



# OFFICE OF THE GOVERNOR

**ECONOMIC DEVELOPMENT & TOURISM**

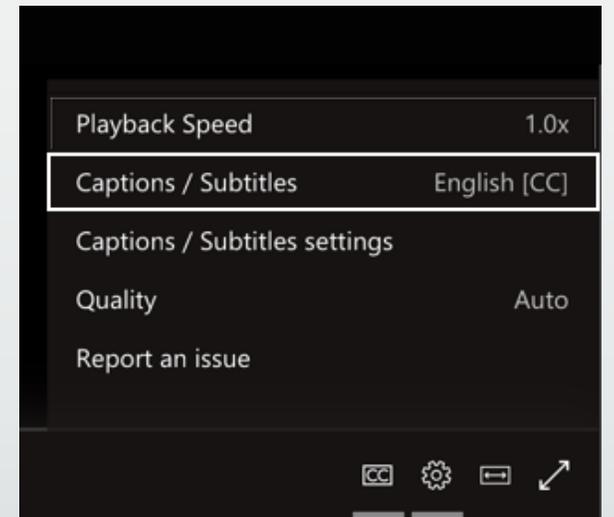
**Starting a Business in Texas**

**Small Business Assistance Team**

**August 19, 2020**

# ACCOMMODATIONS NOTICE

- The streaming text link will be posted in the “Featured” feed - <https://tcc.1capapp.com/event/gov2/>
- This webinar offers live captioning and subtitles in English, Spanish, Chinese (Traditional & Hong Kong S.A.R.), Arabic, French, and Vietnamese
- To turn on live captions and subtitles, select **Captions/Subtitles On**  in your video controls
- To change the caption language, select **Settings**  > **Captions / Subtitles**, and choose your language
- **Transcripts are available within 48 hours from our events page at <https://gov.texas.gov/business/page/small-business-events>**



gov.texas.gov/business

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     @TexasEconDev





# Adriana Cruz

Executive Director  
Economic Development & Tourism  
Office of the Governor



[gov.texas.gov/business](https://gov.texas.gov/business)

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# Texas Awards & Accolades



Texas ranked as the No. 1 State for Business for the 15th consecutive year



WalletHub named Texas the 2019 Best State to Start a Business in the nation



Texas was named the Best State for Women Entrepreneurs in 2019 by Fit Small Business



Texas is No. 1 for jobs created by veterans and veteran women business owners



Texas was rated "A" for Small Business Friendliness by Thumbtack.com in 2019



Texas secured seven No. 1 rankings on Business Facilities' 2019 State & Metro Rankings Report



# PANELISTS

 Texas Secretary of State  
Ruth R. Hughs

## Kevin Tipton

State Attorney, Business and Public Filings Division  
Texas Secretary of State's Office



## Jessica Garcia

Tax Compliance Specialist  
Texas Comptroller of Public Accounts



## Sonia Galliard

Business Permit Specialist  
Office of the Governor



## Alex Plotkin

Senior Business Advisor, Collin County  
Small Business Development Center (SBDC), Collin County



# Please ask questions.....

- We will open the live feed for questions shortly
- You can submit questions in the live Q&A feed, **BUT**.....
- Watch the “Featured” or “Published” live Q&A feed
- Check if your question has already been asked
- “Like” the questions you would like answered
- Questions with the most “likes” will be prioritized
- **Unfortunately we will not get to all questions...**



