

DBA Helpful Facts

-One logistical restriction to note: Your “doing business as” name can’t have a corporate ending such as “Inc,” “LLC,” or “Corp.” That gives the impression that your business is a corporation or has some type of corporate status when it doesn’t.

-You should file a DBA if you don't want to operate under your own name or the name under which your business is legally registered. Besides these scenarios, there are a few crucial reasons why you should consider registering a DBA name.

- If you’re operating a sole proprietorship or general partnership, you’d run into a roadblock here: If you haven't registered your business with the state, you don't have an employer identification number, or EIN. And without an EIN, you can't open a business bank account. When you file a DBA, however, you'll also get an EIN.

-Owners of LLCs or corporations have certain legal protections such as safeguarding the owner's personal assets if the business is sued. But if you operate your business under a name other than what’s on your incorporation documents and didn’t file, those legal protections won’t hold. So, if you’re incorporated as John’s Cosmetics Inc. and sign a contract with a client as John’s Skincare Solutions, without registering the latter as your DBA, then that contract won’t hold up..And although a DBA doesn't provide you with legal protections in itself, it does further separate you from your business. In the unlikely scenario that your business is sued, for instance, you could offer up your DBA as evidence that your business and its assets are an entity separate from you and your assets

-Some business organizations, including sole proprietorships and copartnerships, must file their name with the county clerk rather than with the state. The county clerk’s office in counties where business will be conducted should be contacted for forms and filing fees

-SOLE PROPRIETORSHIP

A sole proprietorship is a business that is owned by one individual. The owner is personally responsible for all the debts of the business even in excess of the amount invested in the business. If the business operates under a name other than the individual’s name, a “Certificate of Persons Conducting Business Under Assumed Name” must be filed with the county clerk in every county in which business is transacted. The certificate must include all of the following information:

- Name under which the sole proprietorship will transact business in the county.
- Name and business or residence address of the owner.
- The county or state where business was organized, if not organized in that county.

-COPARTNERSHIP A copartnership is a legal entity that is jointly owned by two or more persons. The owners are personally responsible for all debts of the business, even debts in excess of the amount they invested in the business. Generally copartners enter into a written agreement governing the copartnership and an attorney should be consulted to prepare such an agreement. When forming a copartnership a “Certificate of Copartnership” or a “Certificate of Persons Conducting Business Under Assumed Name” must be filed with the county clerk in all the counties in which the business is to be conducted. The Certificate of Copartnership must include all of the following information: 1. - Name under which the copartnership will transact business in the county. 2. - The term of the copartnership 3. - Name and business or residence address of the partners.

-Corporations Division Phone Number (517) 241-6470