



Local Roots, Global Reach

ISLE OF WIGHT COUNTY, VIRGINIA

Starting a General Partnership

A general partnership is a relationship between two or more persons who team up to operate a business. A general partnership is similar to a sole proprietorship in that it is registered at the local level and is directly tied to the individuals in it. **Quick Tip:** *When forming a partnership, remember that every member can make business transactions for the entire business.*

A written partnership agreement is highly recommended, since each partner will contribute varying amounts of money, property, labor and skills. The agreement should describe each partner's responsibilities; explain how profits and losses will be divided. It may be beneficial to use an attorney to develop your partnership agreement. **Quick Tip:** *Your partnership agreement should also include an exit strategy - what will happen if one partner leaves by choice, death or discord.*

Although not mandatory, to help formalize them, partnership statements may be filed with the [State Corporation Commission](#). Complete a Statement of Partnership Authority (Form UPA-93) and file it with the Commission.

You must register a Business Trade Name with the Isle of Wight County Clerk of the Circuit Court.

Visit the [Isle of Wight County Commissioner of Revenue's office](#) for assistance in completing the form. The form must also be notarized. A Corporation or "LLC" must bring a copy of registered name from the State Corporation Commission.

If your business will be located in the [Town of Smithfield](#) or [Town of Windsor](#), please contact the respective town directly regarding business name registration.

A \$12.50 fee applies and the payment should be made payable to: Sharon N. Jones, Clerk of Circuit Court. Contact number for Clerk of Circuit Court is 757-365-6233.

Employer Identification Number (EIN): If you have at least one employee or a [Keogh Plan](#), you must get an EIN. You can also choose to get an EIN if you prefer not to use your SSN.

You can obtain an EIN by **Either:**

- Going to the [IRS's website](#)
- Calling the IRS at 800-829-4933
- Faxing or mailing the completed SS-4 application to:

Internal Revenue Service
Attn: EIN Operation
Cincinnati, OH 45999
Fax: 859-669-5760

Partnerships must file a federal income tax return but do not pay tax. Each partner's share of the profits or losses is included in his or her personal income tax return. Partners are personally responsible for all of the partnership's legal and financial liabilities. For more information, talk to your accountant and the [IRS](#).