

## SAN LUIS OBISPO BUSINESS START-UP GUIDE

San Luis Obispo SCORE would like to thank the Santa Barbara Economic Development Collaborative for the framework for the San Luis Obispo Business Start-up Guide. Their document, Santa Barbara County Business Start-up Guide, formed the basis for this document and we are most grateful for their permission to both share their document on our website and to use it for the equivalent in San Luis Obispo County.

This guide is meant to give you the steps you need to take to begin your business. It is not a legal document but we have made every effort to make it accurate. Our advice to any aspiring business owner: Contact a licensed California attorney for any legal questions. It is also wise to contact the city, county and state offices where your business will operate to ensure compliance with all the requirements of business ownership for your intended business type and location.

### RESEARCH AND BUSINESS PLAN

#### MARKET FEASIBILITY:

Before you begin any business venture, it is important to adequately research the industry and potential market of your product or service. Best practice is to look at your competition locally, nationally and internationally if you operate there.

Begin your research by identifying:

- How is your product or service different what your competitors offer?
- How is what you do different from your competition?
- Are you bringing more value to your marketplace?
- What customer's problem are you solving with your product or service?
- Are you helping customers fill a need or desire they have?

#### BUSINESS PLAN and BUSINESS MODEL CANVAS:

Writing a business plan is an essential step in your startup actions for your business. It describes how you intend to operate your business There are eight parts to a standard business plan not counting the Executive Summary: Company Description, Products and/or Services, Marketing Plan, Operational Plan, Management Personal Financial Statement, Startup Expenses and a Financial Plan. If you are planning to apply for a loan, a business plan will most likely be required.

- The SBA provides a guide to writing a plan quickly and efficiently using business plan templates. Learn more at SBA Business Plan Guide ([sba.gov/business-guide/plan-your-business/write-your-business-plan](https://sba.gov/business-guide/plan-your-business/write-your-business-plan)). SCORE San Luis Obispo provides a Simplified 1 Page Business Plan, suitable if you are not seeking a loan at [SLO 1 page Simplified Business Plan](#).

SCORE Financial Planning Worksheets- Financial planning and cashflow management spreadsheets (Excel) from are available through SCORE. Learn more at SCORE ([score.org](https://score.org)) by entering "business plan" or "financial plan" in the search box.

## RESEARCH LICENSES and PERMITS REQUIRED

The best thing you can do before you open your business and preferably during the research phase of your new venture, is to confirm all of the permit and license requirements necessary to maintain compliance with all local, state and national regulations. Do not make assumptions on which permits and licenses apply to your business and which do not. Be sure to receive confirmation from the different regulatory agencies. In addition to a general business license, there may be home occupational, health and safety and regulatory permits that apply specifically to your type of business.

If your business is located or operates in a city within San Luis Obispo County:

A good place to start is with your local city office. Each City's (including the County) contact information is listed below.

CITY & COUNTY BUSINESS OFFICES		
City	Phone	Website
Arroyo Grande	(805) 473-5400.	<a href="https://www.arroyogrande.org/185/Starting-a-Business">https://www.arroyogrande.org/185/Starting-a-Business</a>
Atascadero	(805) 461-5000	<a href="https://atascadero.org/index.php?option=com_content&amp;view=article&amp;id=631&amp;Itemid=563">https://atascadero.org/index.php?option=com_content&amp;view=article&amp;id=631&amp;Itemid=563</a>
Cambria	(805) 781-5832	<a href="https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx">https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx</a>
Cauyos	(805) 781-5832	<a href="https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx">https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx</a>
Grover Beach	(805) 473-4550.	<a href="https://www.grover.org/90/Business-Tax-Certificates">https://www.grover.org/90/Business-Tax-Certificates</a>
Baywood-Los Osos	(805) 781-5832	<a href="https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx">https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx</a>
Morro Bay	(805) 772-6200	<a href="https://www.morro-bay.ca.us/82/Business-Licenses">https://www.morro-bay.ca.us/82/Business-Licenses</a>
Oceano	(805) 781-5832	<a href="https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx">https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx</a>
Nipomo	(805) 781-5832	<a href="https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx">https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx</a>
Paso Robles	(805) 237-3999	<a href="https://www.prcity.com/154/Business-Licenses">https://www.prcity.com/154/Business-Licenses</a>
Pismo Beach	(805) 773-4655	<a href="https://pismo-beach.org/246/Business-License">https://pismo-beach.org/246/Business-License</a>
San Luis Obispo	(805) 781-7134	<a href="https://www.slocity.org/doing-business/doing-business-in-slo/how-do-i-get-a-business-license">https://www.slocity.org/doing-business/doing-business-in-slo/how-do-i-get-a-business-license</a>
San Simeon	(805) 781-5832	<a href="https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx">https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx</a>
Santa Marguerita	(805) 781-5832	<a href="https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx">https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx</a>
Shell Beach	(805) 773-4655	<a href="https://pismo-beach.org/246/Business-License">https://pismo-beach.org/246/Business-License</a>
Templeton	(805) 781-5832	<a href="https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx">https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx</a>
San Luis Obispo County	(805) 781-5832	<a href="https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx">https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx</a>

