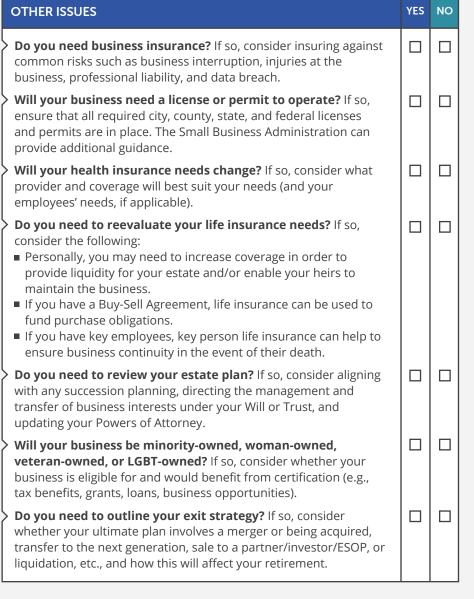


PERSONAL CASH FLOW ISSUES		NO	LEGAL & BUSINESS FORMATION ISSUES		
/ill your personal cash flow needs change as a result of this ew business? If so, consider how you will structure your ompensation (e.g., salary, distributions) to optimize your net acome. /ill you need to use personal assets to start the business? so, consider which accounts will most efficiently fund your initial westment, and how much of your personal net worth you feel			 Do you need assistance with deciding the legal structure of the business? If so, consider the following options: A sole proprietorship is the default and simplest structure for a single owner. Business assets and liabilities are not separate from personal. A partnership is a pass-through entity, and is the default and simplest structure for two or more owners. General partners have used in the business of the business and business. 	[
comfortable investing in the future. Will your risk tolerance change for your investment and retirement accounts?			 have unlimited personal liability, but in an LP or LLP, limited partners can limit their liability. A C-corporation is a separate legal entity, and is the most formal structure offering the strongest protection to owners. As a 		
Do you need to review your emergency fund to ensure that you have adequate liquidity?			separate taxpayer, business profits are subject to double taxation (corporate and shareholder level).		
Do you need a contingency plan if the business does not grow as expected?			An S-corporation is a corporation that elects to be treated as a pass-through entity, (no double taxation). Eligibility restrictions apply, including limits regarding stock classes (one) and the		
Do you intend for the business to be your sole source of income?			 identity and number of shareholders (100 or fewer, with family aggregation). A Limited Liability Company (LLC) is a separate legal entity that 		
BUSINESS CASH FLOW ISSUES	YES	NO	shares corporate characteristics (e.g., limited liability), but is unincorporated. An LLC can elect to be taxed as a corporation (S or C), partnership, or disregarded entity.		
Do you need to research the amount necessary to launch or run the business? If so, consider the initial costs to start the business (tax and legal fees at formation), and the expected average overhead costs (fixed and variable). Will you need cash or financing to cover costs until you			Do you need to create an organized system to track transactions and other business activity? If so, consider appropriate methods to establish and maintain proper bookkeeping and recordkeeping practices (e.g., separate business credit and checking accounts, receipt management, accounting software, etc.).		
become profitable? If so, consider the availability of traditional bank loans, government loans or grants, strategies for raising capital from friends, family, and other third-party investors, or funding with your personal assets or debt.			Do you need assistance choosing where to form the business? If so, consider whether there are reasons to look beyond your home state to form your entity (e.g., state-specific legal and tax advantages).		
Do you expect income to fluctuate based on sales or consulting agreements (as opposed to predictable revenue)? If so, consider opening a line of credit to cover cash flow interruptions and short-term needs.			 Will the business have employees? If so, consider the following: Clearly outline employment terms and job descriptions, your duties as an employer, and policies to avoid potential HR issues. You may need to register with state agencies, Workers Compensation Insurance and/or Unemployment Insurance. (continue on next page) 		

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LEGAL & BUSINESS FORMATION ISSUES (CONTINUED)	YES	NO	OTHER ISSUES
 Having employees may impact which retirement plan you should implement. See the "Should I Set Up A Traditional 401(k) For My Business?" flowchart for details. 			Do you need b common risks s business, profe
Will you have business partners? If so, implement appropriate business agreements to formalize your relationships and ownership structure, and be sure to discuss the effect of triggering events, such as death, disability, divorce, disaster, or disagreement.			Will your busin ensure that all and permits are provide additio
 Do you need a business succession plan? If so, consider the following: If you have business partners, a Buy-Sell Agreement can set a 			Will your heal provider and co employees' nee
 course for a smooth transfer of ownership. If you are planning to bring your children into the business, include tax-efficient ownership transfer strategies in your annual gifting plan and your estate plan. 			 Do you need to consider the fo Personally, yo provide liquid
Do you have intellectual property to protect? If so, consult an attorney regarding trademarks, copyrights, patents, etc.			maintain the If you have a
TAX PLANNING ISSUES		NO	fund purchas If you have ke ensure busin
 Will your personal tax situation change? If so, consider the following: Understand how your choice of entity and your operations will affect your exposure to personal tax, self-employment tax, and/or corporate tax. You may be able to deduct certain start-up costs, home office expenses, health insurance costs, and other business expenses, depending upon your circumstances. 			 Do you need to with any success transfer of busin updating your logitication with any success transfer of business is eligitax benefits, group with the second secon
You may need to begin making quarterly estimated tax payments to avoid underpayment penalties.			> Do you need to whether your u
 Will you need assistance in reviewing your business tax return? Will the business have to collect and pay sales tax? If your business sells physical products or even certain services, it may be required to collect and pay sales tax. 			transfer to the liquidation, etc.
Do you need help determining if you will be eligible for a			





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