

How to Start a Bookkeeping Business

1. SET UP YOUR BUSINESS

BUSINESS NAME

Decide on a business name

BUSINESS TYPE

Decide what type of business to create (I recommend an LLC because there is less risk to your personal finances if you are sued). Other types are corporations, sole proprietor, etc.

REGISTER LLC

To form an LLC you need to file "Articles of Organization" with your secretary of state. Check your state's website for more information. In Oregon this is \$100: <https://sos.oregon.gov/business/Pages/domestic-limited-liability-companies-forms.aspx>

LICENSES

Check websites for your city, state and county to see if any licenses are required.

Oregon examples:

<http://licenseinfo.oregon.gov/>

www.portlandonline.com

www.co.multnomah.or.us

EIN

Apply for an Employer ID Number (EIN) from the IRS (if needed):

<https://www.irs.gov/businesses/small-businesses-self-employed/employer-id-numbers>

BANK

Open a bank account that is separate from your personal finances. All of your business expenses and income should go through this account. Savings account and credit card are optional.

INSURANCE

I recommend contacting your current insurance company (that you use for car insurance, etc.) to see if they can bundle with what you already have.

OFFICE SUPPLIES

Ensure you have a computer and other basic office supplies.

2. Learn Bookkeeping

PICK A SOFTWARE

Decide on an accounting software (QuickBooks desktop, online, Xero, etc.).

I recommend QuickBooks Online Accountant.

EDUCATE YOURSELF

Become a QuickBooks online ProAdvisor (free), take classes at a community college or other.

3. Marketing

WEBSITE/DOMAIN NAME

Wix and other similar websites are user-friendly for beginners.

BUSINESS CARDS

CREATE LOGO & BRANDING

Use common colors/fonts across your business and create a logo (Canva is a great free resource).

EMAIL ADDRESS

Create a business email using Google or other platform.

SET YOUR PRICE

You can start charging \$35-40/hour and raise prices as you become more experienced. Fixed pricing (or value pricing) is also a great option.

GET CLIENTS

If you have no experience, volunteer for a friend, or practice on your personal finances. Then, use your personal network, job sites (answer posts and also put out an ad). Creating a niche will also help your client retention as you become an expert in a certain area.

4. Ongoing

Stay on track: set goals, business plan

Create a contract of employment for clients to sign

Save for taxes

Use program (like Lastpass) to keep passwords confidential