

WEBVTT

00:00:14.425 --> 00:00:34.435

00:00:34.435 --> 00:00:54.435

00:01:06.555 --> 00:01:09.975

Good afternoon everyone and welcome to our next

00:01:09.975 --> 00:01:13.225

edition of the Governor's Office of Small Business Assistance

00:01:13.225 --> 00:01:16.345

Small Business Webinar series featuring basics of

00:01:16.345 --> 00:01:19.415

business licensing. We're gonna give it just another minute or two before

00:01:19.415 --> 00:01:22.515

we get started to allow as many people to attend the

00:01:22.515 --> 00:01:22.665

entire event.

00:01:50.855 --> 00:01:53.865

That's where waiting we're gonna post a

00:01:53.865 --> 00:01:57.295

couple of interactive questions into the Q and

00:01:57.295 --> 00:02:00.835

field we like for each of you to identify which of

00:02:00.835 --> 00:02:02.715

these statements best represents you.

00:02:04.025 --> 00:02:05.705

So there are two statements here.

00:02:06.305 --> 00:02:09.505

I am thinking about starting a business or have recently

00:02:09.505 --> 00:02:11.055

within two years started a business.

00:02:11.695 --> 00:02:14.735

Or I started a business more than two

00:02:14.735 --> 00:02:14.745

years ago.

00:02:15.525 --> 00:02:18.555

Please select which of these statements or

00:02:18.555 --> 00:02:21.645
like which of these statements best represents you

00:02:21.645 --> 00:02:24.565
u can find the Q&A feed in the upper right of your screen.

00:02:25.435 --> 00:02:27.935
It will be in the featured feed tab.

00:02:28.605 --> 00:02:31.615
So again, which one of these statements

00:02:31.615 --> 00:02:32.065
best represents you?

00:02:32.645 --> 00:02:34.515
And your entrepreneurial journey.

00:02:49.225 --> 00:02:50.955
To get us started.

00:02:51.525 --> 00:02:54.825
We would like to welcome our executive

00:02:54.825 --> 00:02:58.195
Director of Economic Development and Tourism Mrs

00:02:58.195 --> 00:03:02.135
s Adriana Cruz. This is Adriana is going to provide some welcoming

00:03:02.135 --> 00:03:03.005
remarks over to you, Adriana.

00:03:04.185 --> 00:03:07.515
Thank you Jarvis and good afternoon everybody, thanks

00:03:07.515 --> 00:03:10.685
for joining today. I'm Adriana Cruz. I'm the

00:03:10.685 --> 00:03:14.025
executive director of the Economic Development and Tourism Office here

00:03:14.025 --> 00:03:17.325
in the office of Governor Abbott and on behalf

00:03:17.325 --> 00:03:20.405
of the governor and the team at the economic development

00:03:20.405 --> 00:03:23.765
and Tourism Office. I want to thank you for joining us for

00:03:23.765 --> 00:03:26.915

today's Governors small business webinar. Our goal is

00:03:26.915 --> 00:03:30.185
to provide you with information and connect you with

00:03:30.185 --> 00:03:32.765
local resources that can help you to find success.

00:03:33.365 --> 00:03:36.485
Our office is committed to work with Texas

00:03:36.485 --> 00:03:39.605
business owners like yourself to make sure that

00:03:39.605 --> 00:03:43.355
Texas continues to be ranked as the top state in the country

00:03:43.355 --> 00:03:46.935
to start a business and to be an entrepreneur in

00:03:46.935 --> 00:03:50.035
n fact, Texas is ranked as the best state in the country to start a

00:03:50.035 --> 00:03:53.515
business and the top state for jobs created by

00:03:53.515 --> 00:03:56.895
black business owners and by Black, Hispanic, and

00:03:56.895 --> 00:03:58.165
veteran women owned business owners.

00:03:58.735 --> 00:04:01.835
Texas, a small business owners and entrepreneurs

00:04:01.835 --> 00:04:04.945
are the backbone of our state's economy

00:04:04.945 --> 00:04:08.495
representing 99% of our businesses and employing nearly

00:04:08.495 --> 00:04:12.115
half of all working Texans. And we

00:04:12.115 --> 00:04:16.005
appreciate everything that you do to keep our economy going

00:04:16.005 --> 00:04:19.235
strong. We have a great panel for you today to talk about

00:04:19.235 --> 00:04:22.425
the basics of business licensing. I hope you enjoyed

00:04:22.425 --> 00:04:25.725

today's webinar and that you learn some helpful

00:04:25.725 --> 00:04:28.775
information as you pursue your entrepreneurial

00:04:28.775 --> 00:04:28.835
journey, please.

00:04:28.875 --> 00:04:32.155
Don't hesitate to reach out to our small business

00:04:32.155 --> 00:04:35.255
team, Jarvis Brewer and Brian Roller, their contact information

00:04:35.255 --> 00:04:38.325
will be provided at the end of the webinar

00:04:38.325 --> 00:04:41.675
and please let us know if there's anything we can do to assist you

00:04:41.675 --> 00:04:44.745
as you continue to do business in the Lone Star

00:04:44.745 --> 00:04:45.715
State Jarvis. Back over to you.

00:04:47.725 --> 00:04:50.865
Thank you, Mrs Cruz, for that welcoming

00:04:50.865 --> 00:04:53.885
and you're absolutely right. Feel free, we encourage

00:04:53.885 --> 00:04:57.225
you to reach out to us at the end of this if you. If there's

00:04:57.225 --> 00:05:01.945
any way that we can be of assistance to you. So now we're gonna enter 2

00:05:01.945 --> 00:05:05.085
no more interactive statements we would like for you to

00:05:05.085 --> 00:05:09.015
like. Which of these two statements as well that best represents

00:05:09.015 --> 00:05:12.105
s you. So these statements are. My business provides a

00:05:12.105 --> 00:05:12.155
tangible product.

00:05:12.705 --> 00:05:15.945
Or my business provides a service

00:05:15.945 --> 00:05:19.355

or intangible product, again like which one of these statements best

00:05:19.355 --> 00:05:21.175
reflects you and your entrepreneurial journey.

00:05:24.935 --> 00:05:28.215
That's Mrs. Cruz mentioned we

00:05:28.215 --> 00:05:32.495
e have a great panel here for you today, we're

00:05:32.495 --> 00:05:36.125
fortunate. Next slide, please. We're fortunate to have

00:05:36.125 --> 00:05:40.155
a representative of the Texas Department of Licensing and Regulation

00:05:40.155 --> 00:05:43.925
Mr Steve Bruno. Steve is a senior government

00:05:43.925 --> 00:05:45.775
relations officer with TDLR.

00:05:47.105 --> 00:05:50.155
Additionally, we have David Eskew who

00:05:50.155 --> 00:05:50.735
is a staff attorney.

00:05:51.295 --> 00:05:54.765
In public filings division

00:05:54.765 --> 00:05:56.665
with the Office of the Texas Secretary of State.

00:05:57.415 --> 00:05:59.485
Thank you for being here today. Mr Eskew.

00:06:00.455 --> 00:06:03.545
And last, but certainly not least, we have Mr

00:06:03.545 --> 00:06:03.655
Saluto Uba.

00:06:04.635 --> 00:06:07.875
There's a business law attorney with the Uber law

00:06:07.875 --> 00:06:11.315
Group. Thank you for being here as well. So each one of these gentlemen

00:06:11.315 --> 00:06:14.675
will provide some FAQ's related to things that they deal with on

00:06:14.675 --> 00:06:18.195

the daily as well as they'll be here to answer your questions

00:06:18.195 --> 00:06:20.715

Live at the end of the presentation during the live Q&A.

00:06:24.745 --> 00:06:27.945

So let's get to those panel questions. We'll

00:06:27.945 --> 00:06:29.105

begin with you, Mr. Bruno.

00:06:31.155 --> 00:06:33.625

You have two questions that you provided here first.

00:06:34.355 --> 00:06:37.875

Does TDLR licensed general contractors

00:06:37.875 --> 00:06:40.925

that is a question that we receive pretty much daily

00:06:40.925 --> 00:06:44.095

regarding the different contracting so could you elaborate

00:06:44.095 --> 00:06:48.215

a little bit further on? Does TDLR licensed general contractors

00:06:48.215 --> 00:06:51.595

absolutely and thank you so much. And thank you for the

00:06:51.595 --> 00:06:53.725

opportunity to be here to speak with everyone.

00:06:54.875 --> 00:06:57.905

You are just not licensed general contractors there

00:06:57.905 --> 00:07:01.595

there is no statewide licensing requirement

00:07:01.595 --> 00:07:04.925

for general contractors. However, at

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TDLR and at other agencies, there are certain

00:07:08.035 --> 00:07:11.155

trades and occupations that are

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licensed specifically here at the Department of

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Licensing and Regulation. We issue licenses to

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electrical contractors and the electricians who work

00:07:20.965 --> 00:07:24.185
with them and for them, and air conditioning

00:07:24.185 --> 00:07:24.905
contractors and the.

00:07:24.985 --> 00:07:28.145
Folks who work for them as well

00:07:28.145 --> 00:07:31.675
There are a few exceptions in each of our statutes

00:07:31.675 --> 00:07:35.055
but what I'd like to say is that, in general, if you are

00:07:35.055 --> 00:07:38.615
going to be performing or offering to

00:07:38.615 --> 00:07:41.655
perform electrical or air conditioning work, then

00:07:41.655 --> 00:07:45.645
you will need a license from my agency

00:07:45.645 --> 00:07:49.125
y TDLR, if you're going to be performing plumbing

00:07:49.125 --> 00:07:52.585
work, you would need a license from a different agency and

00:07:52.585 --> 00:07:55.725
d that's going to be the Texas State Board of Plumbing Examiners.

00:07:55.875 --> 00:08:00.375
Other questions we get related to

00:08:00.375 --> 00:08:04.485
construction involve roofing and there is currently not

00:08:04.485 --> 00:08:07.105
a statewide license requirement for roofing.

00:08:09.505 --> 00:08:12.605
And that's a perfect example, I'm glad

00:08:12.605 --> 00:08:13.625
that you broke down the different.

00:08:15.065 --> 00:08:18.335
Contracting so

00:08:18.335 --> 00:08:21.685

we get that question about just general contracting and not all

00:08:21.685 --> 00:08:25.115

contractors provide the same services. So depending on

00:08:25.115 --> 00:08:28.865

what products or services you're providing, will actually

00:08:28.865 --> 00:08:32.345

determine your requirements as far as licensing or permitting

00:08:33.815 --> 00:08:37.355

Thank you Sir. Let's go to question number two. I see that

00:08:37.355 --> 00:08:40.525

we've jumped ahead a little bit on answering number

00:08:40.525 --> 00:08:43.535

t let's go back one to the question.

00:08:45.345 --> 00:08:48.875

So what occupations does TDLR

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license and regulate Mr Bruno excellent

00:08:51.995 --> 00:08:55.015

excellent question and the at TDLR

00:08:55.015 --> 00:08:58.175

We oversee 37 different programs and they're

00:08:58.175 --> 00:09:01.195

e listed here for you. One thing to keep in mind

00:09:01.195 --> 00:09:03.635

that we like to say is that we license people.

00:09:04.245 --> 00:09:07.635

We license places and we

00:09:07.635 --> 00:09:10.875

license things. A couple of examples we've already mentioned of the

00:09:10.875 --> 00:09:14.375

people are gonna be air conditioning contractors

00:09:14.375 --> 00:09:17.675

electrical contractors you can see here on the list and we've got

00:09:17.675 --> 00:09:21.805

used auto parts recyclers, auctioneers athletic

00:09:21.805 --> 00:09:25.415

c trainers, places, places we regulate are going to be

00:09:25.415 --> 00:09:29.065

certain businesses. For example, under barbering and cosmetology any

00:09:29.065 --> 00:09:32.105

y nail salon, for example, or hair salon

00:09:32.105 --> 00:09:35.555

I'm also a massage therapy establishment where you might go to get a massage.

