13 Tips for Launching a Business in Talbot County

Let's get started!

Talbot County is a great place to start and grow a business! We've put together these 13 helpful tips for things you'll need to know and some resources to point you toward your ongoing success.

Talbot County is considered one of the best counties in Maryland for small businesses, and that's no surprise. Business owners pay the lowest property tax rates in Maryland, the second lowest income taxes, and zero personal property tax on business assets.

According to the U.S. Census Bureau, Talbot County is home to more than 1,400 businesses with one or more employees. Businesses often experience growth and longevity here, with many celebrating 25-, 50-, and 100-year anniversaries.

The county is also attractive to the so-called "creative class" and claims more than 4,000 non-employer establishments, defined as those businesses without W-2 employees. This includes realtors, scientists, consultants, and contractors.

No matter what type of business you're planning to launch, it pays to research local, state, and federal laws and regulations. Requirements for operating a business in Talbot County can include obtaining a business license, abiding by zoning laws for your business location, following tax laws based on your business size and structure; and filing reports with various government entities.

To help you get started, we've put together some tips for things you'll need to know and some resources to point you toward success.

1. Work Your Plan

Every business needs a business plan. Effective planning begins with knowing your potential customers and competitors, as well as understanding consumer habits in your markets. The Delmarva Index is a great source of demographic, economic, geographic, and social data for the region.

The Small Business Development Center also offers free resources for research and planning assistance. Advisors can help you develop a business plan and connect you with training and resources. Or you can always give us a call at 410-770-8000 to get started.

2. Select Your Business Structure

A critical step in the process of starting a new business is deciding on the best legal structure, i.e. sole proprietorship, general partnership, corporation, or Limited Liability Company. Each structure has advantages and disadvantages related to taxes, personal liability, and other factors. Consult an attorney, accountant, or other advisor for help deciding your business's legal structure.

3. Name Your Business

Got a great name for your business? Make sure the name is available before you advertise it to the public (or tell your friends). You can research business names on the State of Maryland's Business Entity Search portal.

You can also register a trade name with the Maryland Department of Assessments and Taxation via the Maryland Business Express website.

4. Know Your Local Zoning Regulations

Talbot County enforces zoning regulations dictating where certain businesses may operate. Regulations often also require submission of plans, especially when constructing a new space or converting a current space.

Before selecting a location for your business, including a home-based business, check with Talbot County's Office of Planning and Zoning at 410-770-8030.

5. Determine Your Need for Business Permits or Licenses

Many businesses — from roadside stands and retail stores to restaurants and landscaping companies — require permits, licenses, and/or certificates from the State of Maryland and/or Talbot County.

Here are permits and licenses to consider:

1. Maryland's OneStop Portal can help you determine what is needed to start your business in Talbot County.

2. Contact Talbot County's Planning and Zoning Office at 410-770-8030 with questions about what is allowed at the location you're considering, as well what permits, licenses, and plans may be required to operate legally.

3. Talbot County's towns have their own planning and zoning ordinances. Check with your town office if your business will be located within town limits.

4. Talbot County Permits and Inspections administers and enforces building codes, which apply to new construction and alterations to existing structures, as well as codes applying to use and occupancy issues and equipment. Call 410-770-6840.

5. You may need to consult with the Talbot County Health Department's Office of Environmental Health, depending on the type of business you're planning. This state agency enforces regulations regarding public health and safety, from food licenses to septic systems. The office can be reached at 410-770-6880.

6. To resell goods in Talbot County, a trader's license is needed and can be obtained from the Talbot County Circuit Court Clerk's Office at 410-822-2611.

7. If you plan to sell alcohol in an establishment in Talbot County, you'll need a license from the Talbot County Board of Liquor License Commissioners.

8. Contact your accountant, attorney, or financial advisor for more detailed information.

6. Register Your Business

To operate a business in Maryland you must register using the Maryland Business Express portal administered by the State Department of Assessments and Taxation (SDAT). When you register, you will receive an SDAT number. You may also need a Central Registration Number from Maryland's Office of the Comptroller. The portal will walk you through the process of determining where you need to register.

7. Establish a Business Tax ID/EIN

Many businesses, especially if they employ people, are required to obtain a Federal Employer Identification Number (FEIN) from the Internal Revenue Service. You can apply for a FEIN online or download the form through the IRS website.

8. Plan for Taxes

The Maryland Department of Assessments and Taxation and the Internal Revenue Service can provide online tax calendars, forms, and publications to inform business owners of their tax obligations. We also recommend seeking assistance from a tax attorney and/or an accountant.

9. Contribute to Social Security

If you have employees, you must file payroll taxes and any other mandatory deductions. Contact the IRS or Social Security Administration for information, assistance, and forms.

10. Verify Employment Eligibility

Federal law requires employers to verify employment eligibility for new employees. Visit e-verify.gov for more information.

Federal and State law requires employers to report newly hired and re-hired employees in Maryland to the Maryland State Directory of New Hires within 20 days of their hire or re-hire date.

11. Promote Health and Safety

Businesses are required to take steps to protect the health and safety of employees. The U.S. Department of Labor, OSHA, and the Maryland Department of Labor can provide information on health and safety requirements for businesses, building codes, safety inspections, employment standards, and worker classifications.

12. Cover Employees with Insurance

Almost all employers in Maryland with one or more employees must provide workers' compensation coverage for their employees. Detailed information can be found through the Maryland Workers' Compensation Commission.

For information about Unemployment Insurance requirements, check the Maryland Department of Labor's frequently asked questions.

Employee healthcare coverage includes many regulations and options for your consideration. Your workforce's size and structure determines what laws and regulations apply to your business and what resources may be available to you. Your insurance agent also may be able to offer advice, with more information on insurance products and services available at HealthCare.gov.

Maryland Health Connection can help you find and compare health plans within the State of Maryland.

The Internal Revenue Service also has helpful information on the Affordable Care Act and tax provisions for employers related to employee health coverage.

13. Protect the Environment

Talbot County has more than 600 miles of shoreline connected to the Chesapeake Bay, the largest estuary in the United States, and strict rules and laws for protecting this vital regional resource.

Be sure to check with the Talbot County departments that may be involved in administering environmental rules and permitting requirements for your business, including Planning and Zoning, Permits and Inspections, and Environmental Health.

For more information, contact:
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Learn more at talbotworks.org.

For more resources, scan here >