

1. Licensing

Licensing rules are set by each state, and sometimes by the county or city. Start here.

Check your state licensing board before anything else on this list. License levels, exams, fees, renewals and what you need to run your own jobs all vary by state. This kit does not list any state's rules.

- ☐ **Find your state's plumbing licensing board.** Search for your state name plus "plumbing license board" and use the official state website.
- ☐ **Learn which license levels your state uses.** Apprentice, journeyman and master are common names, but the names and the steps between them vary by state.
- ☐ **Write down the level you hold today** and what the board requires for the next one (experience, exam, application).
- ☐ **Ask the board what you need to bid and run jobs under your own business name.** Depending on the state, that may be a contractor license, a registration, or a master license.
- ☐ **Get a city or county business license or registration** if your area requires one. Check where the business is based and where you work, since they can differ.
- ☐ **Learn how permits work** in each city or county you work in: which jobs need one, who pulls it, what it costs and how inspections get booked.
- ☐ **Put renewal dates on your calendar**, along with any continuing education the board requires.
- ☐ **Keep copies of every license, registration and permit** in one folder. Find out whether your state requires your license number on estimates, invoices, ads and the truck.

2. Business setup

- ☐ **Choose a business structure:** sole proprietor, LLC or corporation. The right one depends on your state, your taxes and your risk, so talk to an accountant or attorney first.
- ☐ **Register your business name** if you use one other than your own legal name. Ask your state or county where.
- ☐ **Get your free EIN (Employer Identification Number) from the IRS at irs.gov.** The IRS does not charge for it. Do not pay a website to get one for you.
- ☐ **Open a business bank account.** Keep business and personal money apart and run every business payment through it.
- ☐ **Set up bookkeeping before your first job.** Pick a spreadsheet, accounting software or a bookkeeper. Record every sale and expense and keep your receipts.
- ☐ **Ask your accountant how much to set aside for taxes** and when to pay. Set up a separate savings account for it.
- ☐ **Ask whether you must collect sales tax** on parts or labor where you work, and how to register if so. The rules differ by state.
- ☐ **Get a business phone number and email address** so customers never reach your personal ones.