00:09:35.655 --> 00:09:38.965

Those are places that we regulate

00:09:38.965 --> 00:09:41.975

and things will fall under the

00:09:41.975 --> 00:09:45.065

categories of boilers. Every building in the state

00:09:45.065 --> 00:09:48.405

that has a boiler in it. Those boilers need to be

00:09:48.405 --> 00:09:51.645

inspected and including elevators and

00:09:51.645 --> 00:09:54.975

escalators are other big examples of things that

00:09:54.975 --> 00:09:58.315

are regulated. As I said earlier there are

00:09:58.315 --> 00:10:01.435

e always some exceptions. One big exception that's

00:10:01.435 --> 00:10:04.615

important to know about regarding

00:10:04.615 --> 00:10:05.735

elevators is that TDR's.

00:10:05.775 --> 00:10:09.305

Responsible for all elevators and escalators in the

00:10:09.305 --> 00:10:13.125

state except for those in the city of Houston. The law does

00:10:13.125 --> 00:10:16.345

allow certain municipalities to regulate their own

00:10:16.345 --> 00:10:19.915

programs, and Houston is chosen to regulate its own

00:10:19.915 --> 00:10:21.255
elevator and escalator program.

00:10:22.245 --> 00:10:25.275
But this list here shows

00:10:25.275 --> 00:10:28.435
you all of the 37 programs and on

00:10:28.435 --> 00:10:30.825
our website there's much more information about each one of those.

00:10:31.675 --> 00:10:34.875
And what the requirements are, UM, in order to

00:10:34.875 --> 00:10:38.335
get and obtain a license. And then, of course, we always like for

00:10:38.335 --> 00:10:42.225
folks to understand, and you can go on our website and search for

00:10:42.225 --> 00:10:45.305
any disciplinary action. What actions could

00:10:45.305 --> 00:10:49.085
get a license taken away from you is also important to

00:10:49.085 --> 00:10:52.395
know the last thing I'll share is that on our

00:10:52.395 --> 00:10:55.925
website we do publish for the public a list

00:10:55.925 --> 00:10:59.285
of licensees, so that if you're considering hiring

00:10:59.285 --> 00:11:00.545
somebody, you should definitely check that list.

00:11:03.535 --> 00:11:06.545
I'm glad you added that last bit about a list

00:11:06.545 --> 00:11:09.695
of licensees, so two things came to mind

00:11:09.695 --> 00:11:13.005
during your description. So one another question that we received pretty

00:11:13.005 --> 00:11:16.115
commonly is people wanting to inquire about whether a

00:11:16.115 --> 00:11:19.165
person or business has a business license

00:11:19.165 --> 00:11:22.825
So the fact that you mentioned that TDLR, hey, if it's

00:11:22.825 --> 00:11:24.945
within their purview, such as one of these 37.

00:11:26.265 --> 00:11:29.785
Products products, licenses permits that they

00:11:29.785 --> 00:11:32.955
y oversee then they would have the list of those individuals

00:11:32.955 --> 00:11:34.595
or people, places or things.

00:11:35.995 --> 00:11:39.115
Thank you so much for that and the other thing

00:11:39.115 --> 00:11:42.605
that you mentioned at that, we also received quite often is.

00:11:43.305 --> 00:11:46.725
If you don't see your product, your service on this

00:11:46.725 --> 00:11:49.925
list that does not mean that there is no

00:11:49.925 --> 00:11:51.025
There are no requirements for you.

00:11:51.625 --> 00:11:54.885
It would be very convenient if there was one state

00:11:54.885 --> 00:11:57.955
agency that provided all licenses and

00:11:57.955 --> 00:12:01.025
permits. Unfortunately, what's convenient isn't always what's

00:12:01.025 --> 00:12:04.525
the realistic item, so depending

00:12:04.525 --> 00:12:07.855
on as he mentioned plumbing or what the product

00:12:07.855 --> 00:12:11.165
or service is, or maybe another state agency

00:12:11.165 --> 00:12:14.555
or municipality that administers

00:12:14.555 --> 00:12:17.845
regulates your product or service, so keep

00:12:17.845 --> 00:12:21.105
that in mind. I'll talk about our licensing and permits got later

00:12:21.105 --> 00:12:21.975
on in this event.

00:12:22.035 --> 00:12:25.385
That is a great tool that has

00:12:25.385 --> 00:12:25.885
everything all in one place.

00:12:26.585 --> 00:12:30.215
Thank you Mr Bruno. We'll move on to our next

00:12:30.215 --> 00:12:33.835
panelist, Mr. David Eskew. How are you doing this

00:12:33.835 --> 00:12:37.135
morning slash afternoon Sir, I'm doing very well

00:12:37.135 --> 00:12:40.945
Thank you. I wanna echo my appreciation for the opportunity

00:12:40.945 --> 00:12:43.625
to participate today to be part of this and.

00:12:44.595 --> 00:12:45.935
Very much looking forward to it.

00:12:46.935 --> 00:12:50.035
Thank you for being here as

00:12:50.035 --> 00:12:53.055
well. I'm tell us a little bit about yourself, your team

00:12:53.055 --> 00:12:54.245
and what the Secretary of State does.

00:12:54.875 --> 00:12:55.355

00:12:56.265 --> 00:12:59.495
My name is David Eskew. I'm part of one of the staff

00:12:59.495 --> 00:13:02.795
attorneys in the business and public filings

00:13:02.795 --> 00:13:06.155
division with the Texas Secretary of State one

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e of the primary responsibilities of our office is the

00:13:10.415 --> 00:13:14.255

OR ministerial filing Officer for business entity filings

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and certain other documents that are required to be filed with our

00:13:21.925 --> 00:13:24.935

One of the first questions is relates

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to business into business entity filings

00:13:28.025 --> 00:13:31.485

that are submitted to our office in order to create

00:13:31.485 --> 00:13:32.685

or form certain entities.

00:13:33.695 --> 00:13:36.865

Absolutely. So let's go forward right into

00:13:36.865 --> 00:13:39.925

those questions which or which entity

00:13:39.925 --> 00:13:43.075

types are created or formed by filing document with the

00:13:43.075 --> 00:13:43.585

Texas Secretary of State.

00:13:44.235 --> 00:13:47.395

Certain by statute

00:13:47.395 --> 00:13:50.425

certain entities can only be created, or

00:13:50.425 --> 00:13:53.495

formed by filing a document with our office

00:13:53.495 --> 00:13:56.655

That document is called a certificate of formation

00:13:56.655 --> 00:13:57.985

and some of the common entities.

00:13:58.665 --> 00:14:01.835

Business types, entity structures that

00:14:01.835 --> 00:14:05.715

are created or formed by office include for profit corporations

00:14:05.715 --> 00:14:09.665

s, nonprofit corporations, limited liability companies

00:14:09.665 --> 00:14:13.295
and limited partnerships. You'll note in

00:14:13.295 --> 00:14:17.365
that each one of those entity types has

00:14:17.365 --> 00:14:20.655
a reference to a form, and we do have forms on our website

00:14:20.655 --> 00:14:24.425
which we highly encourage because they're drafted to meet

00:14:24.425 --> 00:14:27.515
minimum statutory requirements. In order to help the document

00:14:27.515 --> 00:14:30.775
be filed. Certainly recommend using our forms that they're available.

00:14:30.875 --> 00:14:34.895
On the other hand, there are certain business types or

00:14:34.895 --> 00:14:38.145
business structures that do not require

00:14:38.145 --> 00:14:41.365
a filing in order to be created, or

00:14:41.365 --> 00:14:44.375
formed. These include sole proprietorships and general

00:14:44.375 --> 00:14:47.545
partnerships. There may

00:14:47.545 --> 00:14:51.585
still be filing requirements for those types of businesses

00:14:51.585 --> 00:14:54.955
but those would be on the county level and not any

00:14:54.955 --> 00:14:56.455
type of filing with our office.

00:14:58.535 --> 00:15:01.555
Sure thing and we get that question quite often

00:15:01.555 --> 00:15:04.715
As far as should they file with the Secretary of

00:15:04.715 --> 00:15:08.155
State's office or with their local county clerk's office so it

00:15:08.155 --> 00:15:11.285
will deter. It's determined by what entity

00:15:11.285 --> 00:15:14.315
type you choose, correct? So

00:15:14.315 --> 00:15:18.205
general rule of thumb, if you have to file with our office

00:15:18.205 --> 00:15:18.245
to.

00:15:19.435 --> 00:15:22.795
Great your entity then any type

00:15:22.795 --> 00:15:27.025
of subsequent filings would be with our office as well as a general rule

00:15:27.025 --> 00:15:30.035
But if not then any type of filing would generally

00:15:30.035 --> 00:15:33.065
be at the county level and I do want to note

00:15:33.065 --> 00:15:38.515
that those types of entities that are filed with our office

00:15:38.515 --> 00:15:41.535
they're labeled domestic entities which

00:15:41.535 --> 00:15:42.645
h would generally describe.

00:15:43.895 --> 00:15:46.905
Entities that are created by a filing

00:15:46.905 --> 00:15:50.015
with our office and we have that term in

00:15:50.015 --> 00:15:54.395
the Statute to contrast with foreign entities

00:15:54.395 --> 00:15:57.575
which some of y'all may be associated with

00:15:57.575 --> 00:15:58.275
that were formed.

00:15:59.155 --> 00:16:02.485
In a jurisdiction other than Texas

00:16:02.485 --> 00:16:05.785
and sometimes we get questions about

00:16:05.785 --> 00:16:06.785
whether a foreign entity.

00:16:08.065 --> 00:16:11.345
Testify with our office. This tactic does require it

00:16:11.345 --> 00:16:14.645
if that entities transacting business in Texas

00:16:14.645 --> 00:16:17.815
and it's a separate filing. It's called an application

00:16:17.815 --> 00:16:19.515
for registration. But we do.

00:16:20.965 --> 00:16:24.225
Almost on a daily, sometimes multiple

00:16:24.225 --> 00:16:27.895
times a day. Have questions about whether a particular

00:16:27.895 --> 00:16:31.115
filing is required with our office and it

00:16:31.115 --> 00:16:34.465
is a certificate of formation is required to form

00:16:34.465 --> 00:16:37.895
a domestic or a Texas entity and then

00:16:37.895 --> 00:16:41.145
a application for registration is required. If a foreign

00:16:41.145 --> 00:16:44.695
entity is transacting business in Texas and in foreign entity

00:16:44.695 --> 00:16:47.715
would describe any entity that was formed under

00:16:47.715 --> 00:16:50.975
the laws of jurisdiction other than Texas

00:16:50.975 --> 00:16:51.335
So that could include.

00:16:51.375 --> 00:16:54.475
Oklahoma, Delaware and other

00:16:54.475 --> 00:16:56.815
US state or even a foreign country.

00:16:58.605 --> 00:17:02.375
Thank you so much for even bringing that up, I

00:17:02.375 --> 00:17:05.415
think as our small business team was

00:17:05.415 --> 00:17:08.495
considering putting together a webinar to talk about

00:17:08.495 --> 00:17:11.955
this topic, I think one of the main drivers of

00:17:11.955 --> 00:17:15.495
us choosing to do business licensing in Texas is that

00:17:15.495 --> 00:17:18.695
phrase business licensing and it

00:17:18.695 --> 00:17:21.815
t varies depending on where you're at for

00:17:21.815 --> 00:17:26.015
r example, some other states may have a general business license
requirement and.

00:17:26.735 --> 00:17:30.105
If you have that knowledge or coming from another site

00:17:30.105 --> 00:17:33.445
state, as we've seen a lot of a lot of people who

00:17:33.445 --> 00:17:36.795
have moved to Texas and want to start a business or move their

00:17:36.795 --> 00:17:37.685
business from another state.

00:17:38.955 --> 00:17:41.995
We may be aware of that general business

00:17:41.995 --> 00:17:45.105
license. Well, that requirement doesn't exist here

00:17:45.105 --> 00:17:48.285
in the state of Texas, and so we really wanted

00:17:48.285 --> 00:17:48.865
to separate.

00:17:49.655 --> 00:17:52.865
Registering a business and filing

00:17:52.865 --> 00:17:53.805
a business from.

