



CHECKLIST

- 1 BUSINESS PLAN**
 - ☐ Draft a business plan
- 2 LOCATION**
 - ☐ Choose a location, draft a detailed floor plan
- 3 ZONING AND PERMITTING**
 - ☐ Visit the Building Commissioner at City Hall
 - ☐ File Form of Intent and submit with floor plan, certified plot plan and filing fee (\$15)
 - ☐ Receive detailed Zoning Determination from Building Commissioner;
 - ☐ Proceed according to instructions in Zoning Determination
 - ☐ Set up inspection to receive Certificate of Inspection (\$40 filing fee)
 - ☐ Visit Fire Prevention Bureau to obtain necessary permits from Fire Department
 - ☐ *If building or renovating:* Submit floor plan; Receive building permit
- 4 LICENSING**
 - ☐ Visit the City Clerk's Office at City Hall
 - ☐ File for the necessary licenses
- 5 BUSINESS CERTIFICATE**
 - ☐ Visit the Fitchburg City Clerk's Office
 - ☐ File for a City of Fitchburg business certificate (DBA) and get form notarized (only if company will be a sole proprietorship or general partnership)
- 6 TAXES**
 - ☐ Visit the Fitchburg City Assessor to file a Form of List
- 7 INTERNAL REVENUE SERVICE**
 - ☐ Call the Internal Revenue Service office in Worcester to schedule an appointment
 - ☐ File federal tax forms for your business
 - ☐ Get a federal tax identification number
- 8 MASSACHUSETTS DEPARTMENT OF REVENUE**
 - ☐ Contact the Massachusetts Department of Revenue
 - ☐ File Massachusetts state tax forms for your business
 - ☐ Get a Sales Tax Registration Number and Certificate
- 9 INSURANCE**
 - ☐ Do a risk assessment and inventory of your business's facility and property
 - ☐ Visit the Building Commissioner for advice



DETAILED STEPS

1 BUSINESS PLAN

Draft a business plan. Business plans are part of a continuous process to define your business concept, understand your market, set goals and effectively meet client needs. Typically, plans encompass operational issues including, but not limited to, the following:

- What services and products will your business provide and what needs do these fulfill?
- Who is your target market and how will you reach them?
- How will your company secure and repay financing?

This guide provides detailed instructions for those wishing to open a mechanical auto repair or auto body shop. The instructions are identical, except auto body or glasswork requires further licensing from the **Massachusetts Division of Standards** (see Step 9). This guide also contains instructions for sole proprietors only. Hiring other individuals requires that you take further steps and complicates your tax filing. For more information, visit the **Massachusetts Department of Business and Technology** website.

<http://www.mass.gov/dbt>

Or, contact the **Central Massachusetts Regional Small Business Development Center** for a detailed business plan guide with a sample business plan:

Clark University SBDC
950 Main Street
Worcester, MA 01610
508-793-7615
<http://www.clarku.edu/offices/sbdc>

TIP: This guide concerns the regulations and licensing requirements for starting a sole proprietorship with no employees. If planning on hiring employees, please consult Appendix II, “Navigating the Regulations to Become an Employer”

2 LOCATION

Choose a location for your business and draft a detailed floor plan for submission to the **City of Fitchburg Building Commissioner** along with the **Form of Intent**. The floor plan must show how the business or use is going to be set up within the principal structure.

3 ZONING AND PERMITTING

Visit the **Building Commissioner** at **City Hall**.

Building Commissioner
Fitchburg City Hall
166 Boulder Drive
Fitchburg MA 01420
978-829-1880

File a **Form of Intent**. Along with the Form of Intent you must submit a floor plan that shows how the business or use is going to be set up within the principal structure, a certified plot plan showing adequate off street parking and setbacks to property lines, and the \$30.00 filing fee. Be prepared to provide an explanation about your business and intentions.

The **Building Commissioner** will review your application and write a **Zoning Determination** that will outline step-by-step what you need to do to proceed with your business. Follow the steps in the **Zoning Determination**.

Contact the **Fire Prevention Bureau** located at the **Fitchburg Fire Department** to determine whether additional permits or fire prevention systems are needed.

*Fire Headquarters
33 North Street
Fitchburg MA 01420
978-345-9672*

4 LICENSING

Obtain all necessary licenses and permits

- 4a. Operating an auto repair shop requires that you deal properly with hazardous wastes such as waste oil, waste gasoline, and waste generated from degreasing auto parts. You must file the appropriate forms with the Massachusetts Department of Environmental Protection (DEP).

