

**DOING BUSINESS  
IN  
HARWINTON  
A BASIC PRIMER**



**HARWINTON ECONOMIC  
DEVELOPMENT COMMISSION  
MAY 2018**



## **DOING BUSINESS IN HARWINTON**

Are you considering opening or relocating your business in Harwinton, CT? We are pleased to provide you with this guide to assist and support you with the resources you may need in your business startup process.

Starting a business involves planning, financial decisions and legal compliance to get you on your way. This summary highlights the steps needed to open your business using information from various federal, state and local websites. Additional information is also included.

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**WE LOOK FORWARD TO WORKING WITH YOU**  
**Town of Harwinton Economic Development commission**  
**MAY 2018**

NOTE: It is strongly recommended that prospective businesses refer to the following resources available in the Harwinton Town Library:

**STARTING A SMALL BUSINESS IN CONNECTICUT** published by community Accounting Services and also available at [communityaccountingservices.org](http://communityaccountingservices.org)

**STARTING A SMALL BUSINESS IN NORTHWEST CONNECTICUT** published by SCORE and also available on the town website EDC page, [Harwinton.us](http://Harwinton.us).

*Note: This document is meant to provide general information only and is not meant to be a complete guide to create and operate your business. The Town of Harwinton makes no recommendation nor warranty regarding the use of the information contained therein. While every reasonable effort has been made to ensure that the information contained in this directory is complete and accurate as of the date of publication, neither the Town of Harwinton, the Town's Economic Development Commission nor any of its members shall be liable for any damages drawing from the use of or reliance upon such information or from errors or omissions therein*

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## **PLAN YOUR BUSINESS**

### **WRITE A BUSINESS PLAN**

A business plan is a tool for understanding how your business is put together. Business planning forces you to review everything at once and make crucial decisions. It can be used to monitor progress and guide the future of the business. In addition, a business plan helps to communicate your business to others, including future employees or investors. If you are applying for a small business loan, business plans are typically a required document.

For an excellent tutorial on writing a business plan visit [How to Write a Business Plan](#) on the SBA website [www.sba.gov/ct](http://www.sba.gov/ct). Parts of a business plan generally include:

- Executive Summary
- Company Description
- Market Analysis
- Organization & Management
- Service or Product Line
- Marketing & Sales
- Funding Request
- Financial Projections
- Appendix

The State of Connecticut offers additional resources, including:

- [Connecticut Economic Resource Center \(www.cerc.com\)](http://www.cerc.com)
- [Connecticut Small Business Development Center \(www.ctsbdc.com\)](http://www.ctsbdc.com)
- [Connecticut Data Collaborative \(www.ctdata.org\)](http://www.ctdata.org)

Local resources include:

Meet with a **SCORE** mentor or attend a workshop co-sponsored by SCORE at the Northwest Connecticut Chamber of Commerce. SCORE is a nonprofit association dedicated to helping small businesses get off the ground, grow and achieve their goals through education and mentorship. ([www.northwestconnecticut.score.org](http://www.northwestconnecticut.score.org)). (860) 482-6586.

Harwinton Town Website Economic Development Commission page, [www.harwinton.us](http://www.harwinton.us), has links to a variety of sources for helping business startups.

## **GET BUSINESS ASSISTANCE AND TRAINING**

If you need to learn more about a particular aspect of starting and/or running your business, take advantage of the resources available to you to learn online:

Export Education ([export.gov](http://export.gov)) free online video series that guides you through the process of how to export.

Access online resources, take a course, attend a workshop, or meet face-to-face with professionals who can help. These organizations are located within 25 miles of Harwinton.

1. Northwest Connecticut SCORE Chapter – find a mentor for free business advice, find a local workshop, or access webinars or on-demand courses online  
([www.northwestconnecticut.score.org](http://www.northwestconnecticut.score.org))
2. U.S Small Business Administration website [www.sba.gov/ct](http://www.sba.gov/ct).
3. Simsbury Public Library Business Resource Center – free programs related to business topics, computer and technology classes, resources, and assistance from a trained business librarian  
([www.simsburylibrary.info](http://www.simsburylibrary.info))
4. University of Hartford Entrepreneurial Center and Women's Business Center -free and low-cost services that support CT small businesses (Hartford,CT)
5. Entrepreneurial Center of Northwest Connecticut at Northwest Connecticut Community College in Winsted,  
([www.nwcc.edu/entrepreneurial-center-northwest-connecticut/](http://www.nwcc.edu/entrepreneurial-center-northwest-connecticut/))
6. Department of Commerce Middletown Export Assistance Center - local trade counseling services (Middletown, CT).  
(<https://2016.export.gov/connecticut/>)

## **CHOOSE A BUSINESS LOCATION**

Finding a location for your business involves planning and research.

