

City of Chandler Small Business Guide



Economic Development

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Knowing Chandler

Introduction

Since its founding in 1912, the City of Chandler has been a forward thinking community built on entrepreneurial spirit, innovation and hometown traditions.

A long-held vision of thoughtful, constructive and consistent planning has helped transform Chandler into one of the strongest economic centers in the region, state and nation. Chandler's proactive leadership, business-friendly environment, world-class labor force and market reach have made it an attractive base for internationally recognized companies and new start-ups spanning a wide range of industries.

Outside of work, our community is passionately committed to developing a sense of place that draws new visitors and enriches the lives of our residents. An enviable, award-winning quality of life is provided through friendly neighborhoods, great schools, and one-of-a-kind shopping, dining, recreation and entertainment experiences.

Year after year, large and small companies along with thousands of talented residents make the decision to call Chandler home. We encourage you to read on, experience Chandler for yourself, and discover why you, too, should become part of this vibrant community.

Community of Innovation

Demographics

Attractive, Diverse, Educated and Growing Community



Population Growth

309,100

2030 Projected Population

272,011

2020 Population

236,123

2010 Census

176,581

2000 Census

90,533

1990 Census

Data Source: U.S. Census Bureau, Arizona Office of Economic Opportunity, Maricopa Association of Governments

Community Stats & Rankings

Unemployment Comparison

6.5 percent

Chandler's Unemployment Rate

7.3 percent

Metro Phoenix Unemployment Rate

Data Source: Arizona Labor Statistics 2020

Note: The unemployment rate is an average calculation by means of 2020 data.

National Community Rankings (2020-21)

2nd

Most Prosperous Large Cities

-Economic Innovation Group

8th

Best Cities to Buy a Family Home

-WalletHub

6th

Most Livable City in the U.S.

