



Step-by-Step Guide and Checklist for Starting a Small Business in South Carolina

Step 1: Choose Your Business Structure

Most new businesses choose one of the following:

- Sole Proprietorship
- Limited Liability Company (LLC)
- Corporation
- Nonprofit Corporation

Before deciding, review the [U.S. Small Business Administration's guide](#).

☐ Select your business structure.

Step 2: Choose and Research a Business Name

Before spending money on logos, websites, or marketing materials:

1. [Search South Carolina business records](#).
2. [Search federal trademarks](#).
3. Consider whether a website domain is available.

Practice Tip: Approval of a South Carolina business filing does not guarantee trademark rights.

☐ Conduct SC business name search. ☐ Conduct federal trademark search. ☐ Reserve domain name if desired.

Step 3: Form Your Business Entity

To create an LLC, corporation, or nonprofit corporation, [file formation documents with the South Carolina Secretary of State](#):

Common filings include:

- Articles of Organization (LLC)
- Articles of Incorporation (Corporation)

☐ File formation documents. ☐ Save copies of approved filings.

Step 4: Obtain an EIN

Most businesses need an Employer Identification Number (EIN).

[Apply directly through the IRS.](#)

The IRS does not charge a fee to obtain an EIN.

☐ Obtain EIN. ☐ Save IRS confirmation notice.

Step 5: Open a Business Bank Account

Bring:

- Formation documents
- EIN confirmation
- Government-issued identification

Keep business and personal funds separate.

☐ Open business bank account. ☐ Establish bookkeeping procedures.

Step 6: Register for South Carolina Taxes

Depending on your business activities, you may need sales tax, withholding tax, or other registrations.

Create a [MyDORWAY account](#) and register online.

South Carolina Department of Revenue [business registration information](#).

☐ Determine applicable taxes. ☐ Register required tax accounts.

Step 7: Obtain Required Licenses and Permits

Licensing requirements vary by industry and location.

Start with:

[South Carolina Business One Stop](#).

Check with:

- Your city or county government
- Professional licensing boards
- Industry regulators

☐ Identify required licenses. ☐ Apply for licenses and permits.

Step 8: Create Internal Governance Documents

Recommended documents include:

For LLCs:

- Operating Agreement

For Corporations:

- Bylaws
- Organizational Minutes

☐ Prepare internal governance documents. ☐ Store records securely.

Step 9: Understand Employment Requirements

Before hiring workers, [review federal guidance](#).

Consider whether workers are employees or independent contractors.

☐ Determine worker classifications. ☐ Establish payroll procedures if hiring employees.

Step 10: Maintain Compliance

Create a compliance calendar to track:

- Annual reports
- Tax filings
- License renewals
- Business records

South Carolina Secretary of State: <https://sos.sc.gov>

South Carolina Department of Revenue: <https://dor.sc.gov>

☐ Create compliance calendar. ☐ Schedule annual business review.

When to Seek Legal Assistance

Consider consulting an attorney if:

- You have multiple owners.
- You plan to seek investors.
- You are purchasing an existing business.
- You are forming a nonprofit seeking tax-exempt status.
- You receive a trademark objection or cease-and-desist letter.
- You are uncertain about licensing requirements.

Disclaimer

This guide provides general educational information and is not legal, tax, or financial advice. Laws and procedures may change. Consult appropriate professionals regarding your specific circumstances.

Need More Help?

GROW South Carolina provides legal assistance to qualifying small businesses and nonprofits. These materials are educational resources only and do not create an attorney-client relationship. Information may change as laws and regulations are updated. Visit the [GROW South Carolina website](#) for current eligibility requirements and application information.