Part of choosing a great location involves making sure that what you want to do with your business is an approved use for that location according to local zoning laws and regulations. Start by speaking with the Town of Harwinton Land Use Coordinator Polly Redmond at (860) 485-2784 or online. She can provide you with information on zoning for your proposed location and use,

help with signage regulations, and refer you to other departments you may need to speak with.

Visit **Choosing a Location & Equipment** at [www.SBA.gov/ct](http://www.SBA.gov/ct) for information that can help you choose the right location for your business, including: tips for choosing your business location, basic zoning laws, home-based business zoning laws, and leasing commercial space.

Explore and research commercial real estate properties through a number of resources or by connecting with a commercial real estate broker. The **Connecticut Economic Resource Center (CERC) Site Finder** database can help you locate available commercial properties. In addition, the CERC website offers a variety of resources to supplement your property search by providing information about local areas and demographics.

### FINANCE YOUR BUSINESS

There are many ways to finance your business from traditional bank loans to grants and state and federal programs.

Additional sources to look into for financing include:

Angel Investor Forum

Connecticut Department of Economic and Community Development

Connecticut General Assembly Office of Legislative Research Summary of Small Business Assistance Programs

Connecticut Innovations

Community Investment Corporation

SBA Loan Programs

### DETERMINE THE LEGAL STRUCTURE OF YOUR BUSINESS

The type of business structure you choose will have legal and tax implications. You may want to consult with a lawyer or CPA. Types of business structures include:

1. Sole Proprietorship – a business owned and run by one individual
2. Partnership – a single business where two or more people share ownership
3. Corporation -an independent legal entity owned by shareholders
4. S Corporations – a special type of corporation created through an IRS tax Election
5. Limited Liability Company (LLC) – combines the pass-through taxation of a partnership or sole proprietorship with the limited liability of a corporation.

For additional information, recommended online resources include:

[Business Structures \(irs.Gov\)](https://www.irs.gov)

[Business Structure and Tax Implications \(sba.gov/ct\)](https://www.sba.gov/ct)

[Choose Your Business Structure \(sba.gov/ct\)](https://www.sba.gov/ct)

The Connecticut Department of Economic and Community Development lists organizations that provide "professional, confidential one-on-one business counseling services including assistance with choosing a business structure." If you change your business structure you must notify the [Connecticut Department of Revenue Services](https://www.ct.gov/drs). ([www.ct.gov/drs](https://www.ct.gov/drs))

## FILE AND REGISTER YOUR BUSINESS

REGISTER A BUSINESS NAME ("D/B/A" OR "DOING BUSINESS AS")

Before you can register your business you will need to choose a distinguishable business name. Perform a [Business Name Search](#) through the Connecticut Secretary of the State to see if your proposed business name is presently available. You may also want to do a basic web and social media search to see if your business name is available as a domain name or username.

If your proposed business name is available and your business is neither a Sole Proprietorship nor a General Partnership, then you need to register your business with the Secretary of State. Access forms [and fees from the Connecticut Secretary of the State](#) ([www.sots.ct.gov](https://www.sots.ct.gov))

All trade names ("dba's") must [register with the Harwinton Town Clerk's Office](#).

## GET A FEDERAL TAX IDENTIFICATION NUMBER

Once you have registered your business name, you may apply for an Employer Identification Number (EIN). An EIN is also called a Federal Tax Identification Number and is used to identify a business entity. See [How to Apply for an EIN](#) from the Internal Revenue Service ([www.irs.gov](https://www.irs.gov)) to apply online for free and for more information.

## REGISTER FOR STATE AND LOCAL TAXES

After you have an EIN, you will need to register with the Connecticut Department of Revenue Services to receive a Connecticut Tax Registration Number (TRN).

