

Small Business Reference Guide



Greater Key West Chamber of Commerce

510 Greene Street, 1st Floor

Key West, FL 33040

(305) 294-2587 www.KeyWestChamber.org

A Reference Guide for Doing Business in Key West

This booklet by the Greater Key West Chamber of Commerce is meant as a general guidance to those interested in joining the business community of Key West. Once successfully completing these guidelines and establishing your business, become a member of the Chamber of Commerce to become affiliated with other likeminded individuals and attend beneficial networking opportunities. The Greater Key West Chamber of Commerce works as a catalyst for business success, a convener of leaders, and champion for a sustainable thriving community.

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Small Business Reference Guide

PREPARATION:

Write a Business Plan

Having no plan is not a good plan. The link below will help you create a business plan that will help you map out how to start and run your business successfully. It will show you how to get your business up and running efficiently. Put the time and thoughtful energy into this now, reap the benefits later. Most landlords and investors will require a well-made plan.

Develop a Marketing Plan

Marketing takes time, money, and lots of preparation. One of the best ways to prepare yourself is to develop a solid marketing plan. A strong marketing plan will ensure you're not only sticking to your schedule, but that you're spending your marketing funds wisely and appropriately. The days of opening a business and expecting customers to walk in are gone. You will need a healthy marketing budget and a strategic, multi-platform marketing plan and calendar of activities, to maximize visibility for your business. We recommend the use of a professional marketing agency for website development, content creation, SEO maximization, and content maintenance. Keep it current and relevant. Put this task in the hands of an industry expert and allow them to maximize your visibility on social media and in the press.

Consult with Industry Professionals

The Greater Key West Chamber of Commerce can connect you with industry professionals that can help you plan and access valuable resources to start your business. The Small Business Development Center (SBDC) is the Small Business Administration's largest service program and provides high quality business & economic assistance to small businesses & entrepreneurs. They provide no-cost business advising and low-cost training to existing and new businesses.

Choose a Business Location

Location is key. Consider what your customers will be attracted to and what they will need. If there will be a high demand for parking, make sure the location has the space or is adjacent to a parking lot. Identify vacant commercial spaces for lease. Rent costs will vary significantly throughout the city. The City may not allow your use in certain locations and/or buildings, so check with the City's Planning Division *before* signing a lease.

City of Key West

Planning Department

1300 White Street

Key West, FL 33040

(305) 809-3764

<https://www.cityofkeywest-fl.gov/318/Planning-Department>

Develop a Financial Plan

Need help financing your business? There are different avenues for you to get those resources. Find government-backed loans, venture capital and research grants to help you get started financially. Local financial institutions often have small business products that might not be published. Ask for small business products that might be available to you. A woman-owned and minority-owned business also might have access to different loan products. If you haven't established a relationship with a personal banker, now is the time. Call us for a referral that fits you and your business best.

LEGAL:

Determine the Legal Structure of Your Business

You will want to make sure that your business is a success. You have many different ownership choices that have different benefits to your type of business. There is help to show you the best ownership style for you. The different types are sole proprietorship, partnership, Limited Liability Company (LLC), corporation, S corporation, nonprofit or cooperative. Meet with a knowledgeable legal advisor early on and know the facts.

Bulk Sales Law

If you plan to purchase an established business, it is essential that after your own thorough investigation you consult an attorney.

1. To protect you by contract in enforcing the representations or guarantees made to you by the seller.
2. To make sure that you follow the law in getting from the seller a proper statement of the business's creditors, sending them proper notice at least 10 days prior to completing the sale and providing their payment. Failure to follow this law will make you liable for those debts

Register a Business Name

Register your business name with the State of Florida. Choose your business name to ensure that the name is not currently being used or that no one can use it later.

- Fictitious Name: Persons doing business for profit under a name that does not include surname in the company name
- Fictitious name search for DBA: <https://dos.myflorida.com/sunbiz/forms/fictitious-name/>
- Fictitious name application: <http://dos.sunbiz.org/ficinam.html>
- You may search and view the names indexed to Fictitious Business Names statements which expire 5 years from the date filed in the office of the County Clerk
- Statements must be filed in the county of the principal place of business and may also be filled in other countries as long as the requirements for filing in the county of the principal place of business have been met.

Incorporation:

Information on Business Incorporation Procedures can be obtained by contacting the Florida Secretary of State.

Florida Secretary of State Office
(904) 488-9000

TAXES:

Get a Tax I.D. Number

Learn which tax identification number you'll need to obtain from the IRS and the Florida revenue agency. Check with your accountant or visit: www.irs.gov

Register for State and Local Taxes

Once you know the tax identification you'll need, you can then register with your state to obtain a tax identification number, workers' compensation, unemployment, and disability insurance. This will help make sure your business is covered in case of an accident. Keep track of sales tax increases and other necessary tax information with the Florida Department of Revenue.