-SmartAsset

13th

Best Place to Find a Job

-WalletHub

8th

Best Untapped Cities for Startups

-Fundera

14th

Best City for Women in Tech

-SmartAsset

Chandler & Metro Phoenix Community Comparison

36

Chandler's Median Age

36

Metro Phoenix Median Age

\$87K

Chandler's Median Income

\$66K

Metro Phoenix Median Income

\$40K

Chandler's Per Capita Income

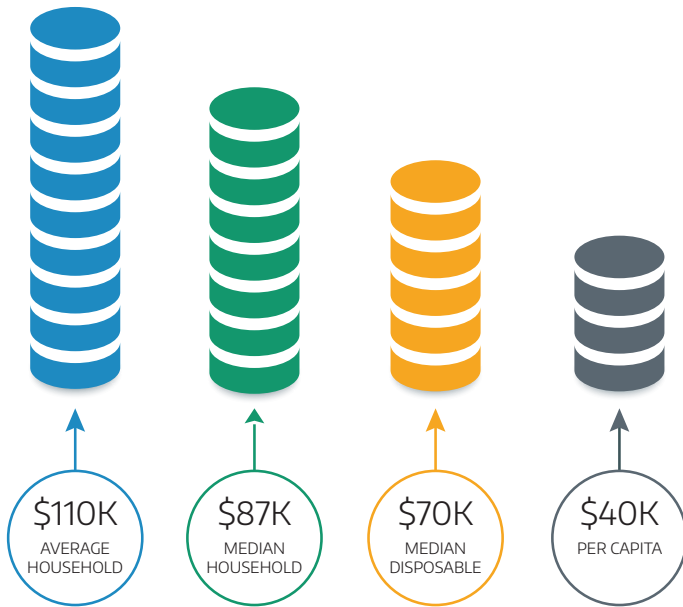
\$33K

Metro Phoenix Per Capita Income

Data Source: ESRI Business Analyst 2020

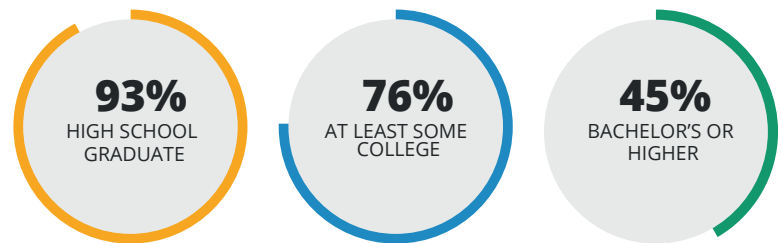
Community Profile

Income Levels



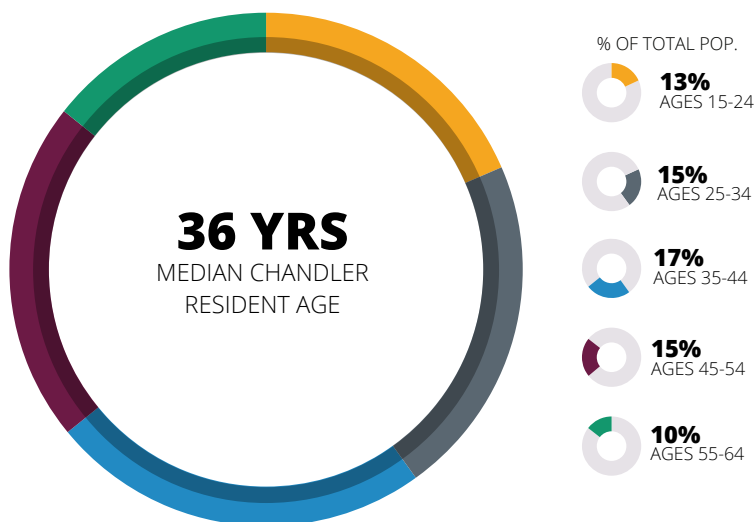
Data Source: ESRI Business Analyst 2020

Education Levels



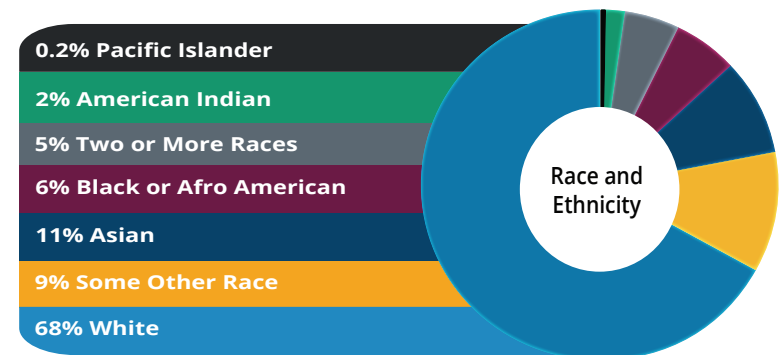
Data Source: ESRI Business Analyst 2020

Working Population by Age



Data Source: ESRI Business Analyst 2020

Population by Race & Ethnicity



Spanish, Hispanic or Latino

People who identify their origin as Spanish, Hispanic or Latino may be of any race. Thus, the percent Spanish, Hispanic or Latino should not be added to percentages for racial categories. (Spanish, Hispanic or Latino Population consists of 24 percent)

Data Source: ESRI Business Analyst 2020

City Services

Economic Development Division

The City of Chandler Economic Development Division promotes the city as a preferred location for new and expanding businesses. Our primary purpose is to enhance employment opportunities and improve Chandler's tax base by focusing on industrial, office, retail and tourism development. Our responsive team of professionals offers services tailored to support the business and commercial real estate community. Partnering with the Arizona Commerce Authority and the Greater Phoenix Economic Council (GPEC), we market Chandler domestically and internationally with the purpose of attracting new business investment and new job creation to our City. In addition to maintaining a strong job base, we work to create a diverse mix of quality retail and tourism experiences. The Economic Development Division partners with the Chamber of Commerce to establish relationships with Chandler's existing businesses. We continually assess the needs of existing business with an eye toward developing solutions that will increase economic growth within our community.

We provide trusted data, site and building information, and customized research that offers a clear picture of Chandler's business environment for entrepreneurs, companies and consultants around the world. Our data helps you make an informed business location decision, assist with development and/or occupancy process and goes over applicable property development and permitting requirements. We connect you with other appropriate City offices and resources that helps local business owners save both time and money.

Chandler Public Library

Chandler's Public Library System consists of four branches spread throughout the City to ensure the availability of information resources. The libraries are equipped with current computer systems that provide direct access to business sites via the Internet, as well as subscription database titles. Anyone who has a library card and a pin can access the following business resources:

- **The Business & Company Resource Center**
A comprehensive research collection offering accurate, updated company and industry intelligence on thousands of global companies.
- **Reference USA**
Reference USA is a directory and market research tool containing detailed information on millions of businesses and U.S. residents.
- **GrantSelect**
GrantSelect provides a searchable list of funding opportunities from thousands of organizations throughout the country.

All four libraries have books and audios about small business start-up, entrepreneurship, finance, marketing, law, sales, personnel and other relevant topics. Downloadable materials are also available free through the Greater Phoenix Digital Library.

