide to Sales and Use Tax” available in PDF file through the website:

http://www.dor.state.ma.us/publ/pdfs/sls_use.pdf

- 8a. Call the DOR’s Customer Service Office at 617-887-MDOR (6367) or toll free at 1-800-6089 to request the forms by mail. Forms and filing instructions are available on the DOR website; however, it is still recommended that you speak to a DOR representative to ensure you are in full compliance with the law:

<http://www.dor.state.ma.us/forms/formlist.htm>

- 8b. After you have completed the forms, either file online, or mail the printed forms. Once you file Form TA-1, you will receive your Massachusetts Sales Tax Registration Number. You

must also file tax forms with the **Massachusetts Department of Revenue (DOR)**. Most sole proprietors file a Schedule C form with their income taxes. If you plan to sell tangible goods, you must file a Form TA-1 to pay Massachusetts' sales tax.

9 **INSURANCE**

Do a thorough risk assessment and determine what coverage best suits your business's needs. Visit the **Building Commissioner** to have answered any questions you may have.

- 9a. Most forms of insurance are not required. However, business insurance protects you and your business in the event of fire, theft, or other losses. The most common coverage types include liability, property, business interruption, "key man," automobile, and home office.
 - 9b. If you get insurance, it is recommended that you assess and inventory your business facility and assets every two years. This will ensure replacement costs are up to date, enable you to settle claims faster, and help you explain business losses on your tax returns.
 - 9c. If you operate as a subcontractor on a larger job, you may be required to show evidence of worker's compensation insurance for yourself.
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