



Local Roots, Global Reach

ISLE OF WIGHT COUNTY, VIRGINIA

Starting a Sole Proprietorship

A sole proprietorship is the simplest business structure. In fact, many people are sole proprietors and don't even know it! If you provide a service or good and get paid for it, you are a sole proprietor. As a sole proprietor, you and your business are the same for income tax reporting purposes. You do not pay yourself a salary as such, because your profits (if any) are considered to be your "salary." Your profits and losses are filed on your personal tax forms. On the downside, as a sole proprietor, you are completely liable, both financially and legally, for your business.

Important Information for Starting Your Sole Proprietorship

Business Name: If you are doing business under a name other than the owner's legal name, you must register a Business Trade Name (Certificate of Assumed or Fictitious Name Form) with the Clerk of the Circuit Court. For example: if Jane Doe is opening a business called "Jane's Hair Salon," she will need to file a business trade name. However, if you use your name to do business, then you do not have to register.

Visit the [Isle of Wight County Commissioner of Revenue's office](#) for assistance in completing the form. The form must also be notarized. A Corporation or "LLC" must bring a copy of registered name from the State Corporation Commission.

If your business will be located in the [Town of Smithfield](#) or [Town of Windsor](#), please contact the respective town directly regarding business name registration.

A \$12.50 fee applies and the payment should be made payable to: [Sharon N. Jones, Clerk of Circuit Court](#). Contact number for Clerk of Circuit Court is 757-365-6233.

Employer Identification Number (EIN): As a sole proprietor, you may use your Social Security Number (SSN) as your EIN. However, if you have at least one employee or a [Keogh Plan](#), you must get an EIN. You can also choose to get an EIN if you prefer not to use your SSN.

You can obtain an EIN by **Either**:

- Going to the [IRS's website](#)
- Calling the IRS at 800-829-4933
- Faxing or mailing the completed SS-4 application to:

Internal Revenue Service
Attn: EIN Operation
Cincinnati, OH 45999
Fax: 855-641-6935