# PANEL QUESTIONS





# Frequently Asked Questions

 Texas Secretary of State  
Ruth R. Hughs

**Kevin Tipton – State Attorney**

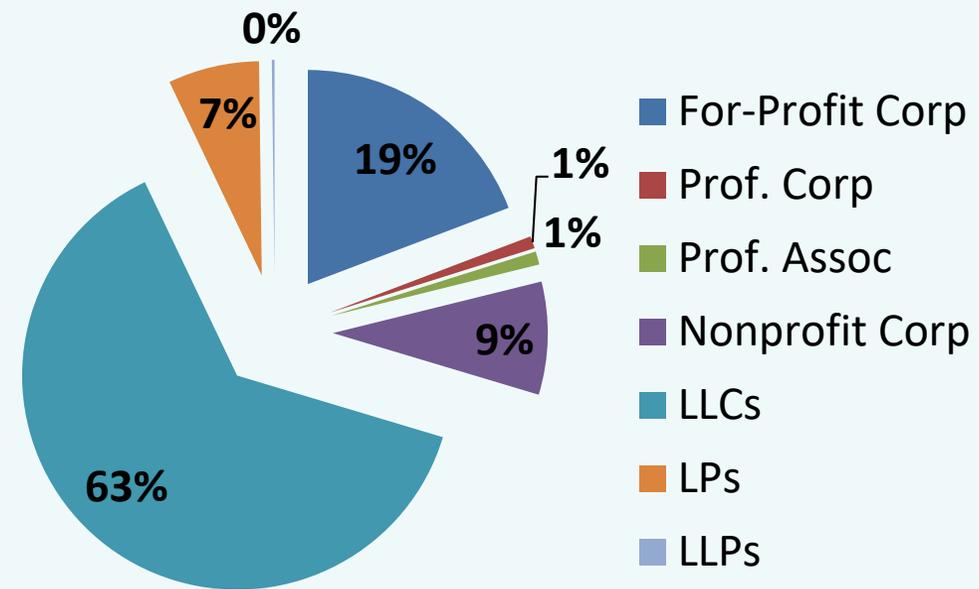
1. What are the most commonly formed business types? How do I pick one?

# SOS Census

## July 1, 2020

Active Domestic Entities

For-Profit Corp	358,492
Prof. Corp	17,310
Prof. Assoc	18,597
Nonprofit Corp	159,071
LLCs	1,181,529
LPs	128,071
LLPs	3,776



# Selecting a Business Structure

The decision regarding business structure is a decision that a person should make, in consultation with an attorney and accountant, and taking into consideration issues regarding tax, liability, management, continuity, transferability of ownership interests, and formality of operation.

- **Sole proprietorship:** The most common and the simplest form of business is the sole proprietorship. In a sole proprietorship, a single individual engages in a business activity without necessity of formal organization except for the filing of an assumed name certificate with the county clerk.
- **Limited Liability Company:** A Texas limited liability company is created by filing a certificate of formation with the SOS. It is a customizable entity type that can meet many different needs.

The limited liability company (LLC) is not a partnership or a corporation but rather is a distinct type of entity. Depending on how the LLC is structured, it may be likened to a general partnership with limited liability, or to a limited partnership where all the owners are free to participate in management and all have limited liability, or to an “S” corporation without the ownership and tax restrictions imposed by the Internal Revenue Code.

- **Corporation:** A Texas corporation is created by filing a certificate of formation with the Texas Secretary of State. A corporation is a legal person with the characteristics of limited liability, centralization of management, perpetual duration, and ease of transferability of ownership interests.

An “S” corporation is not a matter of state corporate law but rather a federal tax election. A for-profit corporation elects to be taxed as an “S” corporation by filing an election with the Internal Revenue Service. Contact competent tax counsel regarding the decision to be taxed as an “S” corporation and the requirements for filing the election. This is not a matter with which the Secretary of State may assist.





# Frequently Asked Questions

 Texas Secretary of State  
Ruth R. Hughs

**Kevin Tipton – State Attorney**

2. Can I register a business directly or must I do this through a CPA or other company? How much does it cost?

# Doing Business with SOS

Visit us on the Web at [www.sos.texas.gov](http://www.sos.texas.gov)

Online Filing, Search & Orders available through:



<https://www.sos.texas.gov/corp/sosda/index.shtml>

Or filings only through SOSUpload:

<https://direct.sos.state.tx.us/lef/index.aspx>

Track the progress of your document submission with our  
Business Filing Tracker:

<https://webservices.sos.state.tx.us/filing-status/status.aspx>



# SOS Contact Emails

Name availability & general filing information:

***[corpinfo@sos.texas.gov](mailto:corpinfo@sos.texas.gov)***

Request copies or certificates of fact:

***[corpcert@sos.texas.gov](mailto:corpcert@sos.texas.gov)***

Legal questions relating to complex filing issues:

***[corphelp@sos.texas.gov](mailto:corphelp@sos.texas.gov)***

SOSDirect assistance & issues:

***[sosdirect@sos.texas.gov](mailto:sosdirect@sos.texas.gov)***





# Frequently Asked Questions



## Jessica Garcia – Tax Compliance Office

3. What are the main taxes I need to register for and how do I do that? When/how often do I need to pay these taxes?
4. If I sell to customers out of state do I need to return Sales tax in Texas on this?

***LIVE Q&A FEED NOW OPEN***



# Frequently Asked Questions

***LIVE Q&A FEED NOW OPEN***



**Sonia Gaillard – Permit Specialist**

5. Do I need a general business license in Texas? Where can I find out what permits or licenses I need?



# Governor's Permit Guide

gov.texas.gov/business/page/business-permits-office

Office of the Texas Governor

**Texas Economic Development**

Home Why Texas? Incentives Small Business International Resources About Us

Home > Small Business > Business Permit Office

## Business Permit Office

**COVID-19 Update:** The Business Permit Office has published a list of helpful FAQs that address common permitting and licensing questions in relation to COVID-19. [Download the FAQs >](#)

The Business Permit Office assists businesses in navigating Texas' permitting, licensing and regulatory environment and aids in resolving permitting issues that arise. This office offers services to businesses of all sizes and resides within the Economic Development and Tourism Office at the Office of the Governor.

### Ombudsman/Liaison

- Assists applicants in the resolution of outstanding issues identified by state agencies, including delays experienced in permit review.
- Aids applicants in obtaining timely and efficient permit review and in resolving issues arising from the review.
- Facilitates contacts between applicants and state agencies responsible for processing and reviewing permit applications.
- Makes recommendations for eliminating, consolidating, simplifying, expediting, or otherwise improving permit procedures affecting business enterprises.

### Comprehensive Permit Guide

A comprehensive list of all permits required of a person desiring to establish, operate, or expand a business enterprise in the state.

[Download the full guide](#)

### In This Section

- Small Business
- Small Business Events
- Small Business Resources
- Start a Business
- Business Permit Office
- Financing and Capital
- Women in Business
- Veterans in Business

### Texas Business Permits Office COVID-19 Frequently Asked Questions

[Download the FAQs >](#)

**2020 TEXAS BUSINESS LICENSES & PERMITS**

**GOVERNOR'S SMALL BUSINESS HANDBOOK**

[Governor's Small Business Handbook >](#)



# Frequently Asked Questions

***LIVE Q&A FEED NOW OPEN***

**Sonia Gaillard – Permit Specialist**

6. My business was granted an exception by the Governor during the crisis, how do I know when this will revert to pre-crisis rules?





# Permit FAQs

gov.texas.gov/business/page/business-permits-office



## Texas Economic Development

Español Office of the Texas Governor

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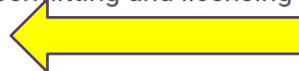


Home > Small Business > Business Permit Office

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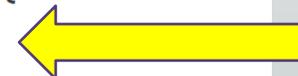
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Texas Business Permits Office COVID-19 Frequently Asked Questions

[Download the FAQs](#)





# Frequently Asked Questions

***LIVE Q&A FEED NOW OPEN***

**Alex Plotkin, Senior Business Advisor, SBDC Collin County**

7. How important is a business plan at the early stage of setting up? Where can I find examples of what a good plan looks like?
8. I am starting a business, what are the best sources of funding for me to consider to help me get going?