Library staff can help with locating materials and conducting database searches. Call the Reference Desk for assistance or log on to the web site www.chandlerlibrary.org and click on "Hours and Contact" then click on "Ask a Question" to receive an answer to your query via e-mail. Visit www.chandlerlibrary.org for more information.

Chandler Diversity Office

The City's Diversity Office works closely with the Chandler Human Relations Commission to develop diversity programs and events that support the mission of promoting mutual respect and inclusion in Chandler. Along with the community, the Diversity Office works toward the elimination of prejudice and discrimination; and to promote amicable relations among all racial, cultural, religious, age, gender, disabled, socioeconomic and national groups within the community.

The Diversity Office maintains relationships with numerous individuals, organizations that seek to promote the success of minority-owned small businesses, and staff can provide referral assistance to interested parties.

Business Location Team (BLT)

The Business Location Team (BLT) focuses on both new and existing Chandler businesses seeking to begin operations or those that want to expand, relocate, convert and/or renovate their existing place of business. The BLT is poised to proactively meet the development needs of the small business community by identifying and minimizing development impediments in order to enhance the client's interaction with the City. Most importantly, BLT provides the small business owner with a single point of contact within the City who acts as a guide through the permitting and licensing processes. All services are provided free of charge. Knowledgeable staff will identify and explain:

- Development issues that may be expensive and/or time intensive
- Pertinent city code requirements (building and zoning codes)
- Development process steps through Certificate of Occupancy
- Review timelines, submittal requirements, fee requirements, permit requirements, and inspection requirements

The ASU Chandler Innovation Center (ACIC) + Hub249 Makerspace

Chandler Innovations provides entrepreneurs with the tools and connections tailored for the entrepreneurial community. Through a City partnership with NACET, entrepreneurs have access to virtual and live programs and funding necessary to plan, build, launch and grow their business.

The City and NACET provide assistance at any stage: if you have an idea for a business, are starting a business, or expanding your business, we offer one-on-one business coaching and hands-on workshops needed to help start or expand your business.

City Services Continued

Established in 2013, ACIC Hub249 Makerspace is an innovative partnership between the City of Chandler and Arizona State University. ACIC combines startup programming and resources with a one-of-a-kind workspace. ACIC is a membership-based, do-it-yourself makerspace with tools, equipment, design software, and classes that are available to the greater community as well as ASU faculty, staff, and students.

Visit their website: www.entrepreneurship.asu.edu/asu-chandler-innovation-center-acic for additional information.

Business Resources

Arizona @ Work Maricopa County East Valley Career Center

Arizona @ Works works with local businesses, faith and community based organizations to help area businesses succeed in securing qualified talent, training current employees to use new industry technology, and providing lay-off aversion resources and transition strategies.

Arizona Commerce Authority

The Arizona Commerce Authority (ACA) is a resource for information and referrals at every step of the small business development process. The office also provides minority and women business owners with information on relevant business programs and services.

The ACA provides a variety of resources to assist entrepreneurs, including information and statewide resources for starting, operating and growing a business in Arizona. The ACA online program at www.azcommerce.com/smallbiz provides you with a customized step-by-step checklist of what you need to know, whom you need to contact and where you need to go for business licensing, registration, tax requirements, funding, hiring, certification, procurement opportunities and business resources.

To be certified as a Minority-, Woman-owned, Small and Disadvantaged Business Enterprise, a company must meet all qualifying standards and be at least 51 percent owned, operated and controlled by a qualifying person or persons. Organizations providing certification and registration programs for minority-woman-owned, small and disadvantage businesses are listed at www.azcommerce.com/smallbiz.

The Arizona Small Business Advocate is the Executive Director of the Governor's Council on Small Business (GCSB). The Advocate is responsible for keeping an open line of communication between the Governor, the Director of the ACA, the GCSB and the Arizona small business community. The Advocate and GCSB work with chambers of commerce and other groups to develop recommendations for policies and programs addressing fundamental issues related to small business in Arizona.

ASU Career & Professional Development Services

Provides a vast array of services including resume referrals, job listings, on campus recruitment, pre-recruiting information, job fairs and information sessions.

Chandler Chamber of Commerce

The Chandler Chamber of Commerce is a private, nonprofit business organization that has been servicing the business community since 1912. The Chamber is an important advocate for the business community and a primary source of networking opportunities in Chandler.

