



How to Create a Business 101: A Step-by-Step Guide

Start your entrepreneurial journey in Calvert County with confidence. This guide breaks down the essential steps to launch your business successfully.





Introduction

Set Your Foundation

Proper planning creates a strong business foundation.

Navigate Regulations

Understanding local rules saves time and money.

Launch Successfully

Utilize all the resources for a smooth business launch.

"Clarity precedes success. A well-built foundation supports any dream you dare to build."



Develop Your Business Idea & Plan



Identify Profitable Idea

Find a business concept that solves local problems.



Conduct Market Research

[Analyze competitors](#) and identify gaps in the market.



Define Target Audience

Determine who will buy your products or services.



Create Business Plan

[Document](#) your executive summary, goals, and [financials](#).

No Cost Resource: [Maryland Small Business Development Center \(SBDC\)](#)

"A vision without a plan is just a dream. A plan backed by action makes your business real."

— Adapted from Joel Barker





Financial projections are a critical part of your business plan and are often required for:

- SBA Loans and Bank Financing
- Grant Applications
- Investor Presentations

Basic Financial Statements :

- Cash Flow Statement- Shows your sources and uses in a given period
- Profit & Loss (P&L) – Shows your revenues, expenses, and P&L in a given period
- Balance Sheet – Financial Condition of your business at a point in time

Banks will require 3 years of financial projections to approve a bank loan.

Great Webinar with Template

<https://www.score.org/washingtondc/event/developing-financial-projections-your-new-small-business-0>





Business Entity Options

**Require no legal entry formalities except compliance with State and local licensing and taxation

Sole Proprietorship**

- One owner
- Simplest form of business
- Easy to set up
- Owner is personally liable

Partnership**

- Two or more owners
- Relatively easy to establish
- Partners share profits and losses
- Written Partnership Agreement

Limited Liability Company (LLC)

- One or more members
- More complex than a sole proprietorship or partnership
- Offers limited liability protection – personal assets typically protected
- Operating agreement

S-Corporation

- Keep limited liability of C corp but adds a flow-through taxation
- Only one class of stock permitted
- Limits on number and kinds of shareholders

