

PERSONAL PROPERTY BUSINESS GENERAL INFORMATION AND

PROPERTY TAXES

1. File/Register the Business

- Check whether “LLC”, “Inc.” or other designation is required to be part of the business name.
- As appropriate, register the business with the Connecticut Secretary of the State website at <http://portal.ct.gov/sots>.
- If necessary, file a Trade Name Certificate with the Torrington City Clerk’s office. They can be reached at (860) 489-2236.
- If you are choosing the option of a sole proprietorship you have the option of choosing a business name or DBA (“doing business as”) for your business. Therefore, you may choose the name *John Smith dba John Smith Carpentry*.
- If purchasing an existing business, check with the Secretary of the State’s Office to see if any liens are filed on the business equipment. Such examples could be a Personal Property tax lien (UCC-1 Financing Statement) or a PMSI (Purchase Money Security Interest).

2. Register for a Federal Tax ID Number (referred to as an EIN, Employer Identification Number or a FEIN, Federal Employer Identification Number)

- It is appropriate for all businesses, even sole proprietors, so that you aren’t giving out your social security number. Go to www.irs.gov.

3. Obtain a State Tax Registration Number/ID from the DRS (the Connecticut Department of Revenue Services).

- Every business in Connecticut must have a state tax number. Your business may be liable for collecting sales tax, and if you have employees, state withholding may be required.
- Check to see if the business will be liable for other state taxes (i.e., such as the Business Entity Tax with an LLC). Go to www.ct.gov/drs.

4. Obtain Required Licenses/Permits

- All business types should check with the Torrington City Clerk and City of Torrington Land Use Office for local regulations. Every town has its own set of rules, and what is permitted in some towns is illegal in others. Also, rules differ within a town or city depending on where the business is located. This is especially important for home-based businesses.
- Also check State licensing needs for your business www.cerc.com/licenses/default.aspx and any Federal government requirements, such as with alcohol related sales.

5. Municipal (City) Property Taxes

- Check with the City of Torrington Assessor's office to find out what you need to do with regards to filing a Personal Property Declaration every October or any other necessary filing the assessor requires per state statute. Per their state statutes, failure to file a declaration by November 1st annually will result in penalties incorporated in your business personal property tax bill. They can be reached at (860) 489-2222.
- Even before you receive a Personal Property (Business) tax bill, stop in to see the City of Torrington Tax Collector to find out billing periods and late charges if payment is not received or any other information they might be able to supply to you. They can be reached at (860) 489-2209 x6.

6. Depending what type of business you are opening, check with the Torrington Area Health District, TAHD, to see if a special permit and/or license is required to run your business. They can be reached at (860) 489-0436.

7. Closing your business

- You would need to cancel your trade name certificate with the Torrington City Clerk's office if you filed one. Please contact the City Clerk's office at (860) 489-2236 on how to unregister your business.
- If you registered with the Connecticut Secretary of State, you need to dissolve your business with them as well.

- **As a final step, please contact the City of Torrington Assessor's Office to finalize the closing of your business.** The Assessor's Office can be reached at (860) 489-2222. Please keep in mind that if this is **NOT** done, your business will continue to be added onto the City of Torrington's Grand List. You and/or your business will then be **LIABLE** for ALL personal property taxes associated with your business.
- If you are unsure about which tax years you might be responsible for, also stop into the City of Torrington's Tax Collector's Office. They can be reached at (860) 489-2209 x6.