



Washington State Department of  
**Labor & Industries**

# **Applying for Your Washington Business License: A Step-by-Step Guide**

*Contractor Registration Guidelines Included*



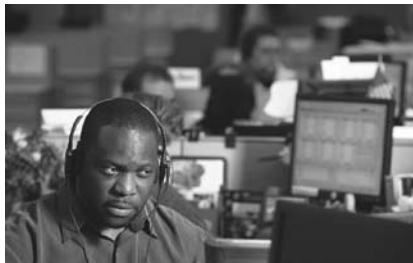
# Welcome to the Department of Labor & Industries.

We look forward to helping you make your business a success – and making sure your required paperwork goes smoothly.

Please follow the instructions in this booklet.



It will help you understand how to do your paperwork right the first time!

- 1 Choose your business structure.**  
Sole proprietor? Partnership? Corporation?
- 2 Apply for your Washington business license.**
- 3 Apply to be a registered contractor.**  
(Skip this step if you are not a construction business.)
- 4 Learn what to do if you are employing workers in Washington.**  
(Skip this step if you will not have workers.)
- 5 Find out about other requirements.**



# Choose your business structure.

Make this decision first, before you fill out any paperwork.\* You may operate your business under any one of the following organizational structures. But the process will be different, depending on the structure you select.

Type of business structure:	What you need to do:
<p><b>Sole-proprietorship</b> An individual or married couple in business alone. The business owner is personally liable for all business debts.</p> <p><b>General partnership</b> Two or more people (usually not married) who each contribute money, labor, and/or skill to the business. Each partner shares in the profits, losses and management of the business and is personally and equally liable for its debts.</p>	<p><b>Complete a Master Business Application.</b> </p> <p><i>Find out how on Page 4 (Steps 3 &amp; 4)</i></p>
<p><b>Corporation (Profit or non-profit)</b> More complex structure. A chartered legal entity with certain rights, privileges and liabilities beyond those of an individual business owner. It may yield tax or financial benefits but may have higher licensing fees and decreased personal control.</p> <p><b>Limited partnership</b> Has one or more general partners and one or more limited partners. The general partners manage the business and share in its profits and losses. Limited partners share in the profits, but any losses are limited to the extent of their investment; they are usually not involved in day-to-day management.</p>	<p><b>Register your business with the Secretary of State's Office first.</b></p> <p><b>Then complete a Master Business Application.</b> </p> <p><i>Find out how on Page 4 (Steps 1 – 4)</i></p>
<p><b>Limited liability partnership (LLP)</b> Similar to a general partnership except that a partner is not normally personally liable for the negligence of the other partner. Often used by professionals such as accountants and lawyers.</p> <p><b>Limited liability company (LLC)</b> Formed by one or more individuals who follow a special written agreement that details how the business is managed, and how their interests, losses and profits are shared.</p>	

\*You may want to consult an accountant or attorney for advice on the best business structure for you. Or, you can get more detailed information by going to: [www.secstate.wa.gov](http://www.secstate.wa.gov) or calling 360-753-7115.

# Apply for your Washington business license.

Your business must be licensed by the state of Washington, which will assign you a Unified Business Identifier (UBI) number. This number will be your identification with all Washington state agencies.

**If your business structure is a: Do this:**

- Corporation
- Limited partnership
- Limited liability partnership
- Limited liability company

(Complete Steps 1 – 4)



**Register your business with the Washington Secretary of State’s Office:**

- 1 Complete the application for the business structure you have chosen.**
  - or ■ Apply online\* (fast service): [www.secstate.wa.gov/corps](http://www.secstate.wa.gov/corps)
  - or ■ Download the form:  
[www.secstate.wa.gov/corps/registration\\_forms.aspx](http://www.secstate.wa.gov/corps/registration_forms.aspx)
  - or ■ Request an application by phone: 360-753-7115
- 2 Pay \$175 with your completed application.**  
The Secretary of State’s Office will make sure that there is only one registered business in Washington State with this name. It will then mail you your *Articles of Incorporation* or *Certificate of Formation* with your legal business name.

Then



- Sole-proprietorship
- General partnership

(Complete Steps 3 & 4 only)



**Apply for a Washington Business License:**

- 3 Complete a Master Business Application. Here’s how:**
  - or ■ Apply online or download the form (faster service):  
[www.dol.wa.gov/forms/700028.html](http://www.dol.wa.gov/forms/700028.html)
  - or ■ Complete the application at any L&I office – or at a Washington Dept. of Employment Security or Revenue office.
  - or ■ Request an application by phone: 360-664-1400
- 4 Pay a \$15-\$20 fee (depending on your situation) with your completed application.**  
You will receive your UBI number on-the-spot – online or at the counter. The Washington Department of Licensing will follow up by mailing you your state business license with the UBI number printed on it.

*\*If you apply online, it will take one day for the Secretary of State to assign you a UBI number so you can apply for your Washington Business License.*

# Apply to be a registered contractor.

(Skip this step if you are not a construction business.)

If you are in the construction trades and now have your UBI number (see Page 4), you're ready to apply to the Department of Labor & Industries for your Contractor Registration.

## 1 Ask L&I for a Contractor Registration Application.

- or ■ Pick up this application at any L&I office
- or ■ Download it: [www.Lni.wa.gov/forms/pdf/625001af.pdf](http://www.Lni.wa.gov/forms/pdf/625001af.pdf)
- Call your local L&I office and ask them to mail you a copy.  
(Go to [www.Lni.wa.gov](http://www.Lni.wa.gov) to find an office near you.)