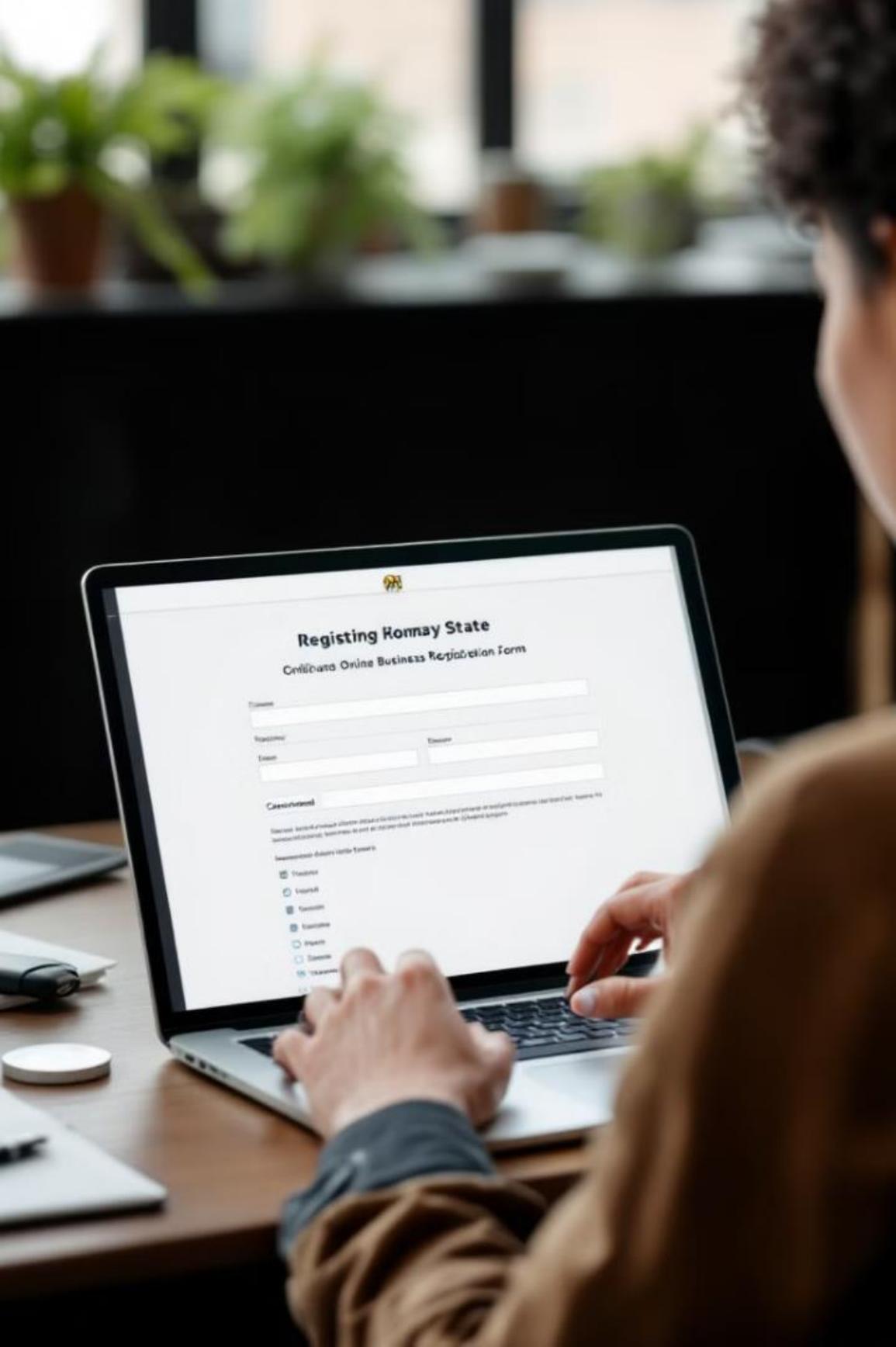
C-Corporation

- Double taxation
- Can be public or private
- Shares of stock represent ownership

[More In Depth Comparison Information](#)

[How to Choose the Right Business Structure For Your Business pre-recorded training video](#)





Register Your Business



Register with Maryland SDAT

Visit [Maryland Business Express](#) to begin registration.

Register & Select an Entity Type [Business Name](#)

File a Business Entity if using a name different from yours.

Obtain a [Federal Employer Identification Number \(FEIN\)](#)

Get your Employer Identification Number from the IRS website.

Pay Maryland SDAT [Fees](#)

Secure necessary Calvert County business permits.

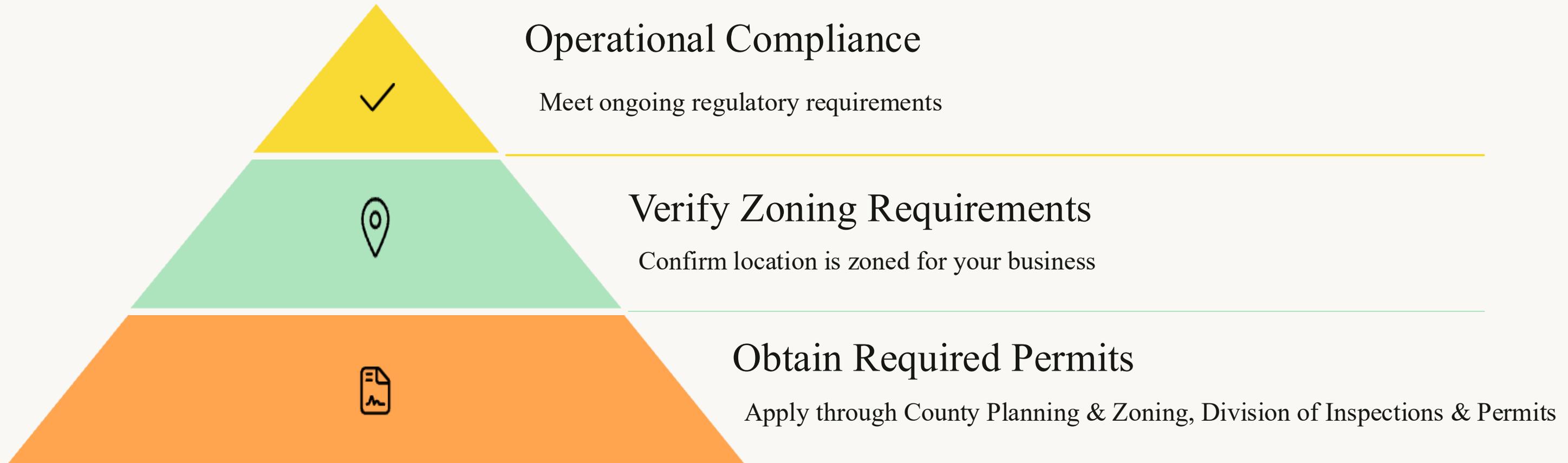
Open a [Business Bank Account](#)

You will need an EIN to set up an account.

[Maryland Checklist for New Businesses](#)



Understand Zoning & Permits



In order to operate your business out of a brick and mortar (commercial space) or are a home-based business you may be required to obtain a permit for your project

Every business must comply with local zoning regulations. Check the requirements before signing any lease or property purchase.

