



CHECKLIST

- 1 BUSINESS PLAN**
 - Draft a business plan
- 2 LOCATION**
 - Choose a location, draft a detailed floor plan
- 3 ZONING AND PERMITTING**
 - Visit the Building Commissioner at City Hall
 - File Form of Intent and submit with floor plan, certified plot plan and filing fee (\$15)
Receive detailed Zoning Determination from Building Commissioner;
 - Proceed according to instructions in Zoning Determination
 - Set up inspection and receive Certificate of Inspection (\$40 filing fee)
 - If building or renovating:* Submit floor plan; Receive building permit
- 4 LICENSING**
 - Visit the City Clerk's Office at City Hall
 - Become or hire a licensed Cosmetologist and Aesthetician
 - Obtain a Certificate of Registration from the Board of Registration of Cosmetology, Massachusetts Division of Professional Licensure
Obtain other necessary Certificates of Registration from the Massachusetts Division of Professional Licensure: Aesthetics, Nail Technician, and any other applicable certificates
- 5 BUSINESS CERTIFICATE**
 - Visit the Fitchburg City Clerk's Office
 - File for a City of Fitchburg business certificate (DBA) and get form notarized (only if company will be a sole proprietorship or general partnership)
 - Submit notarized form with a check or money order in the amount of the filing fee
- 6 TAXES**
 - Visit the Fitchburg City Assessor to file a Form of List
- 7 INTERNAL REVENUE SERVICE**
 - Call the Internal Revenue Service office in Worcester to schedule an appointment
 - File federal tax forms for your business
 - Get a federal tax identification number
- 8 MASSACHUSETTS DEPARTMENT OF REVENUE**
 - Contact the Massachusetts Department of Revenue
 - File Massachusetts state tax forms for your business
 - Get a Sales Tax Registration Number and Certificate
- 9 INSURANCE**
 - Do a risk assessment and inventory of your business's facility and property
 - Visit the Building Commissioner, if necessary, for advice



DETAILED STEPS

1 BUSINESS PLAN

Draft a business plan. Business plans are part of a continuous process to define your business concept, understand your market, set goals and effectively meet client needs. Typically, plans encompass operational issues including, but not limited to, the following:

- What services and products will your business provide and what needs do these fulfill?
- Who is your target market and how will you reach them?
- How will your company secure and repay financing?

In order to own a day spa that offers hair, nails, facials, massage, and tanning services, you must either be registered in cosmetology (covering hair-styling, skin-care, nail-care and make-up), aesthetics (covering facials, massage, waxing, and reflexology) and serve as a manager, or have at least one manager who is a full-time employee and licensed in cosmetology and aesthetics. This guide contains instructions for sole proprietors only. Additional steps are required if you plan to hire other individuals. For more information, visit the **Massachusetts Department of Business and Technology** website.

<http://www.mass.gov/dbt>

Or, contact the **Central Massachusetts Regional Small Business Development Center** for a detailed business plan guide with a sample business plan:

*Clark University SBDC
950 Main Street
Worcester, MA 01610
508-793-7615
<http://www.clarku.edu/offices/sbdc>*

TIP: This guide concerns the regulations and licensing requirements for starting a sole proprietorship with no employees. If planning on hiring employees, please consult Appendix II, “Navigating the Regulations to Becoming an Employer”

Note: There is an issue if the day spa rents chairs. Care must be taken to meet workmen’s compensation insurance requirements and liability insurance requirements.

2 LOCATION

Select a location for your shop and draft a detailed floor plan. If you plan to make repairs or do renovations, the floor plan should show what the property will look like when the work has been completed. The floor plan need not be prepared professionally, but must show all planned furniture, doors, windows, equipment, plumbing, and electrical outlets/equipment. Your name, home address, shop location address, and day and night telephone numbers must all be included with your floor plan.

2a. If this property is attached to your home, the shop and home must comply with the regulations of the **Board of Registration of Cosmetologists, Massachusetts Division of Professional Licensure**.

- In order to operate a salon from one’s home, one must have a room or rooms separated

from the living quarters in the house, and there must be an available bathroom facility for employees and customers that is separate from the facility used by residents of the home.

- The door leading into the salon must be visible from the street and must not require customers to pass through the living quarters of the residence of the home.
- Home operation also requires licensure from the Division of Professional Licensure (see Step 9).

2b. A separate copy of the floor plan must be submitted to the **City of Fitchburg Building Commissioner** along with the **Form of Intent**.

3 ZONING AND PERMITTING

Visit the **Building Commissioner** at **City Hall**.

*Building Commissioner
Fitchburg City Hall
166 Boulder Drive
Fitchburg MA 01420
978-829-1880*

File a **Form of Intent**. Along with the Form of Intent you must submit a floor plan that shows how the business or use is going to be set up within the principal structure, a certified plot plan showing adequate off street parking and setbacks to property lines, and the \$30.00 filing fee. Be prepared to provide an explanation about your business and intentions.