### If your business is located or operates in an unincorporated area of San Luis Obispo County:

The San Luis Obispo Tax Collector's Office licenses specific businesses located in the unincorporated areas of San Luis Obispo County. Businesses located in the unincorporated areas of San Luis Obispo County, may require a business license from the County Tax Collector's Office. The majority of business licenses issued in the County pertain to: •

- Taxicab Drivers & Operators
- General Business License
- Massage Therapists
- Vending Machines

If your business address is located in the unincorporated areas, or you conduct business in the unincorporated areas, please contact the San Luis Obispo County Treasurer Tax Collector (<https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx>).

The California Governor's Office of Business and Economic Development offers comprehensive permit and regulatory compliance assistance to all businesses in California, helping business owners identify the permits needed to start a new business or expand an existing one. Learn more at GO Biz ([business.ca.gov/advantages/permit-and-regulatory-assistance](https://business.ca.gov/advantages/permit-and-regulatory-assistance)).

## **STEPS TO OBTAINING BUSINESS PERMITS AND LICENSES**

Opening a business legally while maintaining compliance with all permits and license requirements can be complicated but all <https://www.slocounty.ca.gov/Departments/Clerk-Recorder/Contact-us.aspx> All San Luis Obispo County cities provide great customer service to facilitate business compliance and license requirements. To begin, use the checklist list below as a guide through the process.

### **STEPS TO OBTAINING BUSINESS PERMITS AND LICENSES:**

1. Determine your business name.
2. Obtain a Fictitious Business Name (FBN), if necessary, and advertise the FBN in a local newspaper. See further information below.
3. Determine your business entity (if any).
4. Contact the California Department of Tax and Fee Administration for information on whether your business will need to file sales and use taxes. Apply for a seller's permit if your business will be reselling merchandise.
5. Research additional local and state taxes that may be applicable to your business.
6. Apply for a business license with the city or unincorporated area of the county that your business will be located in.
7. Apply for your FEIN number for tax filing purposes.
8. Register with the California Employment Development Department (EDD) if necessary. See further information below.
9. Apply for a Dun & Bradstreet D-U-N-S® Number to establish your business credit file.

#### **1. Determine Business Name:**

You will need to select a name for your business. It is important to select a name that is unique, non-descriptive and non-generic, otherwise you may later be prevented from using it and/or stopping others from benefitting from the good will you create.

- Check your proposed name availability on the CA Secretary of State's Name Reservation ([sos.ca.gov/business-programs/business-entities/name-reservations](https://sos.ca.gov/business-programs/business-entities/name-reservations)) website.
- Conduct a "Google" search for your business name to identify business names that may be in use but have not been registered with regulatory agencies.
- Use the United States Patent and Trademark Office website Trademark Electronic Search System (TESS) ([uspto.gov/trademarks/search](https://uspto.gov/trademarks/search)) to see if any trademark has already been registered or applied for that is live, similar to your business name or used on related products or for related services.