*Massachusetts Department of Environmental Protection
Central Regional Office
627 Main Street
Worcester, Massachusetts 01608
508-792-7650
dep.neroinfo@state.ma.us
<http://www.mass.gov/dep/about/regional.htm>*

You will also need to register with the DEP as a generator of hazardous waste and/or waste oil. Complete the Hazardous Waste Generator Registration Form for Very Small Quantity Generators (VSQG) if your business generates less than 220 pounds of hazardous waste and/or 27 gallons of waste oil per month. You can download the form from the DEP website:

<http://mass.gov/dep/recycle/approvals.htm#gen>

If your business will be a Small Quantity Generator (SQG) of hazardous waste and/or waste oil (220-2,200 pounds or 27 to 270 gallons per month) or a Large Quantity Generator of hazardous waste and/or waste oil (more than 2,200 pounds and/or 270 gallons per month), you need to file a Notification of Hazardous Waste Activity Form. Go to DEP's website:

<http://www.mass.gov/dep>

Click on the e-DEP icon, and register with e-DEP. Log in, then click online forms. The Notification of Waste Activity is in the drop down list. You will be prompted for your EPA ID number and your Tax ID number.

If DEP does not have this information on file for your facility, or if you do not have an EPA ID number, you should submit the "RCRA Notification of HW Activity Preliminary Form." DEP will use the information from the preliminary form to set up your facility, and

will send back an email with the code needed to complete the notification. As a Fitchburg business owner, you will need to return the completed form to the DEP Central Office (Attn: BWP). The Office is open from 8:45am to 5:00pm, Monday through Friday, except state holidays.

If spray painting will be performed on site, MassDEP requires auto body/repair businesses to comply with air pollution control regulations to minimize Emissions of volatile organic compounds (VOCs) and other pollutants. Call the MassDEP Central Regional Service Center at 508-946-2714 and ask to speak to a BWP permit engineer or inspector to understand your compliance options." For additional information on technical compliance, vendors, pollution prevention, and cost reduction at your shop, download the EPA's publication "Auto refinishing best practices kit" available at:

<http://www.epa.gov/opptintr/dfe/pubs/auto/trainers/index.htm>

Contact the **Office of Technical Assistance for Toxics Use Reduction guidance manual**, "Crash Course for Compliance and Pollution Prevention " (October, 1998) available online in both English and Spanish versions at:

http://www.mass.gov/envir/ota/publications/tech_reports.htm

MassDEP compliance assistance fact sheets are available at:

<http://www.mass.gov/dep/recycle/compliance/factguid.htm#hwm>

To learn more about various policies pertinent to auto body/repair shops. Go to:

<http://www.mass.gov/dep/recycle/laws/policies.htm>

- 4b. Additional licenses are required through the **Massachusetts Division of Standards** if you plan **to sell antifreeze, motor fuel and/or lubricating oil**. Applications for these permits can be downloaded at the Division of Standards website. Alternatively, you may also call the Division of Standards to request a paper copy. You will be instructed to leave a message with your name and mailing address.

Massachusetts Division of Standards

One Ashburton Place, Room 1115

Boston, MA 02108

617-727-3480

<http://www.state.ma.us/standards/license.htm>

If auto body or glasswork will be done, a license is also required through the Division of Standards. The completed application must include the following:

- Two letters of recommendation from individuals who are either Registered Motor Vehicle Repair Shop operators, elected public officials, or members of the Massachusetts Bar
- A registration fee of \$450 payable by business check or money order to the Commonwealth of Massachusetts
- A surety bond or letter of credit for \$10,000

- 4c. **Snack or soda machines in your shop require permits** from the **Massachusetts Food Protection Program (FPP)**. Applications are available for download at the FPP website or

you can contact the FPP directly:

*Food Protection Program
Massachusetts Department of Public Health
305 South Street
Jamaica Plain, MA 02130
617-983-6700
<http://www.mass.gov/dph/fpp/vendinglic.htm>*

5 BUSINESS CERTIFICATE

You must complete a zoning check before a business certificate will be issued (see section 3).

Prior to opening your business, you must file with the **Fitchburg City Clerk's Office** for a **Doing Business As (DBA) Certificate**.

*City Clerk
Fitchburg City Hall
166 Boulder Drive
Fitchburg MA 01420
978-829-1820*

- 5a. After filling out the application, have it notarized. Return the completed and notarized form to the Fitchburg City Clerk's office.