Locally, you will need to file a Personal Property Declaration with the Town of Harwinton Assessor's Office.

For more information, visit Filing & Paying Taxes (sba.gov). Additional resources include:

Federal: Tax Information for Businesses (irs.gov)

State: Connecticut Department of Revenue Services (ct.gov/drs)

Local municipal taxes: Town of Harwinton Tax Collector's Office

## OBTAIN BUSINESS LICENSES AND PERMITS

Depending on what your business does, you may need to obtain federal and state licenses and permits to run your business legally.

If your business is involved in activities supervised and regulated by a federal agency - such as selling alcohol, firearms, commercial fishing, etc. - then you may need to obtain a federal license or permit. For more information see What Federal Licenses and Permits Does Your Business Need? (sba.gov).

The Connecticut Economic Resource Center (CERC) has information on state licensing.

Locally, you may need some approvals or permits, such as: Zoning Approval, Building Permit, Fire Marshal Approval, Public Utility Approval, Health Department Approval, Police Department Approval, and Water Pollution Control Sewer Usage Capacity. For assistance, please contact the Town of Harwinton Land Use Coordinator.

## UNDERSTAND EMPLOYER RESPONSIBILITIES

If you have employees, there are responsibilities involved including withholding taxes, verifying employee eligibility, obtaining workers' compensation insurance, and more. For more information see Hiring (sba.gov) and the State of Connecticut Department of Labor website.

## **COMMONLY ASKED HARWINTON ZONING QUESTIONS**

Harwinton has specific zoning regulations regarding where a business can be located, design standards, what kind of commerce can be conducted, and parking space needed. Please refer to the Town of Harwinton Zoning Regulations, which may be found at Town Hall or online on the town website ([www.harwinton.us](http://www.harwinton.us)).

You may also reach out directly to the Land Use Coordinator to find out what your property is zoned for.

### **AM I PERMITTED TO USE MY RESIDENCE FOR PERSONAL BUSINESS PURPOSES?**

The zoning restrictions for home based businesses in Harwinton are vague and contradictory in some key areas. Check with the Land Use Coordinator for your specific business and location.

### **AM I ALLOWED TO PUT UP A TEMPORARY SIGN FOR MY BUSINESS OR EVENT?**

Generally not for businesses.. The Town of Harwinton Land Use Department can answer this question. See also Section 11.5 of the town zoning ordinances.

### **WHAT DO I DO IF THE ZONING REGULATIONS DON'T PERMIT ME TO USE THE PROPERTY AS I WANT TO FOR MY BUSINESS?**

-Ask the Land Use Coordinator for the appeal procedures.

## **COMMONLY ASKED TOWN PROPERTY TAX QUESTIONS**

- **AS A BUSINESS OWNER, WHAT DO I OWN THAT IS SUBJECT**
- **TO MUNICIPAL PROPERTY TAXES?**

There are three types of properties that are assessed and taxed in accordance with State Statute: real estate, motor vehicles and personal property. All land and buildings are taxed as real estate. All registered motorized or non-motorized vehicles (such as cars, trucks, motorcycles and trailers) are taxed as motor vehicles. Finally, all machinery, equipment, furniture, and fixtures either owned or leased by business and industry are taxed as personal property. Most residential taxpayers are not subject to personal property tax. However,

most business owners are subject to this tax. In addition, some residential and commercial taxpayers are also charged for usage of municipal infrastructure, such as sewers. The Assessor's Office has additional information (see Resources).

## ASA BUSINESS OWNER, AM I REQUIRED TO REPORT EQUIPMENT THAT I USE IN THE COURSE OF CONDUCTING MY BUSINESS?

Pursuant to Chapter 203 Section 12-41 of the Connecticut General Statutes business owners are required to submit an inventory of personal property to the Assessor of the Town In which the business is located. According to the Statute, this Declaration of Personal Property must be received by the Assessor no later than the first day of November. If the Declaration is not filed, the Assessor shall complete the inventory including all property that there is reason to believe exists in the facility .

## HOW DO I KNOW THE VALUE OF MY PROPERTY

### AND HOW IS THE TAX RATE APPLIED?

State law requires that properties be valued at "present and true actual value," which means fair market value. The Assessor then multiplies that fair market value by 70% to arrive at the property's assessed value. The applicable mill rate is then applied to the assessed value to determine the actual tax bill. State law requires that real estate be revalued every five years to factor in changes in market value, property improvements and new construction. National Automobile Dealers Association (NADA) price guides are used to determine the value of motor vehicles.