The **Building Commissioner** will review your application and write a **Zoning Determination** that will outline step-by-step what you need to do to proceed with your business. Follow the steps in the Zoning Determination.

For home-based businesses:

Home Occupation is allowed by right in Fitchburg provided that it:

- Is conducted solely within a dwelling and solely by the person(s) occupying the dwelling as a primary residence;
- Is clearly incidental and secondary to the use of the premises for residential purposes;
- Does not produce offensive noise, vibration, smoke, dust, odors, heat, lighting, electrical interference, radioactive emission or environmental pollution;
- Does not utilize exterior storage of material or equipment;
- Does not exhibit any exterior indication, including signs, of its presence or any variation from residential appearance;
- Does not produce any customer, pupil, or client trips to the occupation site and has no nonresident employees;
- Is registered as a business with the City Clerk

If these conditions are not met, a home occupation may be allowed by **special permit** issued by the **Board of Appeals**.

Contact the **Fire Prevention Bureau** located at the **Fitchburg Fire Department** to determine whether additional permits or fire prevention systems are needed.

*Fire Headquarters
33 North Street
Fitchburg MA 01420
978-345-9672*

LICENSING

4a. In order to become a licensed cosmetologist, you must complete several levels of instruction and certification. The full listing of cosmetology licenses is provided by the **Board of Registration of Cosmetologists, Massachusetts Division of Professional Licensure**.

*Board of Registration of Cosmetologists
Massachusetts Division of Professional Licensure
239 Causeway Street, Suite 500
Boston, MA 02114
617-727-9940
<http://www.state.ma.us/reg/boards/hd/default.htm>*

4b. You must also complete the necessary training and certification processes in order to provide massage therapy and skin-care services such as facials. An **Aesthetics License** allows you to offer facials and massage therapy; contact the **Massachusetts Division of Professional Licensure** to complete the requirements to obtain the license.

4c. In order to offer tanning services, your shop must also be licensed through the **Massachusetts Division of Professional Licensure**.

4d. In order to operate a day spa in Massachusetts, you must submit an **Application for a New Salon**:

Obtain the Salon Applicants form from the **Board of Registration of Cosmetologists, Massachusetts Division of Professional Licensure** website.

<http://www.state.ma.us/reg/boards/hd/default.htm>

To request a copy be mailed to you, call the **Massachusetts Office of Investigations, Division of Professional Licensure** at 617-727-7406. You will be instructed to leave a voice message with your name and address.

4e. The application form contains the following instructions for successful completion:
Submit your floor plan.

- Indicate rooms/equipment, front door/back door, bathroom location, and salon set-up.
- Include owner's name and two phone numbers (home & business/day & evening).
- Indicate if location is currently a licensed salon being purchased.
- If renovations are necessary for plumbing and/or electrical work, have the forms attached to application completed by the Plumbing and/or Electrical Inspector of Fitchburg. (Refer to the **City of Fitchburg Department of Code Compliance**, located at the Fire Department, for more information.)
- Include a COPY of the manager's current license.

Note: The owner does not have to be the licensed manager.

- Indicate name and address of salon. This must be the street address and not a PO Box.
- Mail floor plan and enclosures to the Office of Investigations.

*Division of Professional Licensure
Office of Investigations
239 Causeway St, Suite 400
Boston, MA 02114
Attention: Floor Plan*

Once the floor plan has been received and approved, an investigator will contact the owner to arrange an inspection date. The processing typically takes 3-4 weeks.

4f. At the inspection, have the following items available:

- Copy of Rules & Regulations (240 CMR). To obtain a copy of the Rules & Regulations, call the State House Bookstore at 617-727-2834. A copy will be mailed for a small fee plus postage.

Or download the document from the Massachusetts Cosmetology Board's website.

http://www.state.ma.us/reg/boards/hd/rule_reg.htm

- Completed Business Certificate from the Fitchburg City Clerk's Office
- Certificate of Occupancy from City of Fitchburg Building Department
- If renovations have been made, the Plumbing Form and/or the Electrical Form signed by a Fitchburg inspector
- Check or money order for the appropriate fee made payable to Commonwealth of Massachusetts

4g. You must comply with state operational rules:

- Salons must display a sign at the entrance or post a sign large enough to be clearly visible from the street.
- Salon licenses must be displayed in a conspicuous place in the salon.
- No animals of any kind are to be on the premises of the salon.
- Inside each salon must be posted a sign of at least ten inches by ten inches in size stating the following: "SMOKING IS PROHIBITED WHILE WEARING A SHAMPOO CAPE, OR WHILE HAIR LACQUER OR HAIR SPRAY IS BEING USED."

All sanitary regulations are available at the Cosmetology Board's website.