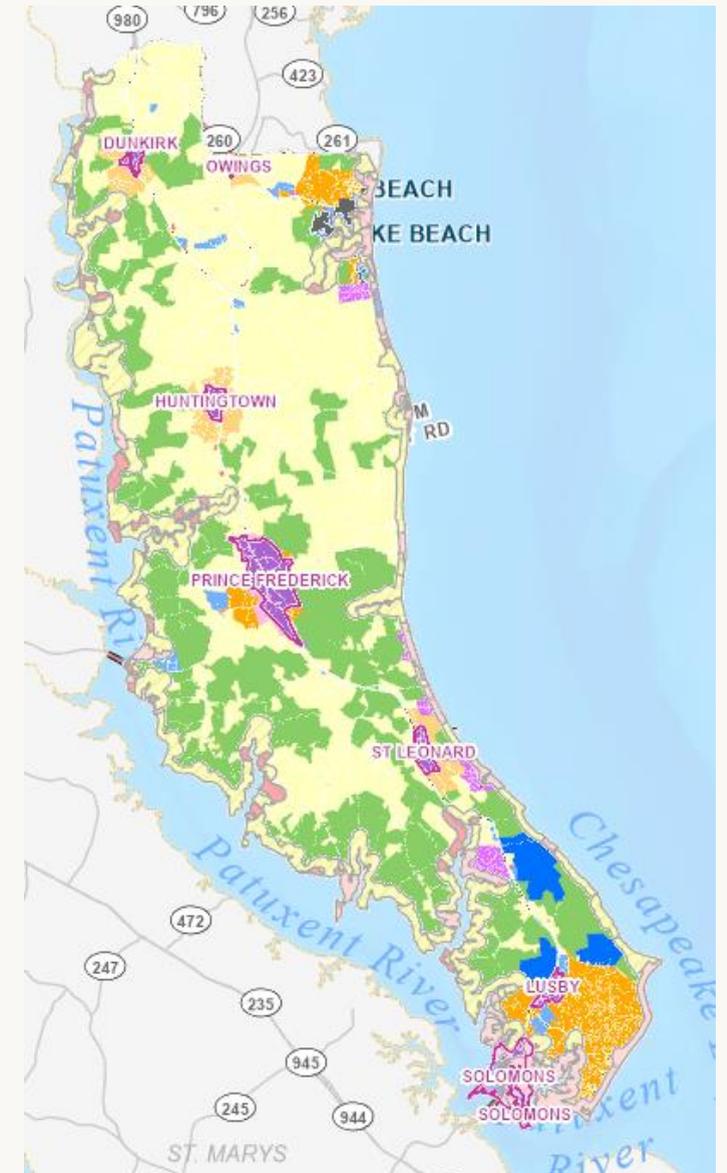


Verifying Zoning Requirements

- Find your property using [Calvert County's Interactive Map](#).
- Review the [Calvert County Zoning Ordinance](#) to ensure you're following proper zoning regulations.
- Towns of [Chesapeake](#) and [North Beach](#) are municipalities and have separate requirements.

Obtain Required Permits:

- Do I Need a Permit? Utilize the Department of Planning & Zoning's "[Do I Need a Permit?](#)" website for more details.
- The [Code of Calvert County](#) - requires residential and commercial structures comply with applicable codes/standards.
- Permit Assistance - Reach out to [Inspections and Permits](#) website for help or call 410-535-2155.