## TAXES DUE?

Tax bills are sent once each year on July 1st. Taxes on personal property and motor vehicles are due in July. Taxes on real estate are due in two installments; July and January each year. Taxes on personal property are due in two times per year (July and January) if the total bill is \$100.00 or more, and in one installment if the bill is under \$100.00.

## AS A BUSINESS OWNER, AM I ELIGIBLE FOR ANY TAX INCENTIVES?

You may be eligible for various tax incentives If you are currently a business owner in Harwinton or you are interested In locating a business in Harwinton.

There are several criteria that applicants must meet in order to be considered for benefits under the Town's tax abatement program.

For information see the Harwinton Tax Incentive Program available on the Economic Development Commission page in the Town of Harwinton website [www.harwinton.us](http://www.harwinton.us).

WHOM SHOULD I CONTACT FOR MORE INFORMATION CONCERNING BUSINESS INCENTIVE PROGRAMS?

Interested business owners must apply for these tax incentives. For additional information concerning the various incentives offered by the Town, as well as an application, you should contact the First Selectman's Office or the Planning and Land Use Department (see Resources).

## **RESOURCES**

Town of Harwinton webpage [www.harwinton.us](http://www.harwinton.us) The EDC webpage has a group of documents available specific to starting a business.

Harwinton Public Library – has in their collection books **STARTING A SMALL BUSINESS IN CONNECTICUT**, a comprehensive book covering all aspects of starting and running a business in Connecticut, and **STARTING A SMALL BUSINESS IN NORTHWEST CONNECTICUT**, a booklet covering information specific to the towns in Northwest Connecticut.

Northwest Connecticut Chamber of Commerce/**SCORE**. **SCORE** is a non-profit national organization sponsored by the Small Business Administration that provides free mentoring to small businesses. [www.northwestconnecticut.score.org](http://www.northwestconnecticut.score.org).

**US SMALL BUSINESS ADMINISTRATION** website [www.sba.gov/ct](http://www.sba.gov/ct) has extensive information for small businesses. Specific to planning under "**Starting & Managing**" on the home page, under "**Starting a Business**" click on "**Write Your Business Plan**". Also publishes the "**CONNECTICUT SMALL BUSINESS RESOURCE GUIDE**", a comprehensive guide to business resources available in Connecticut. A pdf version is available on the home page.

The **CONNECTICUT ECONOMIC RESOURCE CENTER**, [www.cerc.com](http://www.cerc.com). This site provides comprehensive advice and information about starting and running your specific type of business. It identifies further sources of information on almost every resource available in Connecticut. You can also call their Business Licensing Specialists at **1-800-392-2122**.

**BOOKS** Starting a Small Business in Connecticut (in Library)  
Starting a Small Business in NW CT (SCORE) (in Library)

**SIMSBURY PUBLIC LIBRARY, BUSINESS RESOURCE CENTER**  
(860) 658-7663 x 2107 ([www.simsburylibrary.info](http://www.simsburylibrary.info)) Offers extensive business references and periodicals and on-line access to business data banks. Full-time business outreach librarian available for consultation. As with most libraries, subscription data can only be accessed with a member library card or at the library.

**ENTREPRENEURIAL CENTER OF NORTHWEST CONNECTICUT**  
at Northwest Connecticut Community College, 56 Park Place, Winsted, CT.  
(860) 738-6444. Provides a variety of support services and resources for business startups.

**NORTHWEST HILLS COUNCIL OF GOVERNMENTS** – the northwest CT regional planning agency has an extensive statistical review of socio-economic data for the 21 towns in northwest Connecticut published in 2013 available on its website. Go to [www.northwesthillscog.org](http://www.northwesthillscog.org), click on "**Reports & Documents**" on the home page and select "**CEDS Economic Data Profile**"

**CONNECTICUT DEPARTMENT OF REVENUE SERVICES**, [www.ct.gov/drs](http://www.ct.gov/drs), document IP2015(12) – "**Getting Started in Business**" contains a comprehensive coverage of the steps involved in starting a business in Connecticut.

**IRS.GOV**