00:17:54.555 --> 00:17:57.765
Some of the things Steve Bruno just mentioned the

00:17:57.765 --> 00:18:01.355
specific licenses and permits that are based solely on

00:18:01.355 --> 00:18:04.475
the products and services that you provide, so that was

00:18:04.475 --> 00:18:07.705
kind of our reasoning of wanting to really get to the

00:18:07.705 --> 00:18:10.745
basics of what a quote unquote business

00:18:10.745 --> 00:18:13.965
license is, and we want to separate registration

00:18:13.965 --> 00:18:17.095
from specific licensing and permits. So thank you for bringing that

00:18:17.095 --> 00:18:20.375
foreign analyst state entity registration, the

00:18:20.375 --> 00:18:24.105
filing is something as he mentioned. If you are moving a business from
another state

00:18:24.105 --> 00:18:24.505
or country.

00:18:24.685 --> 00:18:27.995
That is it. The streamline process through

00:18:27.995 --> 00:18:29.245
the Texas Secretary of State's office.

00:18:29.915 --> 00:18:30.285
Alright.

00:18:31.245 --> 00:18:34.485
I'm not question #4 your

00:18:34.485 --> 00:18:37.575
second FAQ, Mr. Eskew is what

00:18:37.575 --> 00:18:39.605
is a new veteran owned business.

00:18:40.965 --> 00:18:44.005
A new veteran owned business

00:18:44.005 --> 00:18:47.075
was an option provided by the legislature beginning

00:18:47.075 --> 00:18:50.485
January 1st of this year and it

00:18:50.485 --> 00:18:52.665

t provides that certain.

00:18:53.305 --> 00:18:56.755
Entities that qualify as a new bedroom

00:18:56.755 --> 00:19:00.005
veteran owned business or don't

00:19:00.005 --> 00:19:02.895
have to are not subject to certain filing fees under.

00:19:04.715 --> 00:19:07.825
That the Texas business Organizations Code, which is that

00:19:07.825 --> 00:19:10.845
the statute that primarily governs business entities

00:19:10.845 --> 00:19:14.195
in Texas and are not subject

00:19:14.195 --> 00:19:17.515
to the State franchise taxes

00:19:17.515 --> 00:19:20.905
for the earlier of the 5th anniversary

00:19:20.905 --> 00:19:24.505
of entities existence or if it ceased to

00:19:24.505 --> 00:19:27.915
qualify as a new veteran owned business, there are certain

00:19:27.915 --> 00:19:31.025
criteria that the entity has to

00:19:31.025 --> 00:19:34.115
meet. Those are discussed in more detail in the.

00:19:34.775 --> 00:19:38.425
Link on our that's at the bottom of the slide, I will note

00:19:38.425 --> 00:19:41.685
that it has to be formed after January 1st

00:19:41.685 --> 00:19:44.805
of this year and before, on or after January 1st of this

00:19:44.805 --> 00:19:47.855
year. Excuse me. And before January 1st of 2020

00:19:47.855 --> 00:19:51.005
and it must be 100% owned by

00:19:51.005 --> 00:19:54.065

an individual or individuals with

00:19:54.065 --> 00:19:57.375
each owner being an honorably discharged veteran

00:19:57.375 --> 00:20:00.425
from a branch of the US armed

00:20:00.425 --> 00:20:01.965
Services. So we've got a couple of questions.

00:20:03.145 --> 00:20:06.225
About whether it would apply

00:20:06.225 --> 00:20:09.805
to someone that was in the military of a different

00:20:09.805 --> 00:20:13.055
country and has since moved to Texas

00:20:13.055 --> 00:20:16.125
Unfortunately it doesn't it that the statute is pretty clear

00:20:16.125 --> 00:20:19.155
that it's applicable only

00:20:19.155 --> 00:20:23.665
to honorably discharged veterans from a branch of the US armed

00:20:23.665 --> 00:20:26.515
Services in order to, as I mentioned previously.

00:20:27.695 --> 00:20:30.725
Domestic entities are formed by filing a certificate

00:20:30.725 --> 00:20:33.825
of formation with our office. If you

00:20:33.825 --> 00:20:37.125
were to form a new veteran, dump business such as a

00:20:37.125 --> 00:20:40.655
a limited liability company, an LLC or a for profit corporation

00:20:40.655 --> 00:20:44.335
you would need to include additional documentation

00:20:44.335 --> 00:20:47.805
from the Texas Veterans Commission as well as

00:20:47.805 --> 00:20:51.295
the Texas Comptroller of Public Accounts. And that's the

00:20:51.295 --> 00:20:54.805

state agency that administers taxes, including the

00:20:54.805 --> 00:20:57.675
state franchise tax. Those requirements are.

00:20:57.725 --> 00:21:01.005
We're also discussed in detail in the web page

00:21:01.005 --> 00:21:04.265
that's linked below. Both of those offices are familiar

00:21:04.265 --> 00:21:07.785
with the new veteran owned business as

00:21:07.785 --> 00:21:10.895
provided by the legislature, but the

00:21:10.895 --> 00:21:14.145
web page linked below has links to the specific documents that you

00:21:14.145 --> 00:21:17.325
would need to request and provide

00:21:17.325 --> 00:21:20.145
at the time that you submit. The certificate of formation with our
office.

00:21:21.385 --> 00:21:24.715
Thank you Sir, and thank you for even going into

00:21:24.715 --> 00:21:27.755
so another question that we get asked

00:21:27.755 --> 00:21:31.085
quite often which is certifications so

00:21:31.085 --> 00:21:34.985
o that's why we've talked about licensing and permits we've talked about

00:21:34.985 --> 00:21:38.105
t registration and now a little bit about

00:21:38.105 --> 00:21:41.215
certifications. And as Mrs. Cruz mentioned in

00:21:41.215 --> 00:21:44.595
her welcoming as she mentioned how Texas is as a top

00:21:44.595 --> 00:21:47.815
state for minority owned businesses and women owned

00:21:47.815 --> 00:21:51.395
businesses and now even veteran owned businesses so

00:21:51.395 --> 00:21:51.915

o one certification.

00:21:51.935 --> 00:21:55.835

That we have at the state level is called the

00:21:55.835 --> 00:21:58.965

hub certification stands for historically underutilized

00:21:58.965 --> 00:22:02.065

business certification. So if you do provide a product or

00:22:02.065 --> 00:22:05.395

service and would like to provide that product or service to a

00:22:05.395 --> 00:22:08.515

state agency or state public

00:22:08.515 --> 00:22:11.705

university, I definitely recommend I'm looking into

00:22:11.705 --> 00:22:14.805

the hub certification to provide a

00:22:14.805 --> 00:22:18.095

competitive advantage for you and your business to provide that

00:22:18.095 --> 00:22:19.625

product or service to the state.

00:22:21.065 --> 00:22:24.775

Let's move forward. That's far we've

00:22:24.775 --> 00:22:29.005

had the Q&A close, but it is

00:22:29.005 --> 00:22:32.095

now open, so you can go ahead. We encourage you to go ahead

00:22:32.095 --> 00:22:35.225

and submit your questions to our panel. We do have another panelist to

00:22:35.225 --> 00:22:38.335

get to as far as the FA Q's, but

00:22:38.335 --> 00:22:41.585

please go ahead and submit your questions so that our

00:22:41.585 --> 00:22:44.825

panel our panelists can address them

00:22:44.825 --> 00:22:47.515

The way that you'll submit them is through that Q&A.

00:22:48.145 --> 00:22:51.295

I tab as well

00:22:51.295 --> 00:22:54.895

h out for other people's questions and questions

00:22:54.895 --> 00:22:58.035

that you would like to see that other people have submitted you would like

00:22:58.035 --> 00:23:01.205

e to see answered, that's how we will actually prioritize

00:23:01.205 --> 00:23:04.635

the questions to our panel so the most liked questions

00:23:04.635 --> 00:23:07.905

will be asked first. So again, go ahead and start

00:23:07.905 --> 00:23:08.815

submitting your questions now.

00:23:10.855 --> 00:23:14.125

Let's move to you, Mr. Uber. How are you doing

00:23:14.125 --> 00:23:17.245

Sir? Tell us a little bit about yourself in the

00:23:17.245 --> 00:23:20.925

Uber Law Group. Hey, thank you so much, Mr Brewer

00:23:20.925 --> 00:23:24.425

I just first of all, I just want to thank the entire

00:23:24.425 --> 00:23:27.565

office for the invitation. My name is

00:23:27.565 --> 00:23:30.585

Saluto Uba. I'm the founder of the Utah Law Group. We help business

00:23:30.585 --> 00:23:33.885

owners protect their business, Brandon Bank. And so

00:23:33.885 --> 00:23:37.115

what that means specifically is as you're out there, crushing it and

00:23:37.115 --> 00:23:40.215

whatever industry you're in, we want to help protect

00:23:40.215 --> 00:23:40.925

the legal side of your business.

00:23:40.965 --> 00:23:44.295

With an established business entity

00:23:44.295 --> 00:23:47.695

is a great venture, but there can be

00:23:47.695 --> 00:23:51.025

some risk. There can be some legal things that are

00:23:51.025 --> 00:23:54.655

on the other side of that venture. So we got to make sure that you're protected

00:23:54.655 --> 00:23:57.885

legally and so we do that and we also help our clients protect their brand

00:23:57.885 --> 00:24:01.035

with trademarks and make sure that intellectual property is protected as

00:24:01.035 --> 00:24:04.345

well as do a little bit of tax strategy and just we try to help

00:24:04.345 --> 00:24:05.185

the overall package of the entrepreneur.

00:24:06.495 --> 00:24:09.795

Yes, absolutely, and that's great that you were out

00:24:09.795 --> 00:24:13.075

there serving our Texas entrepreneur entrepreneurs as well

00:24:13.075 --> 00:24:16.365

And I'm sure you encounter a lot of the same questions that

00:24:16.365 --> 00:24:19.965

my office as well as the TDLR and SOS

00:24:19.965 --> 00:24:23.275

received. So I think between the three of

00:24:23.275 --> 00:24:27.175

our panelists today, we'll be able to address many of the concerns that

00:24:27.175 --> 00:24:29.745

our audience will have. So let's get into your FAQ.

00:24:30.465 --> 00:24:33.575

5 your first does my

00:24:33.575 --> 00:24:37.135

business license. My slash my DBA provide me with

00:24:37.135 --> 00:24:37.345

legal protection.

00:24:38.145 --> 00:24:41.645

So this is a question that we hear all

00:24:41.645 --> 00:24:44.805

the time, so it'll be a business owner in

00:24:44.805 --> 00:24:48.735

whatever field we have folks in the trades. Whether you're a licensed electrician

00:24:48.735 --> 00:24:52.305

plumber, whatever, the case is the question that we see is does

00:24:52.305 --> 00:24:55.385

s this professional licensure or a DBA or

00:24:55.385 --> 00:24:58.865

a DBA or trade name for your company doesn't provide me with legal

00:24:58.865 --> 00:25:01.885

on, and so the answer is no, so

00:25:01.885 --> 00:25:04.945

whether you're a professional and whatever area or

00:25:04.945 --> 00:25:08.225

whether you started a business, whether it's a sole proprietorship and you just started.

00:25:08.265 --> 00:25:11.395

On your own, and you're doing the business

00:25:11.395 --> 00:25:15.085

under your personal name, your personal Social Security number or whatever

00:25:15.085 --> 00:25:18.225

If you do not have a legal entity set up, you do not

00:25:18.225 --> 00:25:21.875

have legal protection. So to break that down, really

00:25:21.875 --> 00:25:25.055

quickly, there's two types of

00:25:25.055 --> 00:25:28.635

liability that you'll mainly experience when you're running a

00:25:28.635 --> 00:25:31.765

business. There's personal liability, which means you are personally

00:25:31.765 --> 00:25:35.055

on the hook. And then there's corporate liability, which means that you

00:25:35.055 --> 00:25:38.275

have a business set up, some sort of legal entity, set up that.

