



# STARTING A BUSINESS IN BROWNSBURG

A helpful step-by-step guide to  
opening a business



# WELCOME TO THE TOWN OF BROWNSBURG

As an economic hub for a number of growing industries, the Town of Brownsburg, Indiana offers a community atmosphere with access to global markets. Brownsburg, a suburb of Indianapolis, is one of the fastest-growing communities in the state.

It has received national recognition as one of the nation's "Best Places to Live" for its low crime, strong economy, high-quality school system, unique parks and trails, and strong business climate.

Brownsburg's geographically centered location, convenient interstate highway access, skilled workforce, low cost of doing business, and available space make it an ideal place for your investment.



# THE KEY TO SUCCESS

This guide will assist you as you consider starting a business in Brownsburg. Its purpose is to educate you on some of the steps involved in starting a new business and serve as a resource to make the process a little easier for you.

The information included in this guide is not meant to replace professional legal or financial advice; we recommend you obtain legal and accounting services when starting and operating a business.



Your one-stop resource for registering and managing your business and ensuring it complies with state laws and regulations.



## WHY CHOOSE BROWNSBURG?

With easy access to Indiana's interstate highway system, Brownsburg is connected with 80% of the United States' population within a day's drive. In addition, the nearby CSX railyard, and Indianapolis International Airport offer even more ways to transport goods to and from Brownsburg.



## HIGHLY-EDUCATED WORKFORCE

Brownsburg's highly educated workforce not only stands out from the average education attainment level in Indiana, but also surpasses the level in the United States, with 40% of residents obtaining a bachelor's degree or higher.

### 40% - Town of Brownsburg

33.4% - United States | 24.7% - Indiana



## QUALITY OF LIFE

Our excellent school system, great parks, premier events, and access to world-class medical facilities make Brownsburg a community of choice.

# CREATING A BUSINESS PLAN

A business plan should serve as a roadmap, laying out goals, methods for attaining those goals, and the time-frame for achieving them. It is a way to think through the key elements of your business, help you get funding, or bring on new business partners. A business plan typically includes the following:

<b>EXECUTIVE SUMMARY</b>	<b>BUSINESS DESCRIPTION</b> Product or service provided, customer base, business model or how you will make money	<b>THE MARKET</b> The customer, market size, geography, competition, the industry, pricing, revenue potential	<b>DEVELOPMENT OR START-UP PLAN</b> Specific steps from now to launch, development status
<b>BARRIERS TO ENTRY</b> List all barriers which apply to your industry and target market	<b>MANAGEMENT TEAM</b> Background, investment to date	<b>FINANCIAL OUTLOOK</b> Projections, cash flow, capital needs	<b>BUSINESS RISKS AND PLANS TO ADDRESS THEM</b> Financial, legislative, legal, regulatory, operational, competitive, technological
<b>FUNDING/HOW WILL INVESTOR FUNDS BE USED</b> Include specific details on what you will do with the funds		<b>POTENTIAL EXIT SCENARIOS</b> How will investors recoup their investment; stock offering, acquisition, merger	

# CHOOSING A LOCATION

Finding the right location will be a key factor in the success of your business. While we would be thrilled if you chose to locate your business in the Town of Brownsburg, you should select an area that best fits your business's needs.



# SELECTING A COMPANY NAME

The name of a formal business must be distinct from the names of other businesses providing similar products or services. Check name availability by visiting the [Secretary of State's website](#) or call the Name Availability Line at (317) 232-6576.

If the name is available, you may file an application to reserve it for 120 days (\$20 fee) or file the documents to establish your business under that name.

# UNDERSTANDING YOUR RESPONSIBILITIES AS AN EMPLOYER

Make sure you understand the various laws and taxes that impact employers before hiring your first employee.

# SELECTING A LEGAL STRUCTURE

When starting a business, you must decide what form of business entity to establish. The structure you choose influences everything including day-to-day operations, taxes, and how much of your personal assets are at risk.

