

RULES FOR YOUR NEW COMPANY

Congratulations! You are now the proud shareholder (S corp) or member (LLC) of a new company. There are several steps you have to take to complete the process.

First of all, if you have an S corp, please make sure you signed a Form 2553 with us. We will then transmit it to the IRS. You should receive a letter from the IRS saying that your business has been accepted as an S corporation.

The package you have been given has your Articles of Incorporation or Organization, plus a tax ID number. These are very important documents and should be kept safely by you. We will have also provided you with Form W-9's. Anyone who is paying you should be provided this form for tax purposes. All of your income should be to the company and not you.

You will need a bank account for the corporation. A corporate bank account. I cannot stress this enough. Just take this package to the bank. Make your life easy and open it where you otherwise bank. Save money by asking the banker for what qualifies you for the cheapest corporate account. Without a bank account, you will not be a true company.

As a new filing with the State of Florida you will receive A LOT of junk mail. Ignore it. All of it. There is a whole industry that lives to scam new company owners. You will get a letter from the IRS if you are accepted as an S corp. Otherwise, the State only communicates via email for their annual reports.

As a Florida corporation, you will be **REQUIRED** to file an annual report with the state every spring. If you are incorporated in another state, that state will have its own rules that we will work on together. Your annual report is \$150 or \$138.75, depending if you are an S corp or an LLC. It is due between Jan. 1 and May 1st. **IF YOU DO NOT PAY THE ANNUAL REPORT BY MAY 1ST, THERE IS A NON-NEGOTIABLE \$400 FINE. IF YOU DO NOT PAY THAT BY SPET. 15TH YOUR COMPANY WILL BE DISSOLVED.**

If we formed your company, in year one we will receive the email notice regarding the annual report. After this, if you renew on your own, you will receive it.

The annual report gives you an opportunity to change your address, officers or registered agent for free.

If you do not want to be responsible for renewing your corporation at Sunbiz, contact us, and we will do it for you for a small fee.

Taxes for corporations are due on March 15th. You can apply for an automatic extension. If we formed your company, or if we prepared taxes for it last year, we will automatically extend it. Failure to file either a timely return or extension is \$195 per month per shareholder.

On the website there will be other articles about business expenses and tips for running a company.