00:25:38.325 --> 00:25:41.635

That will serve to protect you and that legal

00:25:41.635 --> 00:25:45.015

entity will be the one that's on the hook. So an

00:25:45.015 --> 00:25:48.275

example that I like to use all the time is a lemonade stand

00:25:48.275 --> 00:25:51.395

so I start saludos lemonade stand and I'm a sole

00:25:51.395 --> 00:25:55.105

proprietor and say I have a lemonade license, if that was even a thing that

00:25:55.105 --> 00:25:59.595

existed without a business entity if someone drinks

00:25:59.595 --> 00:26:02.935

s my lemonade and they get sick and they want to sue me or take legal action against me

00:26:02.935 --> 00:26:06.325

I have personal liability. If I'm just a sole proprietorship

00:26:06.325 --> 00:26:08.655

even if I have a DBA, I still have personal liability.

00:26:08.695 --> 00:26:12.065

Personally, on the hook. So somebody can come after my

00:26:12.065 --> 00:26:15.085

personal assets to satisfy some legal obligation

00:26:15.085 --> 00:26:18.195

against me. However, if I form a

00:26:18.195 --> 00:26:21.575

business entity, a legal entity such as a corporation

00:26:21.575 --> 00:26:25.545

or an LLC, which is one of the most popular entities if I

00:26:25.545 --> 00:26:28.725

I form. Saludos Lemonade LLC and I'm selling lemonade

00:26:28.725 --> 00:26:32.865

and unfortunately someone gets sick from my lemonade and they want to sue or

00:26:32.865 --> 00:26:36.335
take legal action, they can only come after my LLC. They can't come

00:26:36.335 --> 00:26:38.845
after my personal assets because I'm running my business out of an.

00:26:38.885 --> 00:26:42.415
LC so it's not the business

00:26:42.415 --> 00:26:45.575
license or even the DBA or anything like that

00:26:45.575 --> 00:26:49.235
provides you with legal protection. It's actually setting up an
establishing your

00:26:49.235 --> 00:26:51.715
business with a legal entity, an LLC.

00:26:52.305 --> 00:26:55.535
That is a great explanation and we

00:26:55.535 --> 00:26:58.875
get asked quite often should

00:26:58.875 --> 00:27:01.925
d I form a DBA or LLC and that

00:27:01.925 --> 00:27:05.165
is ultimately that's going to be something that the individual

00:27:05.165 --> 00:27:08.195
idual entrepreneur, is gonna have to answer themselves

00:27:08.195 --> 00:27:11.845
However, something great that the SOS has is they

00:27:11.845 --> 00:27:15.785
have many of the most common business structures or entity types on

00:27:15.785 --> 00:27:19.235
their website and a brief description of each one, but

00:27:19.235 --> 00:27:22.305
I do do a brief summary of the

00:27:22.305 --> 00:27:22.855
two most common.

00:27:23.015 --> 00:27:26.305
That you have listed here DBA and LLC first

00:27:26.305 --> 00:27:29.485
t, I'll go ahead and I was in the military and we use acronyms

00:27:29.485 --> 00:27:32.885
for everything. I'll go ahead and explain what those acronyms actually stand

00:27:32.885 --> 00:27:36.375
for DBA doing business as an LLC

00:27:36.375 --> 00:27:39.545
Limited liability company so in that

00:27:39.545 --> 00:27:43.455
t name LLC the owner has L limited

00:27:43.455 --> 00:27:46.585
liability and then in the DBA

00:27:46.585 --> 00:27:49.665
that person that sole proprietor is doing

00:27:49.665 --> 00:27:49.965
business as.

00:27:50.595 --> 00:27:53.635
Something else, but it's still that individual who's doing

00:27:53.635 --> 00:27:56.745
that business, so there is no real separation

00:27:56.745 --> 00:28:00.285
of the individual from the business in the DBA whereas

00:28:00.285 --> 00:28:04.175
s the person has limited liability in the

00:28:04.175 --> 00:28:07.335
LLC and I believe that to that just real quick. Mr Brewer

00:28:07.335 --> 00:28:10.635
so you can have a DBA for your LLC

00:28:10.635 --> 00:28:14.365
so I can start Saludos Lemonade LLC and I

00:28:14.365 --> 00:28:18.535
realize that's not the most marketable name so I could file a DBA for

00:28:18.535 --> 00:28:20.565
Saludos Lemonade LLC and call it. You know lemon lemon squeezer.

00:28:20.625 --> 00:28:24.315
Whatever, whatever a nice markable name, but

00:28:24.315 --> 00:28:27.475

in that situation it would. Might it would be my LLC

00:28:27.475 --> 00:28:30.515
operating under the DBA, so I the analogy I like to

00:28:30.515 --> 00:28:33.675
tell people that is that the TBA is

00:28:33.675 --> 00:28:36.805
a glove. It'll go on top of something and whatever is underneath

00:28:36.805 --> 00:28:40.165
the glove is the type of protection that you have. So if your DBA

00:28:40.165 --> 00:28:43.205
is the glove on top of a sole proprietorship, then the DBA

00:28:43.205 --> 00:28:46.585
doesn't have any legal protection because the sole proprietorship doesn't
have any

00:28:46.585 --> 00:28:49.835
legal protection. If your DBA is the glove on top of an

00:28:49.835 --> 00:28:50.675
LLC, then that DBA.

00:28:50.725 --> 00:28:54.035
As legal protection. Because the LLC

00:28:54.035 --> 00:28:57.445
underneath it had legal protection, so that's a that's a very good point
that you

00:28:57.445 --> 00:29:00.265
bring up because we also encounter that question a lot amongst our
clients.

00:29:00.905 --> 00:29:04.055
That is a perfect explanation, thank you

00:29:04.055 --> 00:29:07.735
so much, Sir, for that, let's go into your second

00:29:07.735 --> 00:29:11.785
FAQ. If I have multiple business licenses, can I then run

00:29:11.785 --> 00:29:15.295
multiple businesses out of this same LLC

00:29:15.295 --> 00:29:18.775
Yeah, so this is a question that we come across

00:29:18.775 --> 00:29:21.925

Also a lot because we have folks that are in

00:29:21.925 --> 00:29:25.095
industries and in trades construction

00:29:25.095 --> 00:29:28.855
ction, like the trades, electricians, plumbers, all that

00:29:30.975 --> 00:29:34.105
Multiple licenses, so the question

00:29:34.105 --> 00:29:37.295
becomes, can I run all those businesses at the same legal entity?

00:29:38.475 --> 00:29:42.285
So I'm going to have to give you all legal. The legal lawyer answer and

00:29:42.285 --> 00:29:45.775
say, but so technically you

00:29:45.775 --> 00:29:49.085
can run as many businesses as you want

00:29:49.085 --> 00:29:52.455
out of an LLC. The main restriction is if

00:29:52.455 --> 00:29:55.685
there are certain entities that are professional entities

00:29:55.685 --> 00:29:59.355
such as attorney dentist

00:29:59.355 --> 00:29:59.705
t, architect, accountant.

00:30:01.225 --> 00:30:04.315
Different entities, medical professionals like that, do you

00:30:04.315 --> 00:30:07.455
have the P professional designation

00:30:07.455 --> 00:30:10.635
that some of those industries have so you

00:30:10.635 --> 00:30:13.835
cannot run multiple businesses that are professional entities

00:30:13.835 --> 00:30:17.135
out of the same LLC, but everything that doesn't

00:30:17.135 --> 00:30:20.215
have that professional designation and you can find more

00:30:20.215 --> 00:30:23.825

information about this on the Secretary of State's website, of course.
But entities that

00:30:23.825 --> 00:30:26.985
do not have a professional designation, you technically can

00:30:26.985 --> 00:30:30.185
run out of the LLC run out of the same LLC

00:30:30.185 --> 00:30:31.235
Now here's where I put on the.

00:30:31.275 --> 00:30:34.315
Lawyer and the advisor and the business

00:30:34.315 --> 00:30:37.405
business Advisor Hat, and I tell someone, doesn't make

00:30:37.405 --> 00:30:40.735
sense to do that just because you can do something

00:30:40.735 --> 00:30:43.995
doesn't mean that it makes practical sense, and it's strategic for you as

00:30:43.995 --> 00:30:47.405
s a business owner to do something. So in this type of instance I often

00:30:47.405 --> 00:30:50.745
n advise clients not to, so you have multiple businesses, particularly

00:30:50.745 --> 00:30:54.275
businesses, that require multiple license. You want to protect those

00:30:54.275 --> 00:30:57.935
individual business businesses with

00:30:57.935 --> 00:31:01.305
different LLC's and the big reason, because the big reason for that is
because.

00:31:01.355 --> 00:31:04.935
If you're running three different businesses at the

00:31:04.935 --> 00:31:08.085
same LLC, let's say they're all very successful businesses

00:31:08.085 --> 00:31:11.345
You have an HVAC company, you have

00:31:11.345 --> 00:31:14.605
a plumbing company, and you have an electrical company and all

00:31:14.605 --> 00:31:17.885
l three of those companies you're crushing it. You're bringing in 200

00:31:17.885 --> 00:31:20.935
0,000 from all of those companies, if they're

00:31:20.935 --> 00:31:24.245
all in the same LLC. If there's legal action by

00:31:24.245 --> 00:31:28.025
one of those companies, they can come after the money and the funds from

00:31:28.025 --> 00:31:31.175
all of them, because they're all in the same LLC. So we want to

00:31:31.175 --> 00:31:32.905
protect, and we want to limit your risk.

00:31:32.945 --> 00:31:35.985
So we're going to have you set up different legal

00:31:35.985 --> 00:31:39.085
entities for the different businesses, so we don't want

00:31:39.085 --> 00:31:42.095
all the eggs to be in one basket. So in order to protect

00:31:42.095 --> 00:31:45.825
you, we would have you set up different legal

00:31:45.825 --> 00:31:48.975
entities to minimize your risk. So that's the yeah, but

00:31:48.975 --> 00:31:52.155
technically you could put many entities on many businesses

00:31:52.155 --> 00:31:55.315
inside of 1 LLC or one legal entity, but the

00:31:55.315 --> 00:31:59.125
question is should you, and oftentimes it's not the wisest or the most

00:31:59.125 --> 00:32:02.185
strategic thing to put multiple businesses in the same

00:32:02.185 --> 00:32:03.445
entity, because you then expand your risk.

00:32:04.455 --> 00:32:07.745
Absolutely thank you so much

00:32:07.745 --> 00:32:10.865
for that explanation. I know that's very important

00:32:10.865 --> 00:32:13.895
to our audience to hear and to mitigate risk

00:32:13.895 --> 00:32:15.305
So thank you Sir for that.

00:32:17.145 --> 00:32:20.025
Now that I've had a little bit of time to go through our.

00:32:20.995 --> 00:32:24.105
Our interactive questions I

00:32:24.105 --> 00:32:27.445
I see that roughly 75% of

00:32:27.445 --> 00:32:30.795
our audience is thinking about starting a business or

00:32:30.795 --> 00:32:34.005
have recently started in less than two years. So that means a quarter or

00:32:34.005 --> 00:32:38.035
two years or more. So we have a lot of early

00:32:38.035 --> 00:32:41.335
stage business owners in our audience with

00:32:41.335 --> 00:32:43.485
h that, about 75% also are in.

00:32:44.025 --> 00:32:47.145
The service industry so they don't

00:32:47.145 --> 00:32:50.355
have a tangible product or good so many of

00:32:50.355 --> 00:32:52.545
f these people may fall into the category of I provide a.

00:32:53.405 --> 00:32:57.355
Maybe a professional service or some kind of

00:32:57.355 --> 00:32:58.075
service that may be.

00:32:59.495 --> 00:33:02.815
Require me to get something from TDLR maybe I'm

00:33:02.815 --> 00:33:05.045
m one of those people that Mr Bruno's spoke about.