## 2 Purchase bond and liability insurance. Ask your insurance agent.

**Required bond:** General Contractors: \$12,000  
Specialty Contractors: \$ 6,000 (one specialty trade only)  
*See application form for more information*

Or, you may set up a dedicated account at your bank, using an "Assignment of Account" form. You may download it: [www.Lni.wa.gov/forms/pdf/625008af.pdf](http://www.Lni.wa.gov/forms/pdf/625008af.pdf)

**Required insurance:** \$50,000 in property damage and \$200,000 in public liability insurance or \$250,000 in a combined, single limit policy.

## 3 Bring all paperwork and payment to an L&I office:\*

**This must include:**

- Your payment (cash, check, or VISA or MasterCard credit/debit card).  
Check with L&I for the current fee.
- The original copy of your completed and **notarized** *Application for Contractor Registration*. (Notaries available at most L&I offices.)
- The original copies of your insurance and bond documents. (They must be the originals and free of changes, marks and white-outs, which will invalidate them.)

\*Can't come to an L&I office? Go to: [www.Contractors.Lni.wa.gov](http://www.Contractors.Lni.wa.gov) and click on **Registering as a Contractor**.

# Learn what to do if you are employing workers in Washington.

(Skip this step if you will not have workers.)

If you indicated on your Master Business Application that you will hire workers, the state agencies with requirements for employers will be setting up accounts for you. They will mail you the documents you need.

**These agencies will include:**

- Department of Labor & Industries      360-902-4817
- Employment Security Department      360 902-9360

If you have questions, call the agency. All state agencies have customer service representatives who are ready to help you.

## What about the IRS?

The Internal Revenue Service is a federal, not a Washington state, agency. If you hire workers, the IRS will require you to have an Employer Identification Number (EIN) so it can track the wages you pay. You also are required to have an EIN if you are a:

- General partnership
- Limited partnership (LP)
- Limited liability partnership (LLP)
- Multi-member limited liability company (LLC)
- Profit or non-profit corporation

**Where to find information on getting an EIN:**

- Ask for information at an L&I or Employment Security front desk.

*or*

- Call the IRS: 1-800-829-4933

*or*

- Go to: [www.irs.gov](http://www.irs.gov)

## Find out about other requirements.

Depending on your business, you may have other government requirements to check out. The state of Washington wants to make it easy for you:

Get an online customized report of your business's paperwork requirements by going to:

**[www.business.wa.gov](http://www.business.wa.gov)**

*or*

Call the Washington Department of Licensing's help line:

**1-360-664-1400**

### **L&I can help.**

- Learn about workers' compensation rates and how a safe work site can help you control them.  
Call: 360-902-4817      Go online: **[www.Rates.Lni.wa.gov](http://www.Rates.Lni.wa.gov)**
  
- Make your workplace safe, as required by law.  
Request a free, on-site workplace safety consultation.  
Call: 1-800-423-7233      Go online: **[www.SafetyConsultants.Lni.wa.gov](http://www.SafetyConsultants.Lni.wa.gov)**
  
- Find what to do if a worker is injured on the job.  
Call: 1-800-547-8367      Go online: **[www.Lni.wa.gov](http://www.Lni.wa.gov)**  
Click on: "What to do if your worker is injured."
  
- Find the L&I office nearest you. Online, go to **[www.Offices.Lni.wa.gov](http://www.Offices.Lni.wa.gov)** or check the government pages of your local telephone directory.

# Government phone numbers and Web sites you may need:

State agencies:	What they do:	Web address:	Phone:
Office of the Secretary of State	<ul style="list-style-type: none"> <li>Articles of Incorporation and Certificates of Formation</li> </ul>	<a href="http://www.secstate.wa.gov">www.secstate.wa.gov</a>	360-753-7115
Dept. of Employment Security	<ul style="list-style-type: none"> <li>Unemployment insurance</li> </ul>	<a href="http://fortress.wa.gov/esd/portal/">http://fortress.wa.gov/esd/portal/</a>	360-902-9360
Dept. of Revenue	<ul style="list-style-type: none"> <li>Business taxes</li> </ul>	<a href="http://www.dor.wa.gov">www.dor.wa.gov</a>	1-800-647-7706
Dept. of Licensing	<ul style="list-style-type: none"> <li>Master Business Application</li> <li>Professional licenses</li> </ul>	<a href="http://www.dol.wa.gov">www.dol.wa.gov</a>	360-664-1400
Dept of Labor & Industries	<ul style="list-style-type: none"> <li>Workers' compensation premiums</li> <li>Building trades registration/licensing</li> <li>Minor work permits</li> <li>Workplace safety</li> </ul>	<a href="http://www.Lni.wa.gov">www.Lni.wa.gov</a>	360-902-4817 1-800-647-0982 360-902-5315 1-800-423-7233
Department of Social and Health Services	<ul style="list-style-type: none"> <li>New hires/Child support</li> </ul>	<a href="http://www1.dshs.wa.gov/newhire/">www1.dshs.wa.gov/newhire/</a>	1-800-591-2760

Can't find the Washington state agency you're looking for? Go to: [www.access.wa.gov](http://www.access.wa.gov)

Federal agency:	What they do:	Web address:	Phone:
Internal Revenue Service	<ul style="list-style-type: none"> <li>Federal income taxes</li> </ul>	<a href="http://www.irs.gov">www.irs.gov</a>	1-800-829-4933
Local government:	What they do:	Web address:	
Cities and counties	<ul style="list-style-type: none"> <li>Local codes and other requirements</li> </ul>	<a href="http://www.access.wa.gov/government/local.aspx">www.access.wa.gov/government/local.aspx</a>	

All fees listed in this publication were correct as of the date of publication. However, fee amounts are subject to change.

Other formats for persons with disabilities are available on request. Call 1-800-547-8367. TDD users, call 360-902-5797. L&I is an equal opportunity employer.