## COMMON BUSINESS STRUCTURES

### *Formal Business Structures*

**Corporation:** Created by filing Articles of Incorporation with the State. Shareholders/owners are shielded from liabilities and debts of the corporation. The Corporation pays taxes and shareholders pay taxes on any dividends declared.

**S-Corporation:** Requires IRS approval and must meet certain qualifications (e.g., no more than 100 shareholders). In general, S-corporations do not pay any income taxes. Instead, the corporation's income and losses are divided among and passed through to its shareholders. The shareholders must then report the income or loss on their own individual income tax returns.

**Limited Liability Company (LLC):** Business structure where the owners are not personally responsible for the company's debts or liabilities. Meaning, the owner's personal assets such as bank accounts or homes are not typically viewed as assets of the company. Members are responsible for taxes related to income or losses, much like a partnership, but without the liability exposure.

**Limited Partnership (LP):** Consists of at least one General Partner and one Limited Partner. The General Partner assumes all the debts and liabilities of the business while the Limited Partner only assumes the responsibility up to the amount of his or her investment in the company.

**Non-Profit Corporation:** Required to obtain tax-exempt status from the IRS and the State in order to avoid tax burdens.

### *Informal Structures*

**Sole Proprietorship:** An individual who conducts business and assumes full responsibility for the liabilities and debts of the business.

**General Partnership:** Includes several individuals who share ownership as well as the responsibility for the liabilities and debts of the business.

## REGISTERING YOUR BUSINESS

You will need to register your business with the Department of Revenue and file the required paperwork with the Secretary of State. Then, submit a Business Tax Application (BT-1), and depending on the nature of your business, (if you are employing workers, selling food and beverages, etc.) additional forms may be required.

You will need to file the appropriate documents with the Secretary of State depending on the type of business structure being formed—Articles of Incorporation for a Corporation or S-Corporation, Articles of Organization for an LLC, Certificate of Limited Partnership for an LP, Registration for an LLP.

**Consulting with legal and tax professionals can help you decide which structure is right for you.**

# OBTAINING AN EMPLOYER IDENTIFICATION NUMBER (EIN)

There are four ways you can obtain an EIN from the IRS:

**1**

**ONLINE AT  
[IRS.GOV/BUSINESSES/  
SMALL-BUSINESSES](https://irs.gov/businesses/small-businesses)**

**2**

**BY PHONE AT  
(800) 829-4933**

**3**

**BY FAX AT  
(855) 641-6935**

**4**

**BY MAIL AT  
INTERNAL REVENUE  
SERVICE  
ATTN: EIN OPERATION  
CINCINNATI, OH 45999**

The online application process is the fastest and easiest way to apply. If applying by fax or mail you are required to complete Form SS-4. The processing of the application can take up to 4 days by fax or up to 4 weeks by mail.

## REGISTERING YOUR BUSINESS LOCALLY

Register your business with the county, municipality, or local clerk treasurer's office, if required. Sole proprietorships and partnerships need to file with the [Hendricks County Recorder's Office](#). Although some local governments have registration requirements, the Town of Brownsburg does not.

If your business deals with any kind of hazardous material it may be helpful to check in with the local police and fire departments to determine if they require any information for their records.

## OBTAINING LICENSES OR PERMITS

Depending on the nature of your business certain local, state, or federal licenses may be required. As you prepare your business plan it would be helpful to research which licenses you may need.

The Town of Brownsburg does not require a business license or permit. However, you will want to check with the Department of Development Services to determine if any building permits or inspections are needed. You can find more information about permits and inspections by contacting the department [online](#) or at (317) 852-1128.

## OPENING A BUSINESS BANK ACCOUNT

When you are ready to start accepting or spending money as your business, open a business bank account. Having a business bank account will help you stay legally compliant and protected. You will need your federal EIN before you can open a business bank account.