00:33:06.695 --> 00:33:09.975
Now we are going to go into our live questions

00:33:09.975 --> 00:33:13.295

and answers, so I just want to provide the information for our panelists to kind of give

00:33:13.295 --> 00:33:16.355
us an idea of who we're speaking to

00:33:16.355 --> 00:33:19.775
early stage and a lot of service

00:33:19.775 --> 00:33:22.815
providers. But as we go into our Live Q&A

00:33:22.815 --> 00:33:25.855
and these next questions, I'm going to just do my

00:33:25.855 --> 00:33:29.095
best to throw them to a panelist. But by

00:33:29.095 --> 00:33:32.895
all means, if there is another panelist who has additional

00:33:32.895 --> 00:33:36.045
to provide on any question, definitely

00:33:37.445 --> 00:33:40.535
And communicative

00:33:40.535 --> 00:33:43.715
so by no means do I mean to only

00:33:43.715 --> 00:33:47.525
get information from one panelist. This first question. I think it's

00:33:47.525 --> 00:33:50.725
best asked to Mr Eskew the question is

00:33:50.725 --> 00:33:54.075
s, please describe changes to the Texas series

00:33:54.075 --> 00:33:56.305
LLC that became effective last month.

00:33:57.255 --> 00:34:00.395
Would you happen to have information about that

00:34:00.395 --> 00:34:03.485
new change? Certainly

00:34:03.485 --> 00:34:07.045
beginning June 1st of this

00:34:07.045 --> 00:34:07.335
year, the.

00:34:11.565 --> 00:34:15.085
Subchapter in the Texas business organizations

00:34:15.085 --> 00:34:18.645
code was amended to provide for two types of

00:34:18.645 --> 00:34:22.345
series. Previously there was only one type

00:34:22.345 --> 00:34:25.385
and as a brief background, a series, LLC

00:34:25.385 --> 00:34:28.605
is a traditional LLC that has certain language

00:34:28.605 --> 00:34:31.675
in its certificate of formation and other governing

00:34:31.675 --> 00:34:35.415
documents that allows for individual series within

00:34:35.415 --> 00:34:38.735
that LLC. Some of the benefits include

00:34:38.735 --> 00:34:40.855
providing some protection.

00:34:41.965 --> 00:34:45.365
For each of the individual series and they

00:34:45.365 --> 00:34:46.555
can be customized.

00:34:47.785 --> 00:34:50.355
In terms of management and.

00:34:51.635 --> 00:34:54.685
The purpose and assets and liabilities.

00:34:55.925 --> 00:34:58.135
Prior to June 1st of this year.

00:34:59.275 --> 00:35:00.235
A series.

00:35:00.995 --> 00:35:04.445
Was created internally by the entity, there wasn't

00:35:04.445 --> 00:35:07.765
any filing with our office to create the series

00:35:07.765 --> 00:35:10.865
The individual series once

00:35:10.865 --> 00:35:14.365
e the LLC that the quote unquote parent entity was

00:35:14.365 --> 00:35:17.515
created. Going from June 1st. Going forward there

00:35:17.515 --> 00:35:20.765
are now two types of series that can be created in Texas. One is called

00:35:20.765 --> 00:35:24.325
a protected series and the other

00:35:24.325 --> 00:35:27.455
is referred as a registered series. The protected series

00:35:27.455 --> 00:35:31.005
is very similar to what we had previously in that there's

00:35:31.005 --> 00:35:31.175
s no filing.

00:35:31.255 --> 00:35:31.965
Create it.

00:35:33.155 --> 00:35:36.175
A registered series, it can only

00:35:36.175 --> 00:35:39.315
be created or established by filing a certificate of registered

00:35:39.315 --> 00:35:42.385
series with our office and there are.

00:35:43.475 --> 00:35:46.725
That we haven't yet, and we

00:35:46.725 --> 00:35:49.925
don't anticipate drafting a form

00:35:49.925 --> 00:35:53.125
for a certificate of registered series primarily

00:35:53.125 --> 00:35:57.085
because the required information is relatively

00:35:57.085 --> 00:36:00.375
minimal, and there are some naming conventions that have to be

00:36:00.375 --> 00:36:03.415
included with respect to the registered series, but

00:36:03.415 --> 00:36:06.935
other than the filing requirement of protected series and

00:36:06.935 --> 00:36:10.585
registered series share the same attributes, it's just one

00:36:10.585 --> 00:36:13.725
is created by filing with our office at that.

00:36:13.785 --> 00:36:17.095
Filing does have a \$300.00 filing fee that's set by

00:36:17.095 --> 00:36:20.455
statute, but otherwise that attributes are the same

00:36:20.455 --> 00:36:21.025
between the two types of series.

00:36:24.935 --> 00:36:27.965
Wonderful thank you so much for that information I didn't expect

00:36:27.965 --> 00:36:31.885
t us to talk about it. I know it's a recent change

00:36:31.885 --> 00:36:34.965
but obviously that was our most like question so many

00:36:34.965 --> 00:36:38.005
y people wanted to hear about it. With it being a new

00:36:38.005 --> 00:36:41.065
addition or new excuse me, change to the series so

00:36:41.065 --> 00:36:43.445
thank you so much for that explanation.

00:36:44.745 --> 00:36:48.345
Our next question I am going

00:36:48.345 --> 00:36:51.355
to answer it directly. I just posted a link

00:36:51.355 --> 00:36:54.985
so it was sent anonymously, but the question was to qualify for the

00:36:54.985 --> 00:36:58.185
certification. Do all owners must reside in

00:36:58.185 --> 00:37:01.335
Texas? I brought up the hub certification we weren't expecting

00:37:01.335 --> 00:37:04.415
g to talk about it, but since I did, I actually

00:37:04.415 --> 00:37:07.535
just posted the eligible link to the Texas Comptroller

00:37:07.535 --> 00:37:10.765
of Public Accounts. They are the administrators of

00:37:10.765 --> 00:37:13.995
that program of that certification and that

00:37:13.995 --> 00:37:15.115
t link will take you to.

00:37:15.435 --> 00:37:18.785
But their page where they have the eligibility for

00:37:18.785 --> 00:37:21.605
most of the eligibility statements or requirements.

00:37:22.395 --> 00:37:25.545
It must be 51

00:37:25.545 --> 00:37:28.925
owned by someone meeting that eligibility

00:37:28.925 --> 00:37:32.735
so I'm definitely take a look at that. I highly again highly

00:37:32.735 --> 00:37:36.405
advised connecting with the Texas Comptroller of Public Accounts. If you
are interested

00:37:36.405 --> 00:37:38.675
in doing business with the state of Texas.

00:37:40.045 --> 00:37:42.365
Alright, so next question.

00:37:43.775 --> 00:37:46.885
What is the status of already

00:37:46.885 --> 00:37:49.925
existing veteran business? How can they qualify so

00:37:49.925 --> 00:37:53.085
o this is for you, Mr Eskew. I would like to add something to

00:37:53.085 --> 00:37:56.315
after you, but if I'm already

00:37:56.315 --> 00:37:59.505
existing I I'm not between, I believe it was

00:37:59.505 --> 00:38:02.845
January 1st now and then until 2020

00:38:02.845 --> 00:38:03.665
What can I do?

00:38:05.285 --> 00:38:08.625
So there was a the legislature

00:38:08.625 --> 00:38:11.695
previously provided for some of the same benefits

00:38:11.695 --> 00:38:15.085
that I mentioned earlier

00:38:15.085 --> 00:38:18.155
for better known businesses that were formed

00:38:18.155 --> 00:38:21.695
on or after January 1st of 2016 through

00:38:21.695 --> 00:38:24.035
December 31st of 2019 if.

00:38:25.525 --> 00:38:29.135
If you otherwise would have

00:38:29.135 --> 00:38:31.965
qualified as a new veteran owned business and.

00:38:32.745 --> 00:38:36.535
Did not take advantage of those benefits

00:38:36.535 --> 00:38:39.575
The link that to the federal

00:38:39.575 --> 00:38:42.655
web page on our site does provide

00:38:42.655 --> 00:38:45.695
additional information in terms of attaining

00:38:45.695 --> 00:38:49.005
those documents. You can once you have

00:38:49.005 --> 00:38:53.175
obtained those, you can submit them by

00:38:53.175 --> 00:38:56.355
email and include a cover letter with

00:38:56.355 --> 00:38:59.475
some information about your entity, the filing number, or your

00:38:59.475 --> 00:39:02.745
contact information and a request

00:39:02.745 --> 00:39:03.115
for the refund.

00:39:03.175 --> 00:39:04.725
Of those filing fees.

00:39:06.545 --> 00:39:09.855
If the entity would be eligible

00:39:09.855 --> 00:39:13.455
we can provide a refund of those filing fees because they

00:39:13.455 --> 00:39:16.575
were provided by the Statute. Unfortunately there

00:39:16.575 --> 00:39:19.665
e was about a two year gap

00:39:19.665 --> 00:39:21.655
in between the.

00:39:22.525 --> 00:39:25.605
Statute that is currently

00:39:25.605 --> 00:39:28.805
available and the one that was previously provided. So unfortunately, if
you formed

00:39:28.805 --> 00:39:31.855
an entity between January 1st of 20

00:39:31.855 --> 00:39:34.935
20 and December 31st of 2021

00:39:34.935 --> 00:39:38.025
the legislature didn't provide for any type

00:39:38.025 --> 00:39:41.085
of benefit for new veteran owned

00:39:41.085 --> 00:39:42.975
businesses. But if you chose to.

00:39:44.065 --> 00:39:47.355
Form a new entity, piggybacking

00:39:47.355 --> 00:39:51.085
off of Mr. Obama's answer to his FAQ

00:39:51.085 --> 00:39:54.135
and you would otherwise qualify as a new veteran owned

00:39:54.135 --> 00:39:57.455
business. Then you would have access to those benefits

00:39:57.455 --> 00:40:00.175

and I do want to quote any questions about.

00:40:01.215 --> 00:40:03.135

If you're were previously.

00:40:03.765 --> 00:40:06.955

Formed entity and would otherwise

00:40:06.955 --> 00:40:09.965

qualify. Certainly benefit with her exemption with

00:40:09.965 --> 00:40:13.035

respect to the franchise tax. Want to contact

00:40:13.035 --> 00:40:14.475

the Texas Comptroller of Public Accounts?

00:40:16.215 --> 00:40:19.535

Absolutely, and the one thing I wanted to add

00:40:19.535 --> 00:40:22.985

to that I know you mentioned the Texas Veterans Commission

00:40:22.985 --> 00:40:26.165

earlier they started I

00:40:26.165 --> 00:40:29.295

1 the actual date off the top of my head. I know it's been within

00:40:29.295 --> 00:40:32.375

the last couple of years. The Texas veteran

00:40:32.375 --> 00:40:35.795

owned business logo and I know that 75

00:40:35.795 --> 00:40:39.515

or so of our audience provide a product and then that other

00:40:39.515 --> 00:40:43.135

quarter is a physical or excuse me 75 provide the service and then that

00:40:43.135 --> 00:40:46.195

other quarter is a product. However, if you

00:40:46.195 --> 00:40:46.285

do have a package

00:40:46.355 --> 00:40:49.545

Better, even if you have a service and you would like to have

00:40:49.545 --> 00:40:52.655

that logo on your, whether it be your business card, your

00:40:52.655 --> 00:40:55.765

vehicle, whatever on your website that logo

00:40:55.765 --> 00:40:59.155
o can tie you in and certify you

00:40:59.155 --> 00:41:02.535
as a veteran owned business here in the state of Texas

00:41:02.535 --> 00:41:06.265
So that is something again, it's a new program that the TVC Texas Veterans Commission started

00:41:06.265 --> 00:41:09.405
within the last couple of years and it may

00:41:09.405 --> 00:41:12.565
be something to just put alongside

00:41:12.565 --> 00:41:16.015
your own company's name and logo that ties you into

00:41:16.015 --> 00:41:16.865
Yes, this is a veteran owned business.

00:41:17.305 --> 00:41:17.535

00:41:18.195 --> 00:41:20.965
Thank you Mr. Escue for that explanation.

00:41:23.285 --> 00:41:24.575
We've got a long I see that.

00:41:26.735 --> 00:41:30.005
Lauren has posted Lauren Vay, who's one of our

00:41:30.005 --> 00:41:33.815
moderators behind the scenes as she has posted our

00:41:33.815 --> 00:41:36.955
online licensing and permits. Got I'll talk about that

00:41:36.955 --> 00:41:40.105
here in a little bit later as well

00:41:40.105 --> 00:41:43.165
l as we get back into the licensing and permits portion of

00:41:43.165 --> 00:41:44.735
this event, but let's go to our next.