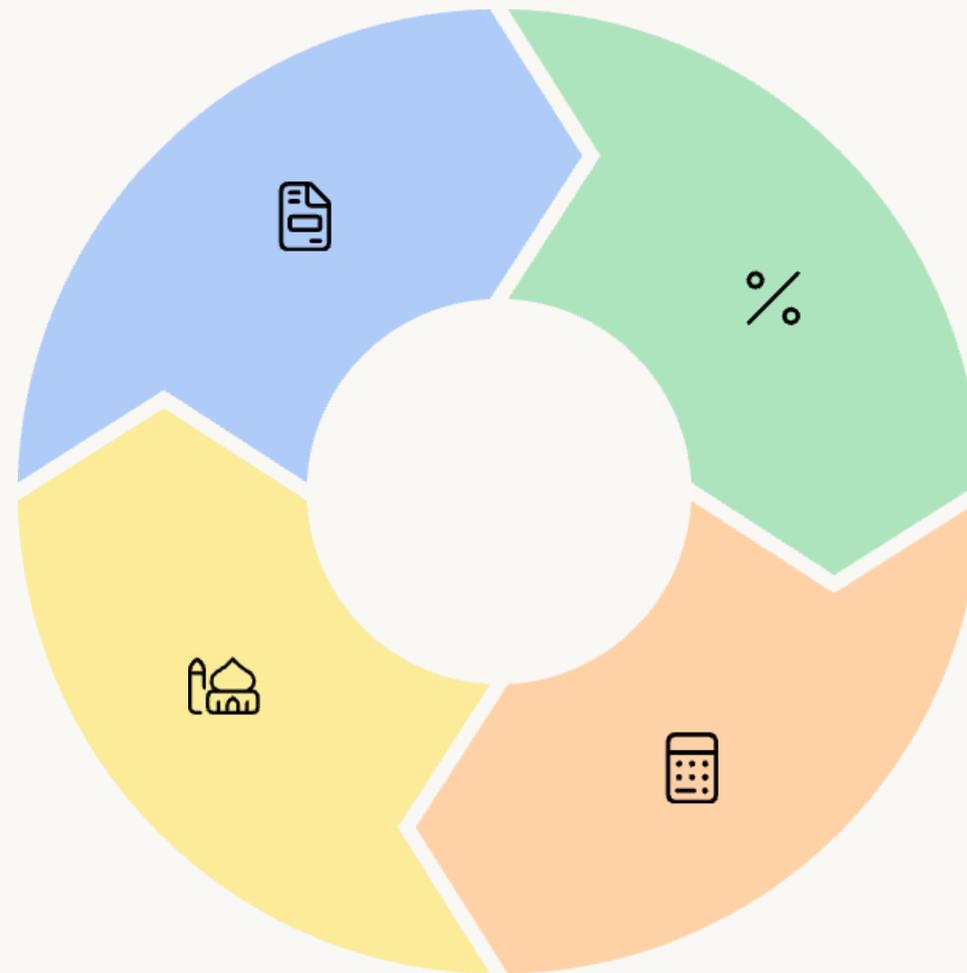
Licenses & Taxes

State Licenses

Navigating Business Licensing
in Calvert County

Local Tax Obligations

Learn about Calvert County business
taxes



State Tax Obligations

Set up sales tax and withholding accounts

Federal Tax Compliance

Understand IRS requirements for your
structure





State Licensing

Why Business Licenses Matter:

- Legal requirement to operate
- Ensures zoning compliance
- Helps local governments track and support businesses
- Avoids fine and Shutdowns

Who Issues the Licenses:

- Clerk of the Circuit Court
- Comptroller of Maryland
- Department of Assessments & Taxation
- Calvert County Treasurer

Common License Types:

- Trader's License (based on inventory)
- Vendor License
- Tobacco Retail
- Construction/Home Improvement Licenses

Application Process:

- **Gather Info:** License type, business info, inventory amount and corporate info
- **Sign the Application**
- **Get Approvals:** Planning and zoning, Assessment & Taxation, and Treasurers office
- **Submit to Clerk & Pay Fees**



➤ **Business Tax Basics:**

Business Personal Property Tax

- Review the [Calvert County Personal Property Taxes Webpage](#) for more.

Register for Maryland Taxes

- Register with the [Comptroller of Maryland](#) if you collect sales and use tax or have (or plan to have) employees.
- Use the [Maryland Combined Registration Application](#) via the [Business Express portal](#) to register online.

Sales & Use Tax

- State of Maryland: 6%
- Exemptions: [Learn more here.](#)

Federal Tax Tips

- [Tax Guide for Small Businesses](#)





Secure Funding & Financial Resources



[SBA Loans](#)

Government-backed loans with favorable terms for small businesses.



[Maryland Financing Programs](#)

State-specific development funding for local entrepreneurs.



[Local Grants & Incentives](#)

Calvert County economic development opportunities.





How Can Economic Development Help?

1

Ombudsman

Liaison between businesses and various departments and agencies, helping you navigate necessary permitting requirements and processes.

2

Access to Resources

We can provide the tools and answers you need.

3

Benefits

[Ribbon Cutting](#), [Anniversary Visits](#), [Spotlights](#), and more.

4

Continued Support

We are here to help you start, grow, and thrive.



Other Resources

- **Free Trainings and Workshops** – Upcoming workshops and trainings covering topics like AI, marketing, insurance, business plans, state laws and more can be found on our [Economic Development Calendar](#). You can also find pre-recorded trainings on our [Educational Resources Webpage](#).
- **Newsletter** – Stay up to date on events, news, updates and other business community topics by subscribing to our [Economic Development Business Bulletin Newsletter](#).
- **Property Search** – Economic Development is proud to partner with LoopNet to help you search listings and find the best available space for your business in Calvert County. View our [site selection map](#) to search available properties.
- **TEDCO** – Provides funding, resources and connections that early-stage technology and life science companies need to thrive in Maryland. [Learn more.](#)
- **MD Dept of Commerce** – Helps with creating new jobs, attracting businesses, workforce training, financial assistance and promotes the state's economic markets and services. [Learn more.](#)
- **Department of Labor** – Provides job development and employment training. [Learn more.](#)
- **Tri County Council** – Provide southern Maryland's citizens and businesses with resources for long term growth. [Learn more.](#)





QUESTIONS



CALVERT COUNTY
Maryland
Economic Development

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