

Starting a Business in California

First financial steps for new owners - educational overview

The first ninety days set the tone for your books, taxes, and banking for years. A simple order of operations:

1. Structure and registrations

- Choose an entity type with a qualified professional - this has tax and liability consequences
- Get your EIN from the IRS (free, online)
- Register with the CA Secretary of State, FTB, and EDD as applicable
- Check city and county business license requirements where you operate

2. Money separation

- Open a dedicated business bank account before the first dollar moves
- Never mix personal and business spending - commingling is the most common cleanup we fix

3. Books from day one

- Set up bookkeeping software and a simple chart of accounts
- Capture every receipt digitally from the start

4. Taxes

- Sales tax permit (CDTFA) if you sell taxable goods or services
- Calendar your federal, state, and payroll filings - or have someone calendar them for you
- Plan for estimated tax payments; new owners are often surprised by year one

This is general education, not legal or tax advice for your specific situation.