00:41:45.735 --> 00:41:48.875
Our next question that's been posted

00:41:48.875 --> 00:41:52.085
I have a business name that I would like to register

00:41:52.085 --> 00:41:55.505
selling baked goods at local farmers markets. Do I have to start

00:41:55.505 --> 00:41:58.685
the LLC or other when registering the

00:41:58.685 --> 00:41:59.175
name so this is?

00:41:59.725 --> 00:42:03.305
There's two parts of this, the name

00:42:03.305 --> 00:42:06.405
component and then registration component, so I

00:42:06.405 --> 00:42:09.555
know Mr Uba mentioned earlier about a

00:42:09.555 --> 00:42:12.725
DBA, but I'm going to start with the registration of the

00:42:12.725 --> 00:42:15.805
business for you, Mr. Esque, Mr. Ruba you

00:42:15.805 --> 00:42:18.845
u may have additional items in here and then TDLR

00:42:18.845 --> 00:42:21.925
Mr. Bruno. You may have specific items since they mentioned

00:42:25.765 --> 00:42:28.655
OK, and would you mind repeating the first part of that question?

00:42:29.925 --> 00:42:33.045
Assist name that I would like to register so they want to register

00:42:33.045 --> 00:42:36.135
the name and they say that they're selling baked goods at

00:42:36.135 --> 00:42:38.615
local farmers markets. Do I have to start the LLC?

00:42:39.215 --> 00:42:42.275
Or other entity type when

00:42:42.275 --> 00:42:45.375
registering the name. So do they have to register

00:42:45.375 --> 00:42:48.265
the business before they register the name?

00:42:48.955 --> 00:42:52.425

It's it and another

00:42:52.425 --> 00:42:56.685

lawyer answer. Classic lawyer answer is it depends

00:42:56.685 --> 00:42:59.705

as part of the filings with our

00:42:59.705 --> 00:43:03.395

office, especially a certificate of formation to create or form

00:43:03.395 --> 00:43:06.415

a domestic LLC. Those

00:43:06.415 --> 00:43:09.605

filings are subject to name availability rules by

00:43:09.605 --> 00:43:09.785

statute.

00:43:11.405 --> 00:43:14.745

The names of filing entities which would include an

00:43:14.745 --> 00:43:17.785

LLC have to be distinguishable in our records and so

00:43:17.785 --> 00:43:21.375

o each formation document that we received we checked the name to see

00:43:21.375 --> 00:43:24.815

if it is distinguishable or the same

00:43:24.815 --> 00:43:28.475

as other entities on file in our records

00:43:28.475 --> 00:43:32.325

So in a separate from filing the formation

00:43:32.325 --> 00:43:35.405

document to create or form the entity

00:43:35.405 --> 00:43:38.585

there is the option to submit a name

00:43:38.585 --> 00:43:41.115

reservation. So if a person had a particular name in mind.

00:43:41.415 --> 00:43:44.665

But maybe they weren't quite ready to

00:43:44.665 --> 00:43:47.835

form the entity or create the entity. They could submit a

00:43:47.835 --> 00:43:50.845
name reservation. The benefit of that is the filing fee is

00:43:50.845 --> 00:43:54.095
a little bit less compared to the filing fee to

00:43:54.095 --> 00:43:57.205
form an entity. But the benefit would be that it would

00:43:57.205 --> 00:44:00.835
reserve or prevent another entity, whether foreign or

00:44:00.835 --> 00:44:04.235
domestic, from forming or registering

00:44:04.235 --> 00:44:04.745
with our office.

00:44:06.195 --> 00:44:07.555
Under a name that was.

00:44:09.505 --> 00:44:12.565
The same as what was provided in the name

00:44:12.565 --> 00:44:12.565
right reservation?

00:44:14.495 --> 00:44:17.795
And that's a great point about

00:44:17.795 --> 00:44:20.965
name I. I'd like to touch on that a little bit later as well

00:44:20.965 --> 00:44:24.325
about naming rights, but to get back to this question

00:44:24.325 --> 00:44:27.825
one of the things I wanted, Mr. Rubio's perspective

00:44:27.825 --> 00:44:31.215
is because he mentioned about DBA's and how an

00:44:31.215 --> 00:44:34.585
LLC can have a different name. So I would like to get

00:44:34.585 --> 00:44:36.215
your perspective on that again, Mr. Ruby.

00:44:36.795 --> 00:44:40.255
Yeah, and Mr Eskew is exactly

00:44:40.255 --> 00:44:43.385
right. The two main considerations that we

00:44:43.385 --> 00:44:46.685
tell clients to think through is number 1, the

00:44:46.685 --> 00:44:50.135
name availability. You have the option to reserve that name if you're not

00:44:50.135 --> 00:44:53.565
ready to take the step to form the LLC or the entity

00:44:53.565 --> 00:44:56.895
But then of course, comma like you said, if somebody

00:44:56.895 --> 00:45:00.425
else has a name or has a name that's really, really similar to what

00:45:00.425 --> 00:45:03.725
you have, there is the there's the chance that name will not

00:45:03.725 --> 00:45:06.905
be available. The Secretary of State's office will not allow you to
register that name.

00:45:06.965 --> 00:45:10.185
But for this reason debates are a

00:45:10.185 --> 00:45:13.595
a viable option. You can have a DBA that

00:45:13.595 --> 00:45:16.605
is duplicitous of something that already exists, so you can

00:45:16.605 --> 00:45:19.895
have a DBA. I tell clients if their heart is set

00:45:19.895 --> 00:45:23.115
on a certain business name and they're just married to that

00:45:23.115 --> 00:45:26.615
name. You can register the LLC under a different name and

00:45:26.615 --> 00:45:29.955
then create a DBA to do business as

00:45:29.955 --> 00:45:32.895
that desired name. Now this is where we put the strategy hat back on.

00:45:33.475 --> 00:45:36.795
Isn't always the best idea for you to have a

00:45:36.795 --> 00:45:40.125
business name that's similar or the same as someone else that might

00:45:40.125 --> 00:45:43.505
not be the most remarkable thing for your business but DBA

00:45:43.505 --> 00:45:46.645

A rules and actual registration rules are

00:45:46.645 --> 00:45:49.685

different, so that is a possibility sometimes

00:45:49.685 --> 00:45:52.925

even if that the LLC, that name or whatever

00:45:52.925 --> 00:45:56.335

the entity name might not be available. But the question you have

00:45:56.335 --> 00:45:59.795

to think through is it always the most business savvy move to have a name

00:45:59.795 --> 00:46:02.805

that's taken, or to have a name that there's already a similar name

00:46:02.805 --> 00:46:04.355

that exists because you don't want there to be confusion.

00:46:04.395 --> 00:46:06.695

On the marketplace when you're doing business.

00:46:07.605 --> 00:46:10.805

Thank you so much for that addition, Sir and

00:46:10.805 --> 00:46:13.815

d now I want to address this

00:46:13.815 --> 00:46:16.975

specific industry that this question comes from

00:46:16.975 --> 00:46:20.135

TD that TD mentioned here about selling baked

00:46:20.135 --> 00:46:23.235

goods. I'm and I think the next question actually goes into it. The person

00:46:23.235 --> 00:46:26.575

has asked about cottage bakers. I'm so there's something

00:46:26.575 --> 00:46:29.675

called the cottage food law again thus far

00:46:29.675 --> 00:46:33.065

r, Mr. Rescue and Mr Uba have mentioned about

00:46:33.065 --> 00:46:36.465

registering the LLC and then about the

00:46:36.465 --> 00:46:38.775

naming rights that is completely separate.

00:46:39.135 --> 00:46:42.345

Of what you're actually doing within the business so

00:46:42.345 --> 00:46:45.405

o in this case selling baked goods, and the reason why

00:46:45.405 --> 00:46:48.565

I even mentioned Mr. Bruno with TDLR the

00:46:48.565 --> 00:46:51.775

licensing, so there may be specific licensing or

00:46:51.775 --> 00:46:54.825

permitting related to the selling

00:46:54.825 --> 00:46:58.195

of these baked goods. And if you're selling at home making home

00:46:58.195 --> 00:47:01.345

e homemade items, or if you're establishing a

00:47:01.345 --> 00:47:05.305

brick and mortar, maybe even a restaurant or

00:47:05.305 --> 00:47:08.575

bakery, and so there may be food handlers licensing

00:47:08.575 --> 00:47:09.445

g and permits, which is a people thing.

00:47:09.545 --> 00:47:12.765

And the building itself they have to fall underneath

00:47:12.765 --> 00:47:14.555

specific health or permitting requirements.

00:47:16.045 --> 00:47:19.185

The local level is called a permit to

00:47:19.185 --> 00:47:22.375

operate a food enterprise. I'm so

00:47:22.375 --> 00:47:25.775

again, that's going to be specific to what you're actually

00:47:25.775 --> 00:47:29.005

doing, where the naming rights, the formation

00:47:29.005 --> 00:47:32.205

of the business is independent of

00:47:32.205 --> 00:47:35.285

the products or services you're providing so

00:47:35.285 --> 00:47:38.745

o what we have I'm into a little bit earlier on our

00:47:38.745 --> 00:47:41.795

website we have the 2022 licensing and permits guide.

00:47:42.685 --> 00:47:46.025

And while our office thank you so much for

00:47:46.025 --> 00:47:49.695

putting that up there, Brian, while our office, there's not a single license or

00:47:49.695 --> 00:47:52.735

permit that anyone would apply or get issued from

00:47:52.735 --> 00:47:55.825

our office. However, as I mentioned earlier

00:47:55.825 --> 00:47:59.365

in the event, it would be convenient if there was one

00:47:59.365 --> 00:48:02.465

place to get all licenses and permits. Well, that doesn't

00:48:02.465 --> 00:48:05.855

exist. So what we do is every couple years

00:48:05.855 --> 00:48:08.825

after a legislative session we contact.

00:48:09.455 --> 00:48:12.815

All of the various state agencies said issue

00:48:12.815 --> 00:48:16.505

licenses and permits, and we put that in the comprehensive

00:48:16.505 --> 00:48:19.965

guide that's broken down by industry, broken down by product

00:48:19.965 --> 00:48:22.995

service, and it has all of the potential

00:48:22.995 --> 00:48:26.785

potentially applicable licenses or permits that anyone operating

00:48:26.785 --> 00:48:30.085

a business within that specific industry

00:48:30.085 --> 00:48:33.445

may need to obtain. So and the contact information for the

00:48:33.445 --> 00:48:36.995
agencies that administer it. So it's a very helpful

00:48:36.995 --> 00:48:39.765
guide. I believe Lauren has posted it in the chat earlier.

00:48:39.825 --> 00:48:43.175
However, we do have it at the end, of course the

00:48:43.175 --> 00:48:46.375
link is down there at the bottom as well, but we'll reference this again

00:48:46.375 --> 00:48:49.255
here in the next 10 minutes or so as we close out the event.

00:48:49.975 --> 00:48:53.115
OK, if I could just quickly mention just

00:48:53.115 --> 00:48:56.185
so it's not hanging out there as far as

00:48:56.185 --> 00:48:59.555
TDLR is concerned, there is no license regarding baked

00:48:59.555 --> 00:49:03.385
goods or foods from our agency, correct? Correct, it's not

00:49:03.385 --> 00:49:06.585
one of those 37 which is not, which again doesn't

00:49:06.585 --> 00:49:09.985
mean that there aren't requirements for it, it's just that

00:49:09.985 --> 00:49:13.685
it's not administered by TDLR

00:49:13.685 --> 00:49:17.285
OK, now I'm going to get into that question, which I

00:49:17.285 --> 00:49:20.705
believe came from James. The question is a

00:49:20.705 --> 00:49:20.925
legal structure.

00:49:20.965 --> 00:49:24.595
Required for all businesses

00:49:24.595 --> 00:49:27.705
even cottage bakers. So is there a legal

00:49:27.705 --> 00:49:31.075
structure required for all businesses? I think what James is asking

00:49:31.075 --> 00:49:33.055
here is in my required to.

