



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.

**Business Name:** If you are doing business under a name other than the owner's legal name, you must register a Business Trade Name (Certificate of Assumed or Fictitious Name Form) with the State Corporation Commission.

Individuals/businesses can go online to [scc.virginia.gov](http://scc.virginia.gov) to create an account, register the name of the business, and pay the applicable fee. This applies to all assumed/fictitious names, LLC's, corporations, etc. You can check business name availability by going to Business Entity Search on the SCC website. To register an assumed or fictitious name, the fee is \$10.00 for individuals and entities. For additional information, customers can call the SCC at 804-371-9733 or 1-866-722-2551.

**Employer Identification Number (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.