<http://www.state.ma.us/reg/boards/hd/cmr/24003.htm#3.03>

5 BUSINESS CERTIFICATE

You must complete a zoning check before a business certificate will be issued (see section 3).

Prior to opening your business, you must file with the **Fitchburg City Clerk's Office** for a **Doing Business As (DBA) Certificate**.

*City Clerk
Fitchburg City Hall
166 Boulder Drive
Fitchburg MA 01420
978-829-1820*

5a. After filling out the application, have it notarized. Return the completed and notarized form to the Fitchburg City Clerk's office.

TIP: Open a business account with your local bank or credit union. If you are not using your

social security number for your business, be sure to get your Tax ID# before opening a business bank account. A separate business account spares you the hassle of untangling personal and business transactions when you file taxes, decreases the likelihood of a missed deduction, and facilitates transparent recordkeeping in the event of an audit. Business accounts also increase credibility with potential lenders and clients and accommodate business growth. If possible get a debit card with your account to help you with back up record keeping.

6 TAXES

Visit the **Fitchburg City Assessor** to file a Form of List. A Form of List is used to document the property owned by your business, so that it may be assessed and taxed by the city. Once you file a Form of List with the City Assessor, a time will be arranged to visit your place of business and assess it for city taxes. The office is open from 8:30am-4:30pm, Monday through Friday.

*City Assessor
Fitchburg City Hall
166 Boulder Drive
Fitchburg, MA 01420
978-829-1860*

7 INTERNAL REVENUE SERVICE

You must also file all necessary tax forms with the **United States Internal Revenue Service**. Once you file these forms, the IRS will give you a tax identification number and provide instructions on compliance with federal regulations.

Typically, along with a basic Form 1040, you must file a *Schedule SE* form (15.3% Soc Security/Medicare Rate for Self-Employed filers) and a Federal *Schedule C* form (Taxed Profit or Loss from Business).

An introductory guide and access to all applicable forms are available through the IRS website:

<http://www.irs.gov/businesses/small/article/0,,id=115043,00.html>

*Internal Revenue Service
120 Front Street
Worcester, MA 01608
508-793-8227
<http://www.irs.gov>*

8 MASSACHUSETTS DEPARTMENT of REVENUE

You must also file tax forms with the **Massachusetts Department of Revenue (DOR)**. As a sole proprietor, you are most likely required to file two forms with the Massachusetts Department of Revenue:

- ***Form 1*** – Massachusetts Resident Income Tax Return (or Form 1 NR/PY for Non-Residents or Part-Year Residents)
- ***Schedule C*** – Profit or Loss from Business or Profession (self-employed)

A comprehensive guide to small business taxes, as well as online access to all applicable forms, can be found at the website:

<http://www.dor.state.ma.us/business/taxguide/toc.htm>

For additional information, or to obtain the forms by mail, contact the Customer Service Bureau:

*Customer Service Bureau
Massachusetts Department of Revenue
200 Arlington Street
Chelsea, MA 02150
617-887-MDOR (6367)
800-392-6089
www.mass.gov/dor*

In addition to the Schedule C, if you plan to sell tangible goods, you must obtain Form ST-1 to register to pay Massachusetts state sales tax. Currently, the rate is five percent of taxable items sold.

Complete a *WebFile* for Business application at the DOR website, and in turn you will receive a Sales and Use Tax Registration Certificate (Form ST-1) to be displayed at your place of business.

For a clear and comprehensive introductory information pertaining to sales tax, refer to “A Guide to Sales and Use Tax” available in PDF file through the website:

http://www.dor.state.ma.us/publ/pdfs/sls_use.pdf

- 8a. Call the DOR’s Customer Service Office at 617-887-MDOR (6367) or toll free at 1-800-6089 to request the forms by mail. Forms and filing instructions are available on the DOR website; however, it is still recommended that you speak to a DOR representative to ensure you are in full compliance with the law:

<http://www.dor.state.ma.us/forms/formlist.htm>

- 8b. After you have completed the forms, either file online, or mail the printed forms. Once you file Form TA-1, you will receive your Massachusetts Sales Tax Registration Number. You must also file tax forms with the **Massachusetts Department of Revenue (DOR)**. Most sole proprietors file a Schedule C form with their income taxes. If you plan to sell tangible goods, you must file a Form TA-1 to pay Massachusetts’ sales tax.

9 INSURANCE

Do a thorough risk assessment and determine what coverage best suits your business’s needs. Visit the **Building Commissioner** to have answered any questions you may have.

- 9a. Most forms of insurance are not required. However, business insurance protects you and your business in the event of fire, theft, or other losses. The most common coverage types include liability, property, business interruption, “key man,” automobile, and home office.
- 9b. If you get insurance, it is recommended that you assess and inventory your business facility and assets every two years. This will ensure replacement costs are up to date, enable you to settle claims faster, and help you explain business losses on your tax returns.