# Business Planning

## Format

- Traditional
- Executive Summary
- Business Model Canvas
- Pitch Deck

### Business Plan Examples

[https://www.bplans.com/sample\\_business\\_plans.php](https://www.bplans.com/sample_business_plans.php)

<https://blog.hubspot.com/marketing/sample-business-plans>

<https://www.inc.com/larry-kim/where-to-find-hundreds-of-business-plan-examples.html>

<https://piktochart.com/blog/startup-pitch-decks-what-you-can-learn/>

<https://founderco.org/blog/how-to-use-the-business-model-canvas-examples>

## Content

- Concept – high level, problem, solution
- Market Research - customers, competition
- Operations – business model, details
- Team – key personnel and advisors
- Financial – uses of startup funds, projections

### Business Plan Templates

<https://www.slideshare.net/PitchDeckCoach/sequoia-capital-pitchdecktemplate>

<https://corporatefinanceinstitute.com/resources/knowledge/strategy/business-model-canvas-template/>

<https://www.sba.gov/business-guide/plan-your-business/write-your-business-plan>

<https://www.canva.com/templates/search/pitch-deck-presentations/>



# Funding Sources for Small Businesses



**Qu 8. I am starting a business, what are the best sources of funding for me to consider to help me get going?**

1. Personal Funds – Savings and retirement accounts
2. Friends and Family – Gifts, Loans or Investments
3. Personal Loans – Secured (home equity) or unsecured (credit card)
4. Business Loans – SBA 7a and 504, microloans, non-traditional
5. Private Investment – Angel investor, private equity, venture capital
6. Crowdfunding – Kickstarter, Indiegogo
7. Operational funding – Factoring, leasing, customers and suppliers



# LIVE QUESTIONS & ANSWERS





# Contact Information & Resources

## The Governor's Small Business Assistance Contacts & Resources

Connect with us:

[gov.texas.gov/business](https://gov.texas.gov/business)



- **Governor's Small Business Assistance Team** ([smallbusiness@gov.texas.gov](mailto:smallbusiness@gov.texas.gov))
  - Kelly Spillane, Small Business Advocate
  - Jarvis Brewer, Business Assistance Specialist
  - Sam Schornack, Business Assistance Specialist
- **OOG Guide to Starting a Business**  
[https://gov.texas.gov/uploads/files/business/2019\\_Governors\\_Small\\_Business\\_Online\\_Handbook\\_.pdf](https://gov.texas.gov/uploads/files/business/2019_Governors_Small_Business_Online_Handbook_.pdf)
- **Business Permits Office & Guide**  
<https://gov.texas.gov/business/page/business-permits-office>
- **Governor's Small Business COVID-19** [gov.texas.gov/business/page/coronavirus](https://gov.texas.gov/business/page/coronavirus)
- **Governor's Small Business Webinar series** <https://youtu.be/erCDS5Lswh8>
- **Transcripts are available within 48 hours from our events page at**  
<https://gov.texas.gov/business/page/small-business-events>
- **Event Calendar:** [gov.texas.gov/business/events](https://gov.texas.gov/business/events)



# Contact Information & Resources

Texas Comptroller: <https://comptroller.texas.gov>.

For help visit:

- [Sales and Use Tax](#) pages or call 800-252-5555
- [Franchise Tax](#) pages or call 800-252-1381
- [Texas Tax Help](#) pages
- [comptroller.texas.gov/taxes/faqs/tax-help.php](https://comptroller.texas.gov/taxes/faqs/tax-help.php) for FAQs
- [Tax Training Resources](#) for other helpful resources

**Secretary of State's Office (Start a Business)**

<https://www.sos.state.tx.us/corp/business-startup.shtml>

**SBDC COVID Business Recovery Center (UTSA)**

Email: [businessrecovery@utsa.edu](mailto:businessrecovery@utsa.edu) or call (210) 458-2272

Find your local SBDC: <https://americassbdc.org/small-business-consulting-and-training/find-your-sbdc/>

**SBA Lender Match:** <https://www.sba.gov/funding-programs/loans/lender-match>

Find your local SCORE office <https://www.score.org/find-location>

Find your nearest CDFI <https://ofn.org/cdfi-locator>

# THANK YOU



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