College & University Assistance

Colleges and universities have many programs that are designed to help build the local economy. They also have access to vast amounts of information through their research and databases. Some of the top-notch colleges and universities includes:

Arizona State University

Arizona State University is one of the largest public universities by enrollment in the United States. ASU has more than 103,000 students across five Greater Phoenix campuses, four regional learning centers throughout Arizona and its ASU Online programs.

Chandler-Gilbert Community College

Chandler-Gilbert has three East Valley campuses and is part of the Maricopa County Community College system. They serve more than 220,000 students annually. Customized training and various services for small businesses are offered at the Pecos Campus.

University of Arizona

The University of Arizona, has a total enrollment of more than 46,000 students. UA's main campus is in Tucson but the university has an expanding presence in Greater Phoenix, which includes its UA Chandler facility.

The UA Chandler Campus offers Full-time and part-time coding and data analytic boot camps, Teaching and Teach Education (M.Ed), Educational Specialist (ED.S), Professional MBA Programs and in the spring of 2021, a Master of Legal Studies program will be offered. Visit their website for additional undergraduate and graduate programs at:

- Undergraduate programs
www.chandler.arizona.edu/programs/undergraduate
- Graduate programs
www.chandler.arizona.edu/programs/graduate

Business Contact Information

City of Chandler Resources

Chandler Economic Development Division

175 S. Arizona Ave., 5th Floor

Chandler, AZ 85225

Phone: 480.782.3030

Fax: 480.782.3040

Email: economicdevelopment@chandleraz.gov

Web: www.chandleraz.gov/ed

Chandler Public Library

Basha Library

5990 S. Val Vista Dr.

Phone: 480.782.2850

Downtown Library

22 S. Delaware St.

Phone: 480.782.2803

Hamilton Library

3700 S. Arizona Ave.

Phone: 480.782.2828

Sunset Library

4930 W. Ray Rd.

Phone: 480.782.2842

Chamber Resources

Arizona Hispanic Chamber of Commerce

1020 E. Missouri Ave.

Phoenix, AZ 85014

Phone: 602.279.1800

Fax: 602.279.8900

Web: www.azhcc.com

Asian Chamber of Commerce

7217 N. 6th Way

Phoenix, AZ 85020

Phone: 602.529.8475

Web: www.azasianchamber.com

Chandler Chamber of Commerce

101 W. Commonwealth Ave.

Chandler, AZ 85225

Phone: 480.963.4571

Toll Free: 800.963.4571

Web: www.chandlerchamber.com

Chinese Chamber of Commerce of Arizona

PO Box 32865

Phoenix, AZ 85064

Web: www.ccocoarizona.org

Chamber Resources Continued

Greater Phoenix Chamber of Commerce

201 N. Central Ave., Suite 2700

Phoenix, AZ 85004

Phone: 602.495.2195

Web: www.phoenixchamber.com

The Black Chamber of Arizona

2390 E. Camelback Rd., Suite 130

Phoenix, AZ 85016

Phone: 602.307.5200

Web: www.blackchamberaz.com

The U.S. Chamber of Commerce

Small Business Center

Web: www.uschamber.com

US Women's Chamber of Commerce

700 12th St., NW, Suite 700

Washington, DC 20005

Toll Free: 888-41-USWCC

Web: www.uswcc.org

Education Resources

Arizona State University

Tempe Campus

1151 S. Forest Ave.

Tempe, AZ 85281

Phone: 855.278.5080

Web: www.campus.asu.edu/tempe

ASU Career & Professional Development Services

1151 S. Forest Ave., Room 329

Tempe, AZ 85287

Phone: 480.965.2350

Google Search Terms:

ASU Career and Professional Development Services

ASU Chandler Innovations Center (ACIC)

249 E. Chicago St.

Chandler, AZ 85225

Phone: 480.884.0336

Web: www.innovationsincubator.com

Chandler-Gilbert Community College

Pecos Campus

2626 E. Pecos Rd.

Chandler, AZ 85225

Phone: 480.732.7000

Fax: 480.732.7090

Web: www.cgc.maricopa.edu

Business Contact Information Continued

Education Resources Continued

University of Arizona (UA)

Chandler Campus

125 E. Commonwealth Ave., 2nd floor

Chandler, AZ 85225

Phone: 602.827.2084 or 520.626.1702

Web: www.chandler.arizona.edu

Small Business Assistance

Arizona Commerce Authority

Small Business Services

100 N. 7th Ave., Suite 400

Phoenix, AZ 85007

Phone: 602.845.1200

Web: www.azcommerce.com

Arizona Small Business Association (ASBA)

