

Register Your Business in Nelson County!



Presented by

Central Virginia

Small Business Development Center

In collaboration with

Nelson County

Economic Development Office

8519 Thomas Nelson Hwy, Lovingson, VA 22949

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SBDC Offices:

300 Preston Avenue, Suite 201, Charlottesville VA 22902

Office: 434-295-8198

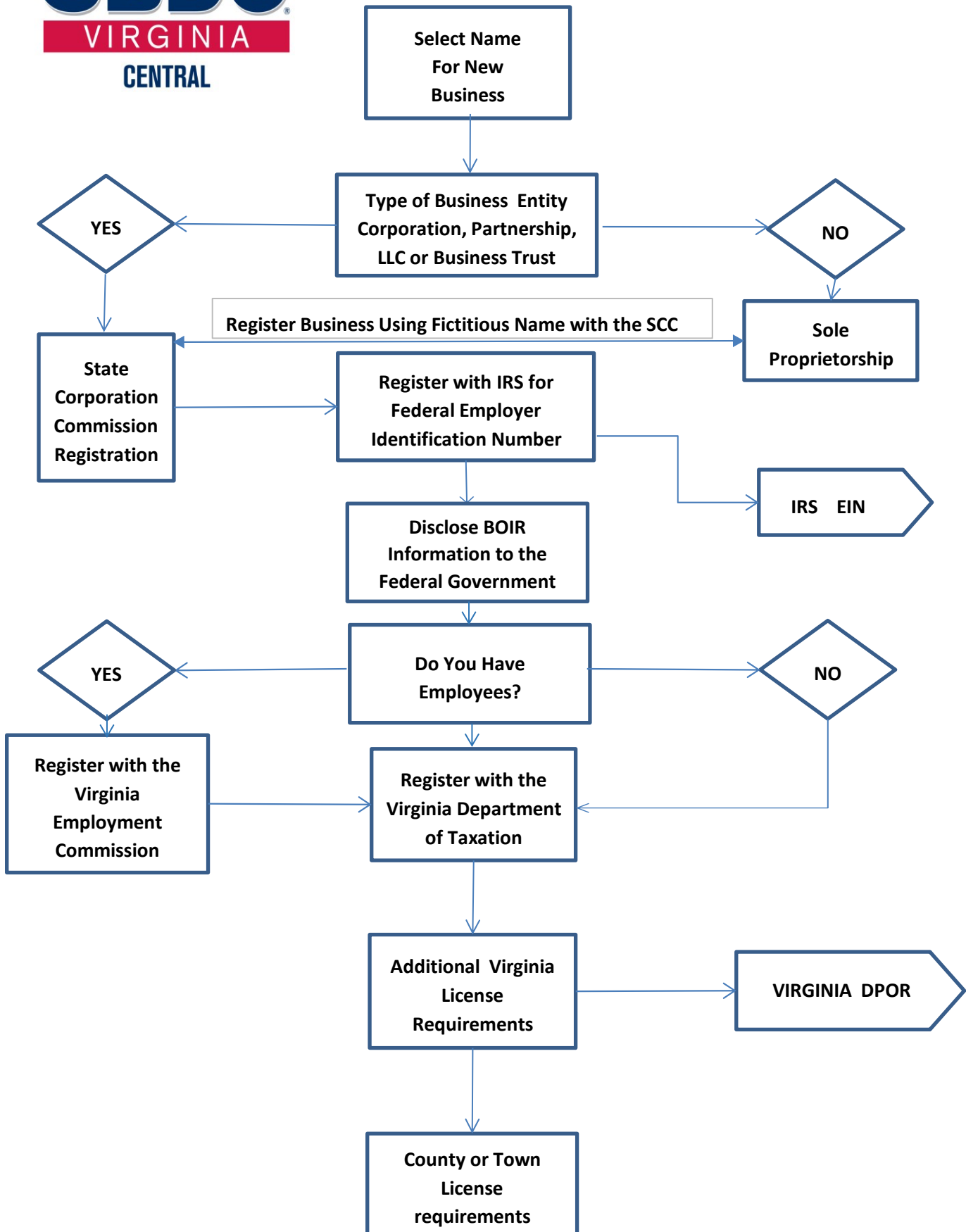
www.cvsbdc.org

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REGISTER YOUR NEW BUSINESS IN NELSON COUNTY



FORMS OF ORGANIZATION

Sole Proprietorship

A sole proprietorship is a business that is owned by an individual who is solely responsible for all aspects of the business. The owner is personally responsible for all debts of the firm, even in excess of the amount invested in the business. All that is necessary to establish as sole proprietorship is to obtain the necessary local licenses. Sole proprietorship is the easiest of the legal structures to set up and is the most common small business legal structure.