Florida Department of Revenue
3118 Flagler Avenue
Key West, FL 33040
(305) 292-6735

<https://floridarevenue.com/taxes/Pages/default.aspx>

Sales Tax

- Monroe County Sales Tax:1.5%
- Bed tax: 4%
- State tax: 6%

For more information, visit the Florida Department of Revenue:

Florida Department of Revenue
3118 Flagler Avenue,
Key West, FL 33040
(305) 292-6735
<http://www.floridarevenue.com/>

State Unemployment Insurance Tax

This tax is applicable to new businesses and is assessed at the rate of 2.7% on the first \$7000.00 of wages of each employee. This tax applies to businesses employing 1 or more employees for 20 weeks of the preceding or current year, or if \$1,500.00 or more in gross wages were paid in Calendar Quarter.

Note: A corporate officer is considered an employee.

State Corporation Income Tax

Corporations doing business or domiciled in Florida who file Federal tax returns, are required to file a Florida State Corporation Tax Return.

State Intangible Tax

An intangible tax on accounts receivable and all intangible assets, other than money, is due January 1st of each year.

State Personal Property & Inventory Tax

An inventory tax is due and payable upon receipt each November. It is a State tax administered at the County level.

Federal Taxes

Every business with one or more employees is required by law to withhold Federal Income and Social Security taxes from wages paid and to file a quarterly return (IRS form 941). Every employee of a business must have Federal Income and Social Security tax withheld from each paycheck. Employers are responsible for 3 types of payroll collections and payments.

1. Income taxes
2. Employer and employee Social Security tax (FICA).
3. Federal Unemployment tax (FUTA). If you pay wages of \$1,500.00 or more in any calendar quarter or employed one or more employees for some portion of at least 1 days during each of 20 different calendar weeks, you are subject to the Federal Unemployment Tax (FUTA) and must file IRS Form 940.

Florida Department of Revenue
3118 Flagler Avenue,
Key West, FL 33040
(305) 292-6735

Internal Revenue Service
(800) 829-1040

OCCUPATIONAL LICENSES:

Monroe County requires all businesses to have proper business licenses.

Monroe County Tax Collector
Key West Location:
1200 Truman Avenue
Suite 101
Key West, FL 33040
(305) 295-5000

Obtain Business Licenses and Permits

The City will not approve your business license until you have applied for any necessary permits. Obtain required permits from the Community Development Department for any electrical, plumbing, mechanical, and/or construction related to improvements of your tenant space. Apply for a sign permit to ensure your business's exterior sign meets the City's sign requirements. Go to the City's Planning Division to get your Zoning Business Review and Business License signed. The City's Finance Department will then oversee the payment of your business license tax. Visit <https://www.cityofkeywest-fl.gov/317/Licensing-Division> for more information.

State Occupational Licenses:

Under Florida law, some businesses may be required to acquire Certificates of Competency, or a State License. More information can be found at the Florida Department of Professional Regulation Construction Industry Licensing Board.

Department of Business and Professional Regulation

<http://www.myfloridalicense.com/DBPR/>

(850) 487-1395

INSURANCE

Obtain Insurance Coverage

As a business owner, you have enough on your mind without having to worry about your insurance needs. You want to have the confidence that the business you've built is covered by a company that understands your business insurance needs. We suggest consulting with a licensed and experienced agency as you build the budget. Explore whether you will need extra coverage such as; terrorism coverage, special event policies, cyber insurance, and earthquake coverage. Protect your business as if it was your home.

Worker's Compensation Insurance:

A business must have this insurance if employing 3 or more people.

The Florida Department of Commerce Bureau of Worker's Compensation

401 N.W. 2 Avenue

Miami, Fl 33128

(305) 377-5413

Understand Employer Responsibilities

You want to make sure your business follows the law. You will need to learn the legal steps you need to take to hire employees. Make sure that you are not hiring the wrong employees for your business. Carefully consider if a worker should be classified as an employee or an independent contractor. We recommend that you meet with a qualified employer lawyer.

OTHER RESOURCES

Trade Associations and Public Libraries

These facilities contain a wealth of information on your business. The library should have copies of the National Trade & Professional Associations of the United States, published by Columbia Books, Washington, D.C. This is a source of business and trade associations.

Key West Library – Monroe County

700 Fleming Street

Key West, Florida 33040

(305) 292-3595

Counseling, Training & Publications

There will be many questions you will need answered as you proceed to operate your new business. Here are a few resources:

SCORE (Service Corps of Retired Executives), an organization sponsored by SBA (U.S. Small Business Administration). Their counseling is provided without charge.

SCORE (Service Corps of Retired Executives)

1320 South Dixie Highway, Suite 501

Coral Gables, FL 33146

(305) 536-5521

Small Business Development Center offers training workshops and courses in small business management.

Florida SBDC at FIU

111 Brickell Avenue, Suite 2200 South Tower

Miami, FL 33131

(305) 779-9230

<https://business.fiu.edu/centers/sbdc/index.cfm>