00:49:33.715 --> 00:49:36.725
Registered through the Secretary of State versus A

00:49:36.725 --> 00:49:40.025
county level such as a DBA sole

00:49:40.025 --> 00:49:43.145
proprietorship, and then, is that also true for cottage

00:49:43.145 --> 00:49:46.245
bakers? I'm going to start with

00:49:46.245 --> 00:49:49.355
Mr Uba here and then. I know Mr. Eskew. You may have some

00:49:49.355 --> 00:49:50.185
additional items to add to this.

00:49:50.725 --> 00:49:54.915
So over to you Mr Uba yeah

00:49:54.915 --> 00:49:57.955
traditionally the answer is no, so

00:49:57.955 --> 00:50:01.355
a legal structure is not required to

00:50:01.355 --> 00:50:05.145
start a cottage food business. There is a huge

00:50:05.145 --> 00:50:08.365
variety of professions that don't require any

00:50:08.365 --> 00:50:11.435
structure at all. Now there are

00:50:11.435 --> 00:50:14.745
some professions where if you do form a legal structure so for

00:50:14.745 --> 00:50:18.155
r example, I run a law firm or law firm is a

00:50:18.155 --> 00:50:20.775
PLC because I'm in the professional category, I can't just.

00:50:20.815 --> 00:50:24.365
Open An LLC in the state of Texas requires me to run

00:50:24.365 --> 00:50:27.695
a PLC and there are other entities like that, but for the

00:50:27.695 --> 00:50:31.235

vast majority of businesses you can start as

00:50:31.235 --> 00:50:34.765

a sole proprietorship. Or you could have a DBA that you used to advertise your

00:50:34.765 --> 00:50:38.285

sole proprietorship, and so the question is not

00:50:38.285 --> 00:50:41.465

really does as a legal entity required the

00:50:41.465 --> 00:50:44.605

e question is, are you going to protect yourself

00:50:44.605 --> 00:50:47.745

Because if you can go out there with that an entity but you

00:50:47.745 --> 00:50:50.995

something wrong happens if something bad happens, if there's legal action.

00:50:51.035 --> 00:50:54.345

Taken without a legal entity, you're going to

00:50:54.345 --> 00:50:57.765

be exposed. LLC stands for limited liability

00:50:57.765 --> 00:51:01.065

company, so if you don't have an LLC or a corporation or some

00:51:01.065 --> 00:51:04.485

other entity, you have full personal liability on yourself

00:51:04.485 --> 00:51:07.745

So if someone sues, they can come after your personal

00:51:07.745 --> 00:51:10.835

assets. They can come after your

00:51:10.835 --> 00:51:14.435

all your personal assets, typically not your house in the home, in the state of

00:51:14.435 --> 00:51:17.465

Texas, but things like that. So typically people will

00:51:17.465 --> 00:51:20.605

form a business entity to protect their personal

00:51:20.605 --> 00:51:22.035

assets and limit their personal liability.

00:51:22.715 --> 00:51:26.075
Thank you, Sir. Thank you Sir

00:51:26.075 --> 00:51:29.425
Any additional comments for that, Mr

00:51:29.425 --> 00:51:32.595
Eskew I will note, and I believe that Mr Ruben mentioned it

00:51:32.595 --> 00:51:35.845
earlier with respect to professional entities

00:51:35.845 --> 00:51:37.445
The there is a scattershot.

00:51:38.755 --> 00:51:42.025
In terms of statutory coverage in as to whether

00:51:42.025 --> 00:51:46.435
particular type of business or

00:51:46.435 --> 00:51:49.785
service can be formed as a professional entity is required

00:51:49.785 --> 00:51:52.845
to form as a professional entity, and

00:51:52.845 --> 00:51:56.645
professional entities include professional corporations professional
limited

00:51:56.645 --> 00:51:59.655
ed liability companies, and professional associations

00:51:59.655 --> 00:52:03.275
and there's even more nuanced depending on the type of

00:52:03.275 --> 00:52:06.605
professional service provided, some

00:52:06.605 --> 00:52:08.945
professional entities are not available, for example.

00:52:09.045 --> 00:52:12.075
The practice of medicine can't

00:52:12.075 --> 00:52:16.215
be a corporation. Can't be a professional corporation

00:52:16.215 --> 00:52:17.175
but in some instances.

00:52:18.615 --> 00:52:20.085
For example, attorneys can.

00:52:21.785 --> 00:52:25.245

The practice of law might have more

00:52:25.245 --> 00:52:28.485

options than other professional services. We do have a guide

00:52:28.485 --> 00:52:31.505

on our website if you just did a general

00:52:31.505 --> 00:52:34.595

Internet search for Texas SOS

00:52:34.595 --> 00:52:37.945

Professional entity guide, it should come up and it provides

00:52:37.945 --> 00:52:41.265

pretty straightforward

00:52:41.265 --> 00:52:45.295

forward and organized chart that lists the professional services and then

00:52:45.295 --> 00:52:48.715

the available entities. So just as

00:52:48.715 --> 00:52:51.995

a quick reference to look at your options when you're

00:52:51.995 --> 00:52:51.995

thinking about.

00:52:52.015 --> 00:52:55.185

Forming an entity and then to consider if a

00:52:55.185 --> 00:52:57.985

professional entity is required in your situation.

00:52:58.955 --> 00:53:01.345

Absolutely thank you so much for that Sir.

00:53:02.145 --> 00:53:05.245

We're in the last 10

00:53:05.245 --> 00:53:09.085

minutes of our event, so I'm going to try to do a rapid fire we still have

00:53:09.085 --> 00:53:12.215

several questions that get to and we it's unlikely we'll get to

00:53:12.215 --> 00:53:15.475

them all, but we again I know I'm taking up time

00:53:15.475 --> 00:53:18.565

here, but we will have contact information if there

00:53:18.565 --> 00:53:21.835
is anyone in our audience wanting to connect with any of our

00:53:21.835 --> 00:53:25.015
panelists or our office

00:53:25.015 --> 00:53:28.245
Office of the Governor's you, we definitely encourage

00:53:28.245 --> 00:53:31.285
it so that information will be provided to follow up with

00:53:31.285 --> 00:53:32.355
us after the event. OK, this next question is.

00:53:32.425 --> 00:53:33.865
Probably straightforward.

00:53:34.525 --> 00:53:37.635
It comes from outside. The question is roughly

00:53:37.635 --> 00:53:40.825
how much does it cost to create an

00:53:40.825 --> 00:53:44.235
LLC or to register a business? I'm gonna start with

00:53:44.235 --> 00:53:47.795
Mr Escue because I know the SOS has the fee schedule on

00:53:47.795 --> 00:53:51.155
the website, but then I want to also talk

00:53:51.155 --> 00:53:53.695
about DBA so I'll go to you Mr Escue for SOS.

00:53:55.005 --> 00:53:58.355
The filing fee to form or

00:53:58.355 --> 00:54:01.655
create a domestic or Texas LLC is 3

00:54:01.655 --> 00:54:04.735
300.00. Those filing fees

00:54:04.735 --> 00:54:07.835
are set by statute and in addition

00:54:07.835 --> 00:54:10.875
n, the filing fee to file an assumed name certificate

00:54:10.875 --> 00:54:14.175

e and an assumed name is a statutory

00:54:14.175 --> 00:54:17.375
term of art that is often the

00:54:17.375 --> 00:54:20.435
equivalent of a DBA. So if on

00:54:20.435 --> 00:54:24.215
n our website, if you see a reference to an assumed name or assume name

00:54:24.215 --> 00:54:25.495
certificate, that means the DBA.

00:54:25.715 --> 00:54:28.725
It's just the business and commerce code

00:54:28.725 --> 00:54:32.585
defines in that situation in that

00:54:32.585 --> 00:54:35.745
t context, it's an assumed name and you would file an assumed name

00:54:35.745 --> 00:54:39.125
certificate with our office if you were

00:54:39.125 --> 00:54:42.465
e a domestic or foreign LLC, and that's a \$25 filing fee.

00:54:44.175 --> 00:54:47.485
And one thing I wanna add to that is

00:54:47.485 --> 00:54:48.785
we get that question quite often so.

00:54:49.895 --> 00:54:53.185
A good takeaway is just a standard

00:54:53.185 --> 00:54:57.345
creation of an LLC is \$300.00 across the state

00:54:57.345 --> 00:54:57.545
of Texas, however.

00:54:58.215 --> 00:55:01.565
If you're wanting to file a DBA at your

00:55:01.565 --> 00:55:02.285
county clerk's office.

00:55:02.855 --> 00:55:06.355
Locally it's gonna be determined by

00:55:06.355 --> 00:55:09.565

that individual county clerk, so there isn't just one

00:55:09.565 --> 00:55:12.735

While the state is under statute to have that

00:55:12.735 --> 00:55:15.815

one \$300.00 fee for anybody, no matter where

00:55:15.815 --> 00:55:19.785

you're at in the state of Texas DBA at the county

00:55:19.785 --> 00:55:22.885

level can be determined individually by that county

00:55:22.885 --> 00:55:26.545

clerk, so I've seen it range from as low as \$15

00:55:26.545 --> 00:55:29.875

to in summer in the 30s dollars

00:55:29.875 --> 00:55:30.235

I'm so again.

00:55:30.815 --> 00:55:34.045

It's a pretty big variance in that

00:55:34.045 --> 00:55:37.125

cost, but it is a county level registration versus that state level.

00:55:38.005 --> 00:55:41.525

Correct, and I do want to clarify

00:55:41.525 --> 00:55:44.795

Effective September 1st, the 2019 that the legislature

00:55:44.795 --> 00:55:48.065

amended the Statute or the code governing

00:55:48.065 --> 00:55:51.255

its use names and assumed name certificates. There used to be a

00:55:51.255 --> 00:55:55.085

dual filing requirement in some situations

00:55:55.085 --> 00:55:58.245

where analysis might have to file an assumed name certificate

00:55:58.245 --> 00:56:01.585

both with our office and at the county

00:56:01.585 --> 00:56:04.695

level. But from September 1st of 2019 going

00:56:04.695 --> 00:56:07.965

g forward that dual

00:56:08.295 --> 00:56:11.585

Was removed so if the

00:56:11.585 --> 00:56:15.025

an LLC would only file an assumed name certificate with our

00:56:15.025 --> 00:56:18.825

office that they would not file at the county level and that goes

00:56:18.825 --> 00:56:22.065

for corporations and limited partnerships

00:56:22.065 --> 00:56:22.395

just to.

00:56:23.505 --> 00:56:26.635

So that goes into what Mr Uba mentioned earlier as

00:56:26.635 --> 00:56:29.685

s far as you can have a

00:56:29.685 --> 00:56:32.715

DBA in the same name for an LLC and

00:56:32.715 --> 00:56:32.945

so that.

00:56:33.485 --> 00:56:36.685

Deviate that assumed name would be filed through

00:56:36.685 --> 00:56:40.105

the Secretary of State and not dually through the

00:56:40.105 --> 00:56:43.215

e county and state. So thank you so much

00:56:43.215 --> 00:56:46.435

Mr Eskew again trying to wrap it fire

00:56:46.435 --> 00:56:48.155

here. Let's see if we can get another great one.

00:56:52.385 --> 00:56:55.395

So this question

00:56:55.395 --> 00:56:58.655

tion is. Again, I'm sorry there's a lot of questions for you, Mr Escue

00:56:58.655 --> 00:57:01.825

e. Are there waivers for licenses and

00:57:01.825 --> 00:57:05.205

LLC formations for business startups

00:57:05.205 --> 00:57:08.605
owned by people with disabilities? Are there any kind of

00:57:08.605 --> 00:57:11.795
waivers such as? I know that there was a

00:57:11.795 --> 00:57:15.895
veteran waiver anything for people with

00:57:15.895 --> 00:57:20.055
disabilities. Unfortunately, the Statute generally does not provide

00:57:20.055 --> 00:57:22.335
for waivers or exemptions from.

00:57:22.395 --> 00:57:25.745
From filing fees, though, those filing fees are

00:57:25.745 --> 00:57:29.105
set by statute, if there are

00:57:29.105 --> 00:57:32.835
you know certainly extenuating circumstances, I'd recommend

00:57:32.835 --> 00:57:33.135
contacting the.

