

Business Formation and Registration

Prior to applying for a business license with the City of Chicago, you must form your business and register with the State and with the IRS. Remember that this information will be required at the moment of applying for a business license. In this document you will find helpful information and links to register your business.

Steps to start a business:

1. [Determine the legal entity](#): Determine if your business will be a sole proprietorship, partnership, corporation, S Corporation, LLC, or a Not-For-Profit Corporation
 - a. If it will be a sole proprietor, general partnership, or professional service corporation, AND the name of the business will be different than your name (e.g. your name is Kelly Clark and your business' name is "Sandwiches by Kelly"), you must [obtain an Assumed Name Certificate](#) from the Cook County Clerk's Office.
 - b. If you are doing business as a legal business entity, you must register your business with the Illinois Secretary of State: [The Official Website for the Illinois Secretary of State \(ilsos.gov\)](#) (under BUSINESS). This process takes 7 to 10 business days. This is your **Illinois Secretary of State File Number**.
2. Register your business:
 - a. [Obtain an Employer Identification Number \(EIN\)](#) from the Internal Revenue Service (IRS): **all businesses in the US** are required to obtain this number to pay federal taxes.
 - b. [Obtain an Illinois Dept of Revenue \(IDOR\)](#) account ID Number: **all businesses in Illinois** or that conduct business with Illinois are required to obtain an IDOR account (formerly known as IBT)
3. Apply for a BUSINESS LICENSE with the City Of Chicago:
 - a. Online: Chicago Business Direct - www.chicagobusinessdirect.org
 - b. In-person: City Hall, 8th Fl., 121 N. LaSalle St., Rm. 800

Note: Some businesses licensed by the State of Illinois are exempt from obtaining a City License (e.g. doctors, attorneys, architects, CPAs, etc.) – see the [Business License Exemption sheet](#)



Albany Park
Chamber of
Commerce