

How to Start Your Publishing Business in Missouri*

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<http://moonbridgebooks.com>

If you are a self publisher making book sales, you are a business owner. You need to be registered in your state, county, and town. Below are the steps to take:

1. Register your business name
2. Apply for an EIN (Employer ID Number) if a partnership or LLC
3. Open a business checking account
4. Register with your state for a state sales tax ID
5. Register with your town or city
6. Apply for a merchant's license from your county
7. Keep good records, like an accountant

1. The first order of business is to get a business name. To create a fictitious or DBA (Doing Business As) company name in Missouri, go to the Secretary of State website and click on the Businesses tab, then click on Starting a Business. There you will find the Registration of Fictitious Name form. A small filing fee is charged and the name is valid for five years, after which you will receive notice to renew. The Entity Names: Availability & Requirements selection, under Starting a Business, allows you to search a database to see if your name choice is available. (You may also wish to search for available website domain names before you make a final decision as to company name.) It is best not to name your company (or your website) after your book title as you may publish other books later. You may want your website name to be your full name, or contain your name if it is a common one.

2. If you are a sole proprietor (sole owner), as most self-publishers are, you will use your social security number as your Tax ID number, also called an EIN (Employer ID Number). Even if you are a sole proprietor, you may have your spouse sign to be allowed access to your account (just in case). If you are a partnership (or corporation), you will need to file with the Federal Internal Revenue Service to get an EIN.

3. Once you have received a paper acknowledgement of your registered fictitious name, take it to the bank to open a business checking account. The EIN/Tax ID number is required to open your business checking account. You may wish to consult with your bank.

4. You will need a sales tax ID number from your state. A Missouri form is downloadable from the state's Department of Revenue (DOR) website. Click on the Business Tax tab, then scroll down and click on the link to Register Your Business Online. In Missouri this will be Tax Registration Form 2643. Download the fill-in application. The tax type you will be applying for is retail sales tax, and you will be required to pay a bond. As a new publisher, estimate your monthly sales tax collected at the lowest choice given so you will pay the minimum bond fee and only need to report annually. (The bond is returnable after a specified number of years but you

must file for its return through the DOR website.) You will pay with a cash bond and complete the Cash Bond Form (Form 332 in Missouri) found at the end of the registration form. Send a money order or cashier's check along with your registration. After registering with the DOR, each year you will be sent a Sales Tax Return Form to list your gross sales (total sales minus sales tax collected) at each location within your state where you have collected book sales money. Sales tax rates per location are available through tax tables on the DOR website. For example, books you sell at a Clayton book fair will be assessed the Clayton sales tax. If you print your books within the state, show the printer your retail sales tax license received from the state so you will not have to pay sales tax on the printing cost of your books. Instead you will be collecting tax from your customers within the state.

5. Next you will need to register with the town or city you reside in. Go to your city hall to obtain the form required to operate your business from your home; if you live in an unincorporated area, check with the county Department of Public Works for rules and regulations. You will probably need a merchant's license from your city. If so, you will fill out that form and submit a payment. Then each year your town will send you a renewal of license form where you will report your gross earnings and then compute your renewal fee. You may need your fictitious name registration form and/or your state tax id number to register with your town or city.

6. When registering with your county, you will need your state tax id number to complete an Application for Merchant License/Business Personal Property Registration. You may find this form online at your county's website. Look for a Business tab and then a Forms or a License & Permits tab. There may be a Collector tab with licensing information. If you are asked to estimate annual sales, check the minimum choice. This application requires a fee. Once filed, each year you will receive a property tax form to complete and later be sent an invoice for taxes to be paid, which will include an annual fee to renew your county merchant's license.

7. Keep good records and save copies of the forms you complete, noting check numbers and mailing dates on them so you can refer back to them easily if necessary. It pays to keep a list of annual filings required and dates due—if by chance you do not receive any of the forms through the mail, call the appropriate government department. If you are delinquent in your payments for any reason, you will be blamed and pay the late fee.

Once all the registrations are filed you will only have a few forms sent to you once a year.

*For any state, you may search online for "starting a business in" and include your state name, or search for your state's business portal. Missouri and Illinois, for example, have business portals well worth reading.