



This document is intended to be a high-level resource for persons wishing to locate or start a business in the Prattville area. Certain and necessary steps must take place in order to operate your business. Business owners must consider taxes, licensing fees and other considerations. To learn more, reach out to the appropriate resources listed in this document.

# Getting Started Checklist Business Plan Planning & Zoning Business License Incorporation Filing Sales Tax Federal Taxes Alabama Income Taxes Insurance Compliance & Other

### **Business Plan**

First and foremost, one should develop a business plan. By doing so, the plan acts as a roadmap to ensure a greater chance for your business's success.

To learn more about developing a business plan, visit <a href="https://www.prattvillechamber.com/">www.prattvillechamber.com/</a> business/

### **Planning & Zoning**

If business is located inside city limits, Planning & Zoning MUST sign off on business license prior to issuance. Same applies to businesses using a residential address.

### **Business License**

State, County and City business licenses are required prior to engaging in business in the Prattville area. A yearly renewal fee is due to the city on January 1.

### **Incorporation Filing**

Businesses that fall under the following categories must register with the Alabama Secretary of State Business Services: Corporation, Non-profit organization, Limited Liability Companies (LLC) and Partnerships.

\*Sole proprietors do not have to register to begin operations. However, sole proprietor businesses assume the name of the business owner. If you want to avoid using your personal name, you must register for a trade name.

For more information, visit sos.alabama.gov.

### **Sales Tax**

Prattville taxes in Autauga County total 9.5%. State - 4%, County - 2%, and City - 3.5%. Prattville taxes in Elmore County total 9.5%. State - 4%, County - 1%, City 3.5% and District - 1%. Contact your local city and county offices for sales tax remittance information in the Prattville Area.

For information on applying for a sales tax number, visit <u>revenue.alabama.gov/salestax</u>





### **Federal Taxes**

Businesses are identified by an Employer Identification Number (EIN). This number is needed to file and pay all federal taxes. A business may apply for an EIN at www.irs.gov/businesses/small.

Employers are required to withhold federal income tax (FIT), Social Security and Medicare (FICA) from the wages paid to employees and remit them to the Internal Revenue Service.

For more information regarding Federal Taxes, visit <u>www.irs.gov</u>.

### Alabama Taxes

Businesses that hire employees and pay wages must obtain an Alabama income tax withholding number to withhold and remit the taxes to the Alabama Department of Revenue.

Corporations, and individuals who own pass-through entities, operating in Alabama, are required to pay quarterly income tax payments based on their estimated income.

For more information regarding Alabama Income Taxes, visit <a href="https://www.revenue.alabama.gov">www.revenue.alabama.gov</a> and <a href="https://revenue.alabama.gov/wp-content/uploads/2017/05/Business-Starting\_a\_New\_Business.pdf">revenue.alabama.gov/wp-content/uploads/2017/05/Business-Starting\_a\_New\_Business.pdf</a>

### Insurance

Businesses with employees may be required to provide unemployment or worker's compensation insurance. This type of insurance can be obtained through local insurance agencies.

Prattville

Contact the **Alabama Department of Industrial Relations** to obtain requirements for Worker's Compensation Insurance at (334) 242-2868 or (800) 528-5166 and State Unemployment Compensation tax at (334) 242-8830.

For more information, visit www.labor.alabama.gov.

# Compliance & Other Considerations

**E-Verify:** Requirement that businesses verify the legal presence of its employees.

For more information, visit <u>www.uscis.gov/e-verify</u> or <u>www.immigration.alabama.gov</u>.

Equal Employment Opportunities
Commission (EEOC): Business owner's
must be aware of equal employment
opportunity regulations such as
discrimination towards applicants or
employees.

For more information, visit www.eeoc.gov.

Occupational Safety & Health
Administration (OSHA): All businesses
must comply with state and federal
regulations regarding the safety of the
workplace and its employees.

For more information, visit www.osha.gov.



## **Contact Information**

### **Licenses/Certifications**

### **City of Prattville Finance Department**

(334) 361-3690 www.prattvilleal.gov

### **Autauga County Probate Office**

(334) 361-3725 www.autaugaprobate.com

### **Planning & Zoning**

# City of Prattville Planning & Development Department

(334) 595-0500 www.prattvilleal.gov

### **Taxes**

### **City of Prattville Revenue Department**

(334) 595-0100

### **Autauga County Revenue Commission**

(334) 361-3707 www.revenue.alabama.gov

### **Internal Revenue Service - Montgomery**

(334) 264-2453 www.irs.gov

### Alabama Department of Labor

(334) 242-8055

### Alabama Department of Revenue

(334) 242-2677 revenue.alabama.gov

### Insurance

### **Commissioner of Insurance**

(334) 269-3550 www.aldoi.gov

### **Unemployment Compensation Insurance**

(334) 242-8055 www.ador.state.al.us

### **Worker's Compensation Division**

(334) 353-0515 www.labor.alabama.gov/

### **Compliance & Other**

### **Federal E-Verify**

www.uscis.gov/e-verify

### **Alabama E-Verify**

(855) 837-4396 www.immigration.alabama.gov

# Occupational Safety & Health Administration (OSHA - Birmingham)

(205) 731-1534 www.osha.gov

### **Americans with Disabilities Act**

(800) 669-3362 www.ada.gov

# U.S. Equal Employment Opportunity Commission

Birmingham (800) 669-4000 www.eeoc.gov



