



How to Start a Business in Michigan

Checklist

Form your business.

1.1. Review Michigan formation options.

There are six main types of business entities in Michigan. Choose the one that suits your business best.

1.2. Name your business.

After checking to see that your name does not exist, register your business name with the Michigan Department of Licensing and Regulatory Affairs (LARA).

1.3. Get an Employer Identification Number.

Apply for an Employer Identification Number at the IRS.

1.4. Register your business in Michigan.

Sole proprietorships and general partnerships do not need to file with the state. All other business structures must file online.

1.5. Obtain necessary permits and certifications.

Do a search on the Michigan government website to see if your business requires any special licenses/permits. If you do, apply for them online.

2. Register your business for taxes.

2.1. Register for state taxes.

This ensures that you can file tax returns with the Michigan Treasury.

2.2. Register for income withholding tax.

All businesses with employees need to register for income tax.

2.3. Register for sales and use tax.

All businesses that sell tangible goods or lease tangible personal property require

a Sales or Use tax license.

2.4. Register for Michigan Business Tax (MIT).

If your business earns over \$350,000 a year, you will need to file MIT tax.

2.5. Register for Corporate Income Tax (CIT).

If you are a C-corporation that makes over \$350,000 a year, you will need to file Corporate Income Tax.

3. Hire employees and report them to the state.

3.1. Go to the Michigan New Hires Operation Center.

Report all new and returning employees online.

3.2. Obtain Workers' Compensation Insurance.

Employers with one or more employees are required to carry workers' compensation insurance.

3.3. Display mandatory posters in your place of business.

By law, Michigan businesses must prominently display the required labor law posters in the workplace.