Advantages	Disadvantages
<ul style="list-style-type: none"> Owner receives all profits Only profits taxed Owner makes all decisions Low organizational costs Few legal restrictions Simple to organize Easy to discontinue 	<ul style="list-style-type: none"> Unlimited liability No separate legal status Difficulty in raising capital

Partnership

A general partnership is a legal entity that is jointly owned by two or more persons. The owners share the responsibility for debt as in a sole proprietorship. An attorney should be consulted to help prepare the partnership agreement. Limited partnerships must be filed with the State Corporation Commission (SCC). The requirements for establishing a limited partnership include filing a certificate that contains the name of the partnership, its specified office location, its registered agent, and the name of each general partner.

Advantages	Disadvantages
<ul style="list-style-type: none"> Easy to organize Separate legal status Profits taxed only once Taxed at partner's rate 	<ul style="list-style-type: none"> Unlimited liability to general partner Divided decision making Transferability of ownership

Corporation

A corporation is a business that is formed and authorized by law to act as a single person, although constituted by one or more persons, and is legally endowed with rights and responsibilities. There are two general types of corporations: regular and Subchapter-S. Each has numerous variations. It is advisable to consult an attorney when organizing a corporation to assure full compliance with Virginia and federal laws. All corporations are required to file articles of incorporation and amendments with the SCC. Corporations that do business in more than one state must comply with the federal laws regarding interstate commerce and with the various state laws.

Regular Corporation (C Corporation)

The regular corporation is the better-known corporate structure. This type of corporation requires several procedures: obtaining a corporate taxpayer identification number from the Internal Revenue Service (IRS), obtaining a state certificate of incorporation, and holding a stockholders' meeting to elect directors who in turn elect the corporate officers. Each corporation must hold a stockholder's meeting at least once each year, keeping minutes of the meeting on the record. A corporation is either publicly held or closely held, usually depending on the number of stockholders. A closely held corporation is generally one where all the stock is owned by persons, or members of their immediate family, who are actively involved in the management of the business. This kind of corporate structure provides the liability protection, the benefits of being incorporated, and the absence of the public scrutiny applied to a partnership.

Advantages	Disadvantages
<ul style="list-style-type: none"> Limited liability Transfer of ownership Ability to raise larger dollars 	<ul style="list-style-type: none"> Double taxation High organizational costs

S Corporation

Another form of corporation is the Subchapter-S Corporation. A new venture can have no more than 75 shareholders and no more than 20 percent of its income earned from passive investments. The losses of the corporation can be deducted by the individual stockholders and can be earned forward or backward to offset any gains. This is a significant advantage in attracting capital from individual investors who want a tax write-off the first several years when the corporation is losing money. When the new venture starts to earn a profit, the structure can be changed from an S corporation to a regular corporation with its accompanying tax laws.

Advantages	Disadvantages
Limited liability	Extensive recordkeeping necessary
Profits may be taxed only once	High organizational costs
Ability to raise larger dollars	Heavily regulated by State and Local laws
	S Corporation requirements

S Corporation requirements:

- Must be a U.S. Corporation
- Shareholders must be U.S. residents
- Limited number of shareholders
- Only one class of stock
- No corporate or partnership shareholders
- Consent of all shareholders required for S Corporation election

B Corporation

Another subtype of corporation, “Benefit” Corporations are a new structure for corporations that wish to promote public good. The name derives from the goal of a B Corporation being to produce profit in conjunction with other social

Advantages	Disadvantages
Limited liability	Extensive recordkeeping necessary
Transfer of ownership	Annual report filing
Ability to raise larger dollars	Must produce some public benefit in addition to profit
Ability to focus on social good and shareholders instead of solely shareholders	High organizational costs
	Heavily regulated by State and Local laws

benefits. Currently, this structure is recognized in some form by 36 states. Responsibilities and requirements are similar to standard corporations. In addition, B Corporations must declare their commitment to public benefit, in some cases the specific benefit they produce, as well as file an annual benefit report assessing itself against a third-party positive impact standard. Conversion into and out of this structure requires a supermajority (2/3) vote of shareholders.

Limited Liability Company (LLC)

A limited liability company is an unincorporated association. Limited liability companies must be filed with the SCC. The requirements for establishing a limited liability company include filing articles of organization that set forth the name of the company, its principal office address, and its

Advantages	Disadvantages
Limited liability for each member	Limited tax savings for fringe benefits
No limitation on number of members	Regulations vary among states regarding taxation issues
Simplicity in operation & formation (required to file articles of organization)	Some states require that must terminate in 30 years
Flow-through tax advantage	Some states impose a corporate or franchise tax on LLCs

registered agent. All amendments must be filed with the SCC.

