



PACIFIC
LEGACY LAW

Business Formation Guide



@paclegacylaw

INTRODUCTION

WELCOME to the Pacific Legacy Law Business Formation Information Guide

This summery of our Business Services isn't exhaustive, but should provide a general idea of what steps are required to get you started in business.

If you struggle with the legal terms, you're not alone, and our firm can navigate you through the confusing so you feel confident and secure



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5 STEPS

READY

TO TAKE THE LEAP

Forming a BUSINESS allows you to separate your personal assets from your business assets and create a layer of legal protection. Here are the 6 Steps to get your Business off the Ground

1 Structure & Business Plan

2 Domaine & Social Media

3 Complete a Workbook

4 Draft & Sign

5 Open Your Bank Account

STEP 1

STRUCTURE & BUSINESS PLAN

Deciding on a Business Structure should involve three considerations, Liability, Taxes and

- **Corporation**

Shareholders own interest in an entity independent of personal assets.

- **Limited Liability Company**

Members share in partnership like taxation while enjoying liability protection of a Corp.

- **Partnership**

Partners enjoy pass through taxation but have joint and several liability

- **Sole Proprietorship**

Offers No liability protection, all profits flow to owner, but can use a EIN instead of social. Often called a FBN

BUSINESS PLAN

A BUSINESS PLAN is a formal written roadmap defining a companies goals, operational strategies and financial objectives

It detailes the business purpose, descibes the processes, services or goods to be sold, provides a market analysis and includes a management structure

If you are seeking grants or funding from a third party, a well devloped business plan is paramount

Your Plan Should Include:

- **Executive Summary**
- **Description of Company**
- **Market Analysis**
- **Products and Services**
- **Marketing & Sales Startegy**
- **Management Team**
- **Operational Plan**
- **Finanical Plan**
- **Appendix**

STEP 2

DOMAINE & SOCIAL MEDIA

**Much of your companies success
will depend on your DOMAINE
and SOCIAL MEDIA HANDLE**

**This may seem out of place, but
you need to investigate what is
available first, before you legally
name your company**

**Findnig an effective domaine and
email address, as well as Social
Media Handles will make the
process much easier when you
start to market your products or
services**

STEP

**COMPLETE A
WORKBOOK**

**The WORKBOOK contains
personal information that helps
our Firm complete your
Corporate Documents**

**Social security numbers, dates
of birth and other sacred data
will be protected and never sold**

**Don't let an incomplete
WORKBOOK stop you from
attending your appointment.
We can complete it together at
our initial meeting**

STEP 4

DRAFT & SIGN DOCUMENTS

Every Business Entity Contains the Following:

- **Articles of Operation or Organization**
Articles are the birth certificate of your company and provide a State issued number that identifies your company
- **Employer Identification Number**
Employer Identification Number is a Federally issued number that allows the IRS to recognize your company
- **Statement of Information**
Statement of Information tells the state who owns the company and how to contact them
- **Bylaws or Membership Agreement**
This document manages how the company operates, defines roles and memorializes the relationship between participants
- **S-Election**
The S Election avoids corporate tax so that all tax is passed through to the owners and is assessed at their personal tax rate

A hand is pointing at a screen. In the top left corner, there is a large number '5' inside a light blue circle. The text 'STEP' is written in white, bold, uppercase letters across the middle of the '5'.

STEP

OPEN YOUR BANK ACCOUNT

Opening a Bank Account should involve three considerations, which bank, is the bank business friendly, does the bank offer the services needed

Opening an account requires three documents, Articles, EIN and Statement of Information. Sometimes the bank requires the bylaws or membership agreement

Carefully consider who gets access to the account through debit cards, checks and other account capabilities