## OBTAINING APPROPRIATE INSURANCE

Make sure you are minimizing your risks. Contact an experienced insurance company/agent to learn more about liability protection, board insurance, buy-sell arrangements, etc.

# SECURING FUNDING

Below are some options for funding your business:

TYPE OF FUNDING	DESCRIPTION
Personal financing	Use your own financial resources, such as money from a savings account or careful use of personal credit cards to fund your business. In this approach, you take on all of the risks. Be careful not to spend more than you can afford.
Friends and family	Invite friends and family to invest in the company. Make sure they know the risk.
Crowdfunding	Brings together a network of investors who pool their financial resources to fund a start-up company.
Angel investors	Typically an investor or group of investors who provide funding for businesses. These investors often look for opportunities in industries they have been involved in or are passionate about. Be sure to do your research before accepting funds from anyone.
Loans or lines of credit	A small business loan could be an option if you need funds to get started and want to retain complete control of your business. Be prepared to provide banks with a business plan and several years of financial projections when trying to secure a loan. Keep in mind banks often want collateral to secure and guarantee a loan. If you are having trouble getting a traditional business loan, the U.S. Small Business Administration (SBA) can help match you with lenders who offer SBA guaranteed loans.
Venture capital	Generally comes into play in the latter stages of a start-up if/when your company is growing at a fast pace. Venture capital financing is typically provided by well-off investors, investment banks, or other financial institutions. Those who invest often ask for an equity stake in the company and a say in company decisions.
Other	Other sources of funding include incubators, microloans, vendor financing, state or federal grants, or funding by a major customer.

## ENGAGING A TAX ACCOUNTANT, BOOKKEEPER, AND PAYROLL

If you think you may need help with monthly accounting, tax preparation, and processing employee payments/benefits then it may be beneficial for you to engage professionals in those fields.

## HIRING GREAT EMPLOYEES

One key to operating a success business is to surround yourself with the best employees. Research techniques for finding, hiring, and retaining good employees.





## RESOURCES

The following is a list of contacts and resources that may be helpful in facilitating your start-up:

### NATIONAL RESOURCES

#### **U.S. Small Business Administration**

[www.sba.gov/business-guide](http://www.sba.gov/business-guide)

#### **IRS**

[www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Starting-a-Business](http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/Starting-a-Business)

### STATE RESOURCES

#### **Indiana Secretary of State**

[www.in.gov/sos/](http://www.in.gov/sos/)

#### **Certify your business as a minority, woman, and/or Veteran owned business**

[www.in.gov/idoa/mwbe/minority-and-womens-business-enterprises/certify-your-business/](http://www.in.gov/idoa/mwbe/minority-and-womens-business-enterprises/certify-your-business/)

#### **Indiana Department of Workforce Development**

[www.in.gov/dwd/](http://www.in.gov/dwd/)

#### **Indiana Workforce Development Employer Handbook**

[www.in.gov/dwd/files/Employer\\_Handbook.pdf](http://www.in.gov/dwd/files/Employer_Handbook.pdf)

#### **Indy Chamber (Central Indiana)**

[indychamber.com/](http://indychamber.com/)

#### **WorkOne for Employers**

[www.workonecentral.org/employers.html](http://www.workonecentral.org/employers.html)

#### **Indiana Chamber**

[indianachamber.com/](http://indianachamber.com/)

#### **INBiz**

[inbiz.in.gov](http://inbiz.in.gov)

### LOCAL RESOURCES

#### **Town of Brownsburg Economic Development**

[brownsburg.org/economic-development](http://brownsburg.org/economic-development)

#### **Hendricks County Recorder's Office**

[co.hendricks.in.us/departments/index.php?structureid=20](http://co.hendricks.in.us/departments/index.php?structureid=20)

#### **Town of Brownsburg Development Services**

[brownsburg.org/158/Development-Services](http://brownsburg.org/158/Development-Services)

#### **Greater Brownsburg Chamber of Commerce**

[brownsburg.com](http://brownsburg.com)