Your Government Registration Processes

Registering online is easy. Agencies provide step-by-step guidance in filing for registrations.

All businesses register with:

1) **the Virginia State Corporation Commission (SCC)**

Forms and fees are processed online. Paper submissions do not qualify for expedited services. You can access the SCC site here:

<https://www.scc.virginia.gov/pages/Businesses>

2) **the IRS to obtain an Employer Identification Number (EIN)**

Go to IRS.gov and put EIN in the Search bar, or type in:

<https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>

Note: applying for your EIN is FREE. Go directly to the IRS site to apply.

Will you have **employees**?

3) If you plan to hire employees, you can register with the Virginia Employment Commission (VEC) at the same time you register with Virginia Tax if you register online. VEC is responsible for collecting unemployment tax.

<https://www.tax.virginia.gov/register-business-virginia>

Will you **collect sales or use tax**?

4) Virginia Tax requires businesses to file and pay most sales taxes electronically. Most businesses will file form ST-9.

<https://www.tax.virginia.gov/how-file-and-pay-sales-and-use-tax>

What **local approvals** are necessary?

5) See pp. 11-12 for county planning/zoning, VDOT, health department, and business license requirements.

<https://www.nelsoncounty-va.gov/business/starting-a-business/>

BOIR: Beneficial Ownership Information Reporting

WHAT IS IT? As of 1/1/24, business owners are required to disclose their ownership information to the federal government in order to be in compliance with the Beneficial Ownership Information Reporting Rule (BOIR). This rule is meant to create transparency in the ownership of companies, and prevent the use of shell companies for criminal activity.

WHO DOES IT APPLY TO? This new federal rule applies to most small businesses, but organizations that are exempt can be found [here](#) (for example, non-profit organizations are exempt).

WHAT IS THE TIMELINE FOR FILING? **Current** small business owners (ie. those who started their business prior to 1/1/24) are required to disclose their ownership information to the federal government *no later than December 31, 2024* (this is essentially a one-year grace period).

New business entities starting up in 2024 will have 90 days to complete the BOIR process after filing with the State Corporation Commission (SCC). Note that you will need an EIN to register, so after filing with the SCC, be sure to get your EIN.

Note that new business entities started on or after January 1, 2025 will have only 30 days to register their business after filing with the SCC.

WHERE DO I FILE OR FIND OUT MORE INFORMATION? You can file your BOIR and find answers to commonly asked questions at this link:

<https://fincen.gov/boi>

HOW DO I PREPARE FOR THE PROCESS: You will need a photo ID for each owner (acceptable forms are a passport, driver's license, state ID or tribal ID). You will also need to have an image of that ID that you can upload as part of the process (for example, in .jpg format).

You will need to have an EIN number from the federal government. If you don't already have one, you can file here:

<https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>

PROCESS GUIDE FOR APPLYING FOR YOUR BOIR:

1. Make sure you have 20-30 minutes of time, and the required info and images of your photo ID(s).
2. Go to link: <https://boiefiling.fincen.gov>
3. Select either “FILE PDF BOIR” (you need Adobe Reader, but an advantage is that the pdf can be saved to your computer and worked on at your leisure) or “FILE ONLINE BOIR” (in this case, the pdf cannot be saved to your computer, and must be worked on and submitted all at once).
4. Fill the information out completely and accurately. Use the [FAQ resource](#) if you have any questions. Specific tips are below:
 - Step 3: If you also want to get a [FinCEN identifier](#), select this option. There does not appear to be substantial benefit to getting one, but it is up to your discretion.
 - Step 4: Do not select this because you are NOT a foreign pooled investment vehicle.
 - Step 8: You do NOT put the dash in here, just the 9 digits of the EIN.
 - Step 18: You do NOT need a FinCEN Identifier unless you want one (see above).
 - Step 23: Be sure to put forward slashes in between month, day, and year of birth.
 - Step 24: Select residential address if your official business address is your residence; otherwise select business address.
 - Step 35: Assuming your business isn’t owned by your minor child, don’t check this box.
 - Step 36: Assuming you don’t have a FinCEN Identifier, you can leave this blank.
 - Step 37: Most likely you are not [exempt](#), so unless you are, don’t check this box.
 - Step 42: Don’t forget the forward slashes between month, day, and year.
 - Sep 43: Fill out the residential address for the owner (ie. you). This may or may not be the same as the business address.
 - After you’ve filled out Part III, if you have more than one beneficial owner, fill it out for the second person by clicking at the top right to Add Beneficial Owner.
 - After completing the information and submitting the form, be sure to download your proof of completion and save it with your administrative documents.