#### **2. Obtain a Fictitious Business Name:**

If you plan to conduct business in a name other than your surname or the business has more than one owner you must file a Fictitious Business Name and publish it in a newspaper. You must run an ad in a major newspaper within 30 days of filing, once a week for four weeks. A list of approved publications will be provided to you at the time of filing. Proof of the run must be submitted within 30 days of the final run to the County Clerk's Office.

- A Sole Proprietorship requires an FBN if it is doing business with a name that does not contain the last name of the owner.
- A partnership or other association requires an FBN if it is doing business with a name that does not include the last name of each general partner or a name that suggests the existence of additional owners.
- A limited partnership, corporation or Limited Liability Company requires an FBN if it will be doing business with a name not stated in the Articles of Incorporation or Articles of Organization filed with the California Secretary of State. County of San Luis Obispo Clerk-Recorder Division: Fictitious Business Name (<https://www.slocounty.ca.gov/Departments/Clerk-Recorder/All-Services/Fictitious-Business-Names/Fictitious-Business-Name-New-Filing.aspx>)  
County of San Luis Obispo Clerk-Recorder

1055 Monterey Street, Suite D120

San Luis Obispo, CA 93408

805.781.5832

### **3. Determine Business Entity:**

Prior to deciding what entity to select, it is important to make sure you understand the pros and cons of each. It may be worth discussing with a licensed California attorney. Depending on your business entity, you may need to register with the Secretary of State in addition to all other permits and licenses described in this document.

- If you choose to open your business as a sole proprietor, you cannot register with the Secretary of State.
- For a general partnership you may register with the Secretary of State if you wish to do so.
- For a corporation (either stock or nonprofit), a limited liability company or a partnership (limited or limited liability), you must file with the Secretary of State's Office.

Secretary of State

([sos.ca.gov/business-programs](https://sos.ca.gov/business-programs))

Business Programs Divisions 1500 11th St. Sacramento, CA 95814

916.657.5448

### **4. Register with the California Department of Tax and Fee Administration:**

This state agency is the governing body for sales and use tax and issues Seller's Permits. Any business that sells tangible personal property needs to obtain a State resale permit tax number from the California Department of Tax and Fee Administration. To determine if your business requires such a permit, you may first contact them by telephone. Be sure to check with the department below to determine if sales or use tax is applicable to your product or service and do not make assumptions that sales and use tax is not applicable to your business's product or service. Learn more at CDTFA ([cdtfa.ca.gov](http://cdtfa.ca.gov)).

Local Office for the California Department of Tax and Fee Administration ([cdtfa.ca.gov/office-locations.htm](http://cdtfa.ca.gov/office-locations.htm))

4820 McGrath St., Ste. 270

Ventura, CA 93003

800.852.5711

## **5. Seller's Permit:**

Any business that sells or leases tangible personal property, makes three or more sales within a 12-month period, and (1) has a place of business in California, (2) has a representative in California, or (3) receives rental payments from the lease of tangible personal property tax in California must obtain a State Seller's Permit from the California Department of Tax and Fee Administration (formerly the BOE). To determine if your business requires such a permit, you may first contact them by telephone. Be sure to check with the department below to determine if sales or use tax is applicable to your product or service and do not make assumptions that sales and use tax is not applicable to your business's product or service. Learn more at CDTFA ([cdtfa.ca.gov/formspubs/pub107/#permit](http://cdtfa.ca.gov/formspubs/pub107/#permit)).

Resale Certification: If a business wants to purchase item(s) exclusively for resale, they can issue a resale certification that prevents them from paying sales tax twice. This certification can only be issued by a business with a valid seller's permit. There are many ways to issue a resale certificate. To learn more about the different types and to download a worksheet resale certification you can provide to sellers please visit CDTFA Sales and Use Tax Regulations ([cdtfa.ca.gov/lawguides/vol1/sutr/1668.html](http://cdtfa.ca.gov/lawguides/vol1/sutr/1668.html)).

## **6. State and Local Taxes:**

It is important that you research what additional local and state taxes may be applicable to your business. Review the information below to get started.

Local Taxes: Business personal property tax may apply to your business. If applicable, the San Luis Obispo Tax Assessor (<https://www.slocounty.ca.gov/Departments/Assessor/Services/Filing-Statements-and-Claims/File-a-Business-Property-Statement.aspx>) will contact you regarding your property value. Be sure to comply and respond to requests from their office.

