

# Business Consultant Guide



## Set Up Your Business

**Create a plan** that determines what type or range of consulting services you will provide.

[businessportal.sfgov.org/start/create-a-plan](https://businessportal.sfgov.org/start/create-a-plan)

**Choose a business structure.** LLCs, Corporations, and Limited Partnerships must register their structure with CA Secretary of State before registering locally.

[businessportal.sfgov.org/start/choose-a-structure](https://businessportal.sfgov.org/start/choose-a-structure)

**Apply for an Employer Identification Number (EIN),** also known as a Federal Tax ID Number from the IRS. This is used to identify your business and allows you to hire employees. If you are a sole proprietor without employees, you may choose to use your Social Security Number instead.

**Register your business** with the City through the Office of the Treasurer and Tax Collector (TTX).

[businessportal.sfgov.org/start/register-your-business](https://businessportal.sfgov.org/start/register-your-business)

- **NOTE** You may choose to obtain a separate business address, or you may use your personal address for your registration.

**Choose and file a business name.** File a Fictitious Business Name (FBN) Statement at the SF Office of the County Clerk if you will be using a name other than your given name, the names of your partners, or the officially registered name of your LLC or corporation. Research the name's availability in your county before filing.

[businessportal.sfgov.org/start/choose-a-name](https://businessportal.sfgov.org/start/choose-a-name)



## Professional Requirements

**Obtain the necessary credentials** if the services you provide requires a license (eg. attorney, certified personal accountant (CPA), financial advisor, etc). You can find most regulatory information through the CA Department of Consumer Affairs.

[dca.ca.gov](https://dca.ca.gov)

**Determine if you need to bond your work** in advance. A bond (sometimes referred to as a surety bond) is a third party obligation promising to pay if a vendor does not fulfill its valid obligations under a contract. Essentially, it is a financial guarantee that you will honor a business contract.

**Determine where and how you want to conduct day-to-day operations.** There are three main options for choosing a consulting business location: Home Based Business, Commercial Location, and Co-working Spaces.

- **NOTE** Key things to know about a home office:
  - 1) Clients cannot come to your home;
  - 2) Employees cannot work out of your home, unless they also live there;
  - 3) You can't display advertising;
  - 4) You can't use more than 25% of the space for commercial purposes.The SF Planning Department offers a more detailed guide to home offices. [sfplanning.org](https://sfplanning.org)

- **NOTE** Beware that Home Based Businesses could violate your lease or Homeowners Association (HOA) charter.



## After Opening

**Solicit work.** There are a number of ways to seek out work, including using the web, word-of-mouth, advertising, partnerships, etc.

**Negotiate compensation & payment plan** prior to signing a contract. Consider taking a class or seeking other advice on contracts.

**Prepare and pay your local, state, and federal taxes.** Learn more from these departments:

[sftreasurer.org](https://sftreasurer.org)

[sfassessor.org](https://sfassessor.org)

[ftb.ca.gov](https://ftb.ca.gov)

[irs.gov](https://irs.gov)

- **NOTE** Depending on the legal form of your business, you may be required to pay the federal self-employment tax, among other taxes. Review the Forms and Associated Taxes for Independent Contractors. [irs.gov](https://irs.gov)



To speak with a business counselor  
visit the Office of Small Business

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