About DPOR

<https://www.dpor.virginia.gov/>

Who We Are

DPOR is an executive branch agency that oversees **18 regulatory boards and programs**. Our policy boards-- plus the Board for Professional and Occupational Regulation (**BPOR**)--are comprised of practitioners and citizens appointed by the governor, and are responsible for regulating certain professions and occupations, as determined by the General Assembly. Our **200 employees** serve more than **300,000 individuals and businesses** across **several hundred license types**, ranging from architects and contractors to cosmetologists and professional wrestlers.

What We Do

DPOR issues professional credentials—licenses, certificates or registrations—in the least intrusive, least burdensome and most efficient way. Our goal is to ensure the **minimum competency** necessary to practice without harming the public, not to enhance professional stature or limit competition by keeping newcomers out. Policy boards determine the minimum standards necessary to enter a profession, and qualify applicants based on a combination of **education, experience and examination**. DPOR also enforces standards of professional conduct. The agency **investigates** reports of regulatory violations and seeks to **obtain compliance** with the law or, when necessary, to **discipline** the licensee. Regulatory board sanctions against licensees include fines, probationary terms, suspension or license revocation.

Unlicensed activity—practicing a profession without a required state license—is a misdemeanor criminal violation. **Regulatory boards do not have jurisdiction over unlicensed individuals**. In cases involving allegations of unlicensed practice, DPOR attempts to obtain compliance with licensing requirements or works with local law enforcement to assist in bringing criminal charges. Ultimately, unlicensed activity is outside the boards' legal jurisdiction and prosecution is at the discretion of local officials.

Applicants

Applicants seeking licensure or certification in regulated professions must meet certain entry qualifications. DPOR and its regulatory boards establish entry requirements based upon a combination of education, examination, and/or experience. In some cases, holding a valid license in another state will satisfy some requirements to obtain licensure/certification by reciprocity, endorsement, or comity.

To learn about the specific requirements to enter a particular regulated profession, review the regulations and application forms for that license type.

- [What If You Have A Prior Criminal Conviction?](#)
- **NEW:** [FAQs About Prior Criminal History Disclosure](#)
- [Services for Military Personnel, Spouses & Veterans](#)
- Employee or Independent Contractor? | [Worker Misclassification Prevention](#)

Regulated professions and occupations: (4/1/2023)

- [Architects](#)
- [Asbestos, Lead, & Home Inspectors](#)
- [Athlete Agents](#)
- [Auctioneers](#)
- [Automatic Fire Sprinkler Inspector \(Tradesman\)](#)
- [Backflow Prevention Device Workers \(Tradesmen\)](#)
- [Barbers](#)
- [Body Piercers](#)
- [Boxers, Professional](#)
- [Branch Pilots](#)
- [Cemetery Salespersons](#)
- [Common Interest Community Managers](#)
- [Condominiums](#)
- [Contractors](#)
- [Cosmetologists](#)
- [Electricians \(Tradesmen\)](#)
- [Elevator Mechanics \(Tradesmen\)](#)
- [Estheticians](#)
- [Fair Housing](#)
- [Gas Fitters \(Tradesmen\)](#)
- [Geologists](#)
- [Hearing Aid Specialists](#)
- [Home Inspectors](#)
- [HVAC \(Tradesmen\)](#)
- [Interior Designers](#)
- [Landscape Architects](#)
- [Land Surveyors & Photogrammetrists](#)
- [Lead Abatement Workers](#)
- [Martial Arts, Professional](#)
- [Nail Technicians](#)
- [Onsite Sewage System Professionals](#)
- [Opticians](#)
- [Plumbers \(Tradesmen\)](#)
- [Polygraph Examiners](#)
- [Professional Engineers](#)
- [Property Owners' Associations](#)
- [Real Estate Appraisers](#)
- [Real Estate Salespeople & Brokers](#)
- [Residential Building Energy Analysts](#)
- [Soil Scientists, Professional](#)
- [Tattooists](#)
- [Timeshares](#)
- [Waste Management Facility Operators](#)
- [Wastewater Works Operators](#)
- [Water Well System Providers \(Tradesmen\)](#)
- [Waterworks Operators](#)
- [Wax Technicians](#)
- [Wetland Delineators](#)
- [Wrestlers, Professional](#)