00:57:34.225 --> 00:57:37.525
At the end of the presentation there should be a slide with some

00:57:37.525 --> 00:57:38.015
contact information.

00:57:39.215 --> 00:57:42.415
For our public information

00:57:42.415 --> 00:57:46.435
team, you could recommend contacting them just

00:57:46.435 --> 00:57:48.225
to because it's possible you may be able to.

00:57:49.305 --> 00:57:52.505
Submit some type of cover letter or any type of

00:57:52.505 --> 00:57:56.055
documentation from a separate state agency that

00:57:56.055 --> 00:57:59.285
might indirectly provide for a waiver

00:57:59.285 --> 00:58:02.495

or exemption. But generally no. There's

00:58:02.495 --> 00:58:04.565

s the business organizations. Code doesn't provide for that.

00:58:06.005 --> 00:58:09.335

Thank you, Sir. Thank you thank you Jarvis

00:58:09.335 --> 00:58:12.535

s really quickly. I just want to touch on to the previous question that

00:58:12.535 --> 00:58:15.765

you addressed regarding the filing fee

00:58:15.765 --> 00:58:18.925

for the LLC as well as

00:58:18.925 --> 00:58:22.235

the Dbas 1 area where we've seen clients. Kind of

00:58:22.235 --> 00:58:25.395

trip over is if you're operating as a

00:58:25.395 --> 00:58:29.035

sole proprietorship

00:58:29.035 --> 00:58:32.085

partnership, particularly some particular reads real estate investment

00:58:32.085 --> 00:58:36.195

nt trusts, and if you're operating a DBA or assumed name certificate

00:58:36.195 --> 00:58:36.535

you typically have.

00:58:36.575 --> 00:58:39.925

The register that in every county that you're doing business in

00:58:39.925 --> 00:58:43.085

or that you have a business office set up in. Whereas if you have

00:58:43.085 --> 00:58:46.115

an LLC or corporation or an entity, then the

00:58:46.115 --> 00:58:49.185

then the filing is good for the entire state especially

00:58:49.185 --> 00:58:52.295

y with the amendment that was completed in 20

00:58:52.295 --> 00:58:55.365

19. Mr SU I mentioned so that is

00:58:55.365 --> 00:58:58.435

s kind of important. So when we set up LLC's for clients one

00:58:58.435 --> 00:59:01.925

the added benefits that they get is 1 DBA. Pretty much for

00:59:01.925 --> 00:59:05.005

the state, but you got to be very careful, especially if you

00:59:05.005 --> 00:59:07.215

live in a if you have a range of business.

00:59:07.255 --> 00:59:10.425

Where you work in a few different counties and you're operating business

00:59:10.425 --> 00:59:13.645

a few different counties, you want to make sure that your DBA is compliant

00:59:13.645 --> 00:59:16.865

and registered, and sometimes that will also

00:59:16.865 --> 00:59:20.315

entail registered in different county clerks offices, so that's

00:59:20.315 --> 00:59:23.465

for the DBA piece. But just like I got to make sure that

00:59:23.465 --> 00:59:26.575

I represent for the attorneys for the business attorneys there, it's it

00:59:26.575 --> 00:59:29.695

costs \$300 to file for an LLC in the state of Texas 3

00:59:29.695 --> 00:59:32.805

\$308.10 after the convenience

00:59:32.805 --> 00:59:36.345

filing piece. However, if you are working with an attorney that's helping

00:59:36.345 --> 00:59:37.665

you draft operating agreements.

00:59:37.705 --> 00:59:40.895

Different entity documents that also typically come

00:59:40.895 --> 00:59:44.235

along with forming an LLC. Those are additional costs so

00:59:44.235 --> 00:59:47.255

o I always. I'm always there and always providing resources

00:59:47.255 --> 00:59:50.305

for our business owners so they're able to be as

00:59:50.305 --> 00:59:53.415

well educated as possible. But when possible we tell our business

00:59:53.415 --> 00:59:57.175

owners invest in a professional to help you make sure that you're doing

00:59:57.175 --> 01:00:00.195

the right steps and you're getting set up properly, and that investment will

01:00:00.195 --> 01:00:03.375

sometimes almost always be more than just

01:00:03.375 --> 01:00:06.315

the actual filing fee with the state, so those are two two additional things to keep in mind.

01:00:16.215 --> 01:00:17.825

Jarvis, I think you're muted there.

01:00:19.455 --> 01:00:20.845

I told you it was gonna happen.

01:00:22.295 --> 01:00:25.585

Thank you to each of you for what

01:00:25.585 --> 01:00:29.005

you do for our small business environment here in the state of Texas

01:00:29.005 --> 01:00:32.515

Again, I appreciate each and every one of our panelists

01:00:32.515 --> 01:00:35.525

here. I appreciate each and every one of our audience members for being

01:00:35.525 --> 01:00:38.665

here today. But as we're coming to the two o'clock hour

01:00:38.665 --> 01:00:41.805

we are going to unfortunately have to wrap this up

01:00:41.805 --> 01:00:45.725

Now I want to get into some of the resources again, I

01:00:45.725 --> 01:00:49.775

mentioned earlier our licensing and permits got a wonderful

01:00:49.775 --> 01:00:52.425

guy and that we have on our website. I believe Mr Uba.

01:00:52.525 --> 01:00:55.725

Occasionally we'll use this guy

01:00:55.725 --> 01:00:59.195

so I definitely recommend. If you do have specific I

01:00:59.195 --> 01:01:03.395

I know we didn't get a lot into the TDLR, which has the 37

01:01:03.395 --> 01:01:06.405

different industries that they provide, but if you have questions about your

01:01:06.405 --> 01:01:09.775

specific licenses and permits based

01:01:09.775 --> 01:01:12.485

on your products and services, this guy is going to be your friend.

01:01:13.285 --> 01:01:14.655

Additionally, our office.

01:01:15.245 --> 01:01:18.335

Will be your friend as well. This is I like

01:01:18.335 --> 01:01:21.375

to think of this. Our small business resource portal

01:01:21.375 --> 01:01:24.535

as our third member of our

01:01:24.535 --> 01:01:27.895

team. I'm so we launched this small small business

01:01:27.895 --> 01:01:31.155

resource portal in March of last year and

01:01:31.155 --> 01:01:34.185

it provides information regarding pretty much anything

01:01:34.185 --> 01:01:37.195

you can think of related to small business and

01:01:37.195 --> 01:01:40.395

this year just a few months ago in April

01:01:40.395 --> 01:01:43.675

l 26, we added licensing and permits to

01:01:43.675 --> 01:01:45.295

this small business resource. So not only is it providing.

01:01:45.405 --> 01:01:48.485

Funding information networking

01:01:48.485 --> 01:01:51.735

information where you can find resources

01:01:51.735 --> 01:01:52.855
such as SBCS, score.

01:01:53.405 --> 01:01:57.265
But you can now find licensing and permits

01:01:57.265 --> 01:02:00.275
information related to your business and your area.

01:02:00.875 --> 01:02:04.115
In this guide so highly

01:02:04.115 --> 01:02:07.195
y recommend using our small business resource portal and then as

01:02:07.195 --> 01:02:08.915
the last bubble says you can contact.

01:02:09.495 --> 01:02:11.595
The small business team, which is right here.

01:02:12.445 --> 01:02:14.605
I'm directly from the portal.

01:02:15.315 --> 01:02:18.725
So this is our small business assistance team along

01:02:18.725 --> 01:02:21.865
with myself. I'm Jarvis spur, the small business advocate we

01:02:21.865 --> 01:02:24.885
e have Brian Roller, who's the business assistant

01:02:24.885 --> 01:02:28.255
specialist. This is our contact information. You can contact us

01:02:28.255 --> 01:02:31.315
for general small business inquiries at that email

01:02:31.315 --> 01:02:34.535
address. Small business at gov.texas.gov or

01:02:34.535 --> 01:02:37.705
for general business permitting and licensing at

01:02:37.705 --> 01:02:41.075
business permits at gov.texas.gov. We also

01:02:41.075 --> 01:02:44.445
wanted wanted to give a shout out to Jack Harrell he

01:02:44.445 --> 01:02:46.005
e will be the newest addition of our team.

01:02:46.045 --> 01:02:49.325

It has not started yet. It will be starting on

01:02:49.325 --> 01:02:52.335

Monday, hence the silhouette, but he will

01:02:52.335 --> 01:02:55.555

also and that is his contact information as another

01:02:55.555 --> 01:02:55.845

r member of our team.

01:02:58.885 --> 01:03:02.095

So here's some contact information and resources as well.

01:03:03.325 --> 01:03:06.475

You're attending the basis of business licensing in

01:03:06.475 --> 01:03:09.505

Texas, which is one of our webinars in our webinar series

01:03:09.505 --> 01:03:13.025

You can find our webinars at that

01:03:13.025 --> 01:03:17.625

link provided and we will upload these slides in every slide from every

01:03:17.625 --> 01:03:18.495

webinar to that link.

01:03:19.035 --> 01:03:22.055

Within the next 48

01:03:22.055 --> 01:03:25.185

hours also our events calendar which doesn't only have

01:03:25.185 --> 01:03:28.315

weapon arts, but our in person events as well. You can find that

01:03:28.315 --> 01:03:31.345

at that link provided I

01:03:31.345 --> 01:03:35.045

mentioned SBDC'S, which stands for small business development centers

01:03:35.045 --> 01:03:35.775

They are your.

01:03:36.585 --> 01:03:39.755

As I mentioned, the resource portal and

01:03:39.755 --> 01:03:42.765

the licensing and permits guide is your friend. The small business

01:03:42.765 --> 01:03:45.915
development centers should be your best friend, and they're

01:03:45.915 --> 01:03:49.275
all across the state of Texas and provide hands

01:03:49.275 --> 01:03:51.235
on assistance with any kind of business.

01:03:52.935 --> 01:03:56.295
Assistance you may need, so definitely reach out

01:03:56.295 --> 01:03:57.645
to your local SVC.

01:03:58.795 --> 01:03:59.645
As.

01:04:00.415 --> 01:04:03.685
Now we have the information for each one of

01:04:03.685 --> 01:04:06.715
our panelists, so the TDLR that is their

01:04:06.715 --> 01:04:10.225
website and the contact hotline phone number so you can reach

01:04:10.225 --> 01:04:13.325
this TDLR. The same for the SOS, so we

01:04:13.325 --> 01:04:17.185
have two different links there, SOS Direct, which is where

01:04:17.185 --> 01:04:20.515
you can file and pay your filing fees directly through their online

01:04:20.515 --> 01:04:22.785
portal system as well as their hotline number provided.

01:04:23.675 --> 01:04:27.415
And also there is the

01:04:27.415 --> 01:04:31.145
SOS's FA Q this is Holly recommended by

01:04:31.145 --> 01:04:34.285
Mr Esque. Definitely if you have some questions that probably weren't
answered

01:04:34.285 --> 01:04:37.855
during here, they're likely going to be on that link and then connect

01:04:37.855 --> 01:04:41.165
with a professional such as Mr Uba

01:04:41.165 --> 01:04:41.895
who was here and that is his.

01:04:42.585 --> 01:04:46.365
And website as well we wanna thank

01:04:46.365 --> 01:04:49.495
k each again. Thank each one of our panelists and thank you

01:04:49.495 --> 01:04:52.625
our audience for being here today. Stay tuned as

01:04:52.625 --> 01:04:56.015
we'll have other wonderful informative

01:04:56.015 --> 01:04:59.775
events right now as it is now 2:00 o'clock you will be

01:04:59.775 --> 01:05:03.665
e receiving a webinar or excuse me a webinar

01:05:03.665 --> 01:05:06.695
survey about this event. We want to hear from you. What did you like

01:05:06.695 --> 01:05:09.715
What didn't you like? What topics would you like to hear spoken

01:05:09.715 --> 01:05:12.595
about? So definitely respond to that survey. It definitely helps us.

01:05:15.625 --> 01:05:17.565
Again, have a great rest of your day.

01:05:19.595 --> 01:05:20.845
And let's go, Texas.