TIP: Open a business account with your local bank or credit union. If you are not using your social security number for your business, be sure to get your Tax ID# before opening a business bank account. A separate business account spares you the hassle of untangling personal and business transactions when you file taxes, decreases the likelihood of a missed deduction, and facilitates transparent recordkeeping in the event of an audit. Business accounts also increase credibility with potential lenders and clients and accommodate business growth. If possible get a debit card with your account to help you with back up record keeping.

6 TAXES

Visit the **Fitchburg City Assessor** to file a **Form of List**. A Form of List is used to document the property owned by your business, so that it may be assessed and taxed by the city. Once you file a Form of List with the City Assessor, a time will be arranged to visit your place of business and assess it for city taxes. The office is open from 8:30am-4:30pm, Monday through Friday.

*City Assessor
Fitchburg City Hall
166 Boulder Drive
Fitchburg, MA 01420
978-829-1860*

7 INTERNAL REVENUE SERVICE

You must also file all necessary tax forms with the **United States Internal Revenue Service**. Once you file these forms, the IRS will give you a tax identification number and provide instructions on compliance with federal regulations.

Typically, along with a basic Form 1040, you must file a *Schedule SE* form (15.3% Soc

Security/Medicare Rate for Self-Employed filers) and a Federal *Schedule C* form (Taxed Profit or Loss from Business).

An introductory guide and access to all applicable forms are available through the IRS website:

<http://www.irs.gov/businesses/small/article/0,,id=115043,00.html>

Internal Revenue Service
120 Front Street
Worcester, MA 01608
508-793-8227
<http://www.irs.gov>

8 MASSACHUSETTS DEPARTMENT OF REVENUE

You must also file tax forms with the **Massachusetts Department of Revenue (DOR)**. As a sole proprietor, you are most likely required to file two forms with the Massachusetts Department of Revenue:

- **Form 1** – Massachusetts Resident Income Tax Return (or Form 1 NR/PY for Non-Residents or Part-Year Residents)
- **Schedule C** – Profit or Loss from Business of Profession (self-employed)

A comprehensive guide to small business taxes, as well as online access to all applicable forms, can be found at the website:

<http://www.dor.state.ma.us/business/taxguide/toc.htm>

For additional information, or to obtain the forms by mail, contact the Customer Service Bureau:

Customer Service Bureau
Massachusetts Department of Revenue
200 Arlington Street
Chelsea, MA 02150
617-887-MDOR (6367)
800-392-6089
www.mass.gov/dor

In addition to the Schedule C, if you plan to sell tangible goods, you must obtain Form ST-1 to register to pay Massachusetts state sales tax. Currently, the rate is five percent of taxable items sold.

Complete a *WebFile* for Business application at the DOR website, and in turn you will receive a Sales and Use Tax Registration Certificate (Form ST-1) to be displayed at your place of business.

For a clear and comprehensive introductory information pertaining to sales tax, refer to “A Guide to Sales and Use Tax” available in PDF file through the website:

http://www.dor.state.ma.us/publ/pdfs/sls_use.pdf

- 8a. Call the DOR’s Customer Service Office at 617-887-MDOR (6367) or toll free at 1-800-6089 to request the forms by mail. Forms and filing instructions are available on the DOR

website; however, it is still recommended that you speak to a DOR representative to ensure you are in full compliance with the law:

<http://www.dor.state.ma.us/forms/formlist.htm>

- 8b. After you have completed the forms, either file online, or mail the printed forms. Once you file Form TA-1, you will receive your Massachusetts Sales Tax Registration Number. You must also file tax forms with the **Massachusetts Department of Revenue (DOR)**. Most sole proprietors file a Schedule C form with their income taxes. If you plan to sell tangible goods, you must file a Form TA-1 to pay Massachusetts' sales tax.

9 INSURANCE

Do a thorough risk assessment and determine what coverage best suits your business's needs. Visit the **Building Commissioner** to have answered any questions you may have.

- 9a. Most forms of insurance are not required. However, business insurance protects you and your business in the event of fire, theft, or other losses. The most common coverage types include liability, property, business interruption, "key man," automobile, and home office.
- 9b. If you get insurance, it is recommended that you assess and inventory your business facility and assets every two years. This will ensure replacement costs are up to date, enable you to settle claims faster, and help you explain business losses on your tax returns.