Assessor's Office County of San Luis Obispo  
(<https://www.slocounty.ca.gov/Departments/Assessor.aspx>)  
1055 Monterey Street  
San Luis Obispo, CA 93408  
(805) 781-5643

**State Taxes:** For more help understanding which state taxes may be applicable to your business contact the California Tax Service Center. The California Tax Service Center works to provide one stop tax help through taxpayer resources and educational programs. Learn more at California Tax Service Center ([taxes.ca.gov](http://taxes.ca.gov)).

## **7. Apply for Your Business License:**

Now that you have completed the steps above you can contact the city that you will be conducting business in to apply for your business license. All cities require a business license in order to operate. Visit your City Hall in person or online to obtain an application. At the time of filing the application, a fee must be paid and varies depending on the size and type of business. The license must be posted in plain sight at your place of business and must be renewed annually.

## **8. Register with the EDD:**

If you operate a business and employ one or more employees, you must register as an employer with the Employment Development Department (EDD) when you pay wages in excess of \$100

in a calendar quarter. For more information visit the EDD Payroll Taxes Information Website ([edd.ca.gov/Payroll\\_Taxes/Am\\_I\\_Required\\_to\\_Register\\_as\\_an\\_Employer.htm](http://edd.ca.gov/Payroll_Taxes/Am_I_Required_to_Register_as_an_Employer.htm)).

**9. Obtain an FEIN:**

Employer Identification Number (referred to as FEIN) must be obtained for tax purposes through the IRS by filing form SS-4. You can apply for a FEIN number online through the IRS. There is no deadline for filing Form SS-4; however to avoid substantial confusion, file your Form SS-4 early. If an income tax form is filed without a FEIN, the IRS will assign one. It is not uncommon for the IRS to assign more than one FEIN to a business, which can result in notices for delinquent tax returns that have been filed using a second FEIN. Apply at IRS FEIN Number ([irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online](http://irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online)).

**10. Obtain a Dun & Bradstreet Number:**

Getting a Dun & Bradstreet D-U-N-S® Number for your business is the first step in establishing your business credit file. If you are already in business, you can call 1.888.814.1435 or visit Dun & Bradstreet ([dnb.com/duns-number/get-a-duns.html](http://dnb.com/duns-number/get-a-duns.html)).

## **BUSINESS SUPPORT ORGANIZATIONS**

### **SCORE San Luis Obispo**

SCORE offers free mentoring, a variety of free webinars and workshops educating and supporting business leaders and entrepreneurs in all facets of starting and growing their business. Website: [sanluisobispo.score.org](http://sanluisobispo.score.org)

P.O. Box 5416

San Luis Obispo, Ca 93403

P 805.547.0779:

([info@sloscore.org](mailto:info@sloscore.org))

### **Cal Poly Center for Innovation & Entrepreneurship. (SBDC):**

The SBDC's mission is to strengthen existing business entities, and assist start-ups through high-quality, no-cost counseling, high-quality, affordable training programs and access to capital. (<https://sbdc.calpoly.edu/contact/>)

872 Higuera St,

San Luis Obispo, CA 93401

P 805.756.5171

([slosbdc@gmail.com](mailto:slosbdc@gmail.com))

### **Mission Community Services (Women's Business Center)**

Mission Community Services Corporation is dedicated to enhancing opportunities for potential entrepreneurs and small business owners to become self-sustaining, successful contributors to their communities, with special assistance for women, low-income, minority, veterans, and non-profit businesses in San Luis Obispo, Kern, and Monterey Counties. Website: [www.mcscorp.org](http://www.mcscorp.org)

71 Zaca Ln #130,

San Luis Obispo, CA 93401

P. 805.595-1357  
([info@mcscorp.org](mailto:info@mcscorp.org))

**Disclaimer**

This document is intended to be used as a starting point to help business owners who are considering starting a new business in Santa Barbara County. It is not comprehensive. While everything in this article is intended to be accurate it is not intended as legal advice and should not be relied on as such. To obtain legal advice please contact a licensed California attorney.