Mailing Address:

9960 Mayland Drive, Suite 400;
Richmond, VA 23233-1485



Nelson County

Commissioner of Revenue

84 Courthouse Square, Lovingson, VA 22949

434-263-7070

434-263-7074 (Fax)

<https://www.nelsoncounty-va.gov/government/commissioner-of-the-revenue/documents-forms/>

Nelson County Registration Requirements:

<https://www.nelsoncounty-va.gov/business/starting-a-business/>

1) Nelson County Requires Zoning Approval and a Business License

Contact the Director of Planning and Zoning (434-263-7090) or visit the office at 80 Front Street to ensure that the business is permitted on the property of your choice.

<https://www.nelsoncounty-va.gov/departments-offices/planning-zoning/>

Contact the Virginia Department of Transportation (434-946-7631) about the property entrance requirements.

Visit the Commissioner of Revenue (434-263-7070) located on the first floor of the courthouse building to obtain your proper business license. See Application on p. 13, available at: https://www.nelsoncounty-va.gov/wp-content/uploads/2023/03/Nelson_County_Business_License.pdf

2) Starting a Business From a Location Other Than Your Home

The Planning/Zoning and Building Inspection process approves in the following order:

- Zoning Compatibility
- Change of Use Permit
- Site Plan Review
- Building Permit
- Certificate of Occupancy

3) Starting a Business in Your Home Will Have Different Registration Requirements

You will need approval for a Home Occupation Permit from the Planning Office (434-263-7090). Return the completed permit application to the Planning Office for Review. The Planning Office will forward the application to the Building Inspector for additional review, if necessary.

4) Food Establishments

A food establishment must be approved by the Health Department, before receiving a license.

BUSINESS LICENSE
COUNTY OF NELSON

COMMISSIONER OF REVENUE

P.O. Box 246 – Lovingson, VA 22949

Phone: 434-263-7070 – Fax: 434-263-7074

DATE _____

_____ NEW _____ RENEW

_____ RETAIL BUSINESS

_____ PROFESSIONAL

_____ OTHER

_____ CONTRACTOR

NAME _____

TRADING AS _____


MAILING _____

ADDRESS _____

___ INDIVIDUAL ___ PARTNERSHIP ___ CORPORATION ___ LLC

LICENSE TAX PAID

\$ _____

NATURE OF BUSINESS	BASE	TAX	PENALTY	TOTAL TAX
<p>_____</p> <p>_____</p> <p>_____</p> <p>I hereby certify that the information given is true and correct to the best of my knowledge</p> <p> _____</p> <p align="center">SIGNATURE OF APPLICANT</p> <p>PLEASE RETURN BOTH COPIES</p>	<p align="center">This Form Must The Commissioner By March 1</p> <p align="center">PLEASE RETURN CHECK Make check payable to: Nelson Co. Treasurer</p>	<p align="center">30.00</p> <p align="center">Be Filed With Of Revenue</p> <p align="center">WITH LICENSE</p>		
<p>Building Inspectors Approval</p> <p>_____</p> <p>Zoning Approval</p> <p>_____</p>			<p align="center">LICENSE TAX</p> <p align="center">PENALTY</p> <p align="center">TOTAL TAX</p>	<p>_____</p> <p>_____</p> <p>_____</p>

DATE BUSINESS BEGAN _____

911 ADDRESS _____

TELEPHONE # _____

E-MAIL _____

FAX # _____

This license shall not be valid or have any legal effect unless and until the taxes prescribed by law (and penalties), as shown on the application be paid to the treasurer of my county, and the fact of such payment appear on the face hereof by the signature of such treasurer hereto.

DATE _____

COMMISSIONER OF THE REVENUE

AMOUNT RECEIVED \$ _____

Resources



The Central Virginia SBDC has *expert resources* to help you. Whether you're just starting out, want to take your business international, or need an exit plan, advising services are free.

Book an appointment today:

cvsbdc.org

434-295-8198



Locate your business in Nelson County! The County's Economic Development Office is your best resource for location and tax incentives.

8519 Thomas Nelson Hwy | Lovingson, VA 22949

nelsoncounty.org

434-263-7015



Mason
Enterprise



The Virginia SBDC Network is funded in part through a cooperative agreement with the U.S. Small Business Administration, George Mason University-Mason Enterprise, and GO VIRGINIA, a state-funded initiative administered by the Virginia Department of Housing and Community Development (DHCD). CVSBDC is hosted by Community Investment Collaborative (CIC). The Virginia SBDC is nationally accredited by America's SBDC.