11811 N. Tatum Blvd., Suite P-195

Phoenix, AZ 85028

Phone: 602.306.4000

Web: www.asba.com

Workforce Resources

Arizona @ Work

735 N. Gilbert Rd., Suite 134

Gilbert, AZ 85234

Phone: 480.792.6924

Web: www.arizonaatwork.com

Pipeline AZ

Email: info@pipelineaz.com

Web: www.pipelineaz.com

Coworking Business Spaces

Executive Suites Chandler

6909 W. Ray Rd. #15
Chandler, AZ 85226
Phone: 602.550.4842



Executive Suites Chandler is a collaborative working space that offers fully furnished office suites, virtual offices, and conference rooms. Visit: www.executivesuiteschandler.com

Modern Allo

5865 W. Ray Rd., #7
Chandler, AZ 85226
Phone: 480.687.0197



Modern Allo coworking space offers private workrooms, conference rooms use, supervised childcare services, eco-friendly manicure and pedicure spaces for entrepreneurs, and a coffee bar. Visit www.modernallo.com

Palette Collective

505 S. Chandler Village Dr.
Chandler, AZ 85226
Phone: 602.386.0303



Palette Collective is an innovative studio coworking concept offering customizable spaces for entrepreneurs in the hair, beauty, food, beverage and retail industries. Visit www.palettecollective.studio

Regus

3100 W. Ray Rd.
Chandler, AZ 85226
Phone: 833.207.3753



Regus provides fully equipped workspaces, private offices, meeting rooms, drop-in business lounge, virtual office options and on-site sandwich bar. Visit www.regus.com

The Forum

2301 S. Stearman Dr., #4
Chandler, AZ 85286
Phone: 480.686.0476



The Forum is a community built from collaboration and one that values all types of work styles. With a variety of rooms and spaced offered, this coworking space allows entrepreneurs, startups, nonprofits and remote workers the ability to grow their business and entertain in one place. Visit www.theazforum.com

Workpliciti

3377 S. Price Rd.
Chandler, AZ 85248
Phone: 602.448.9110



Workpliciti coworking space offers private offices, dedicated desks, conference rooms, meeting rooms, hot desk and virtual office options. Visit www.workpliciti.com

Workuity

3133 W. Frye Rd., Suite 100
Chandler, AZ 85225
Phone: 602.900.1753



Workuity offers sophisticated workspaces that combine the community and connectivity of a coworking facility with the flexibility entrepreneurs need to grow their businesses. Visit www.workuity.com

Starting Your Business

Checklist

Business Startup Introduction

Starting a business can be an overwhelming task, but approaching it in a thoughtful, thorough way can help to make the process less daunting. This guide is a compilation of information designed to provide both information and to lead you to further resources. We encourage you to look at, examine and research many resources to gain as many ideas and perspectives as possible. The Business Resources pages at the end of each section will help you do this.

Business Startup Checklist

	<p>Conduct market research Market research will tell you if there's an opportunity to turn your idea into a successful business. It's a way to gather information about potential customers and businesses already operating in your area.</p>
	<p>Write your business plan Your business plan is the foundation of your business. It's a roadmap for how to structure, run, and grow your new business.</p>
	<p>Fund your business Your business plan will help you figure out how much money you'll need to start your business.</p>
	<p>Retain an attorney and CPA, if appropriate</p>
	<p>Choose a business structure Decide whether you wish to operate as a sole proprietorship, partnership or corporation. The legal structure you choose for your business will impact your business registration requirements, how much you pay in taxes, and your personal liability.</p>
	<p>Check on zoning ordinances</p>
	<p>Pick your business location Your business location is one of the most important decisions you'll make. Whether you're setting up a brick-and-mortar business or launching an online store, the choices you make could affect your taxes, legal requirements, and revenue.</p>
	<p>Choose your business name It's not easy to pick the perfect name. You'll want one that reflects your brand and captures your spirit. You'll also want to make sure your business name isn't already being used by someone else.</p>
	<p>Obtain a Federal Employer Identification Number (EIN), if needed You'll use your employer identification number (EIN) for important steps to start and grow your business, like opening a bank account and paying taxes. It's like a social security number for your business.</p>
	<p>Find a bank that is right for you. Open bank accounts</p>
	<p>Acquire necessary licenses and/or permits for state, county and/or city Keep your business running smoothly by staying legally compliant.</p>
	<p>See insurance agent for full range of coverage</p>
	<p>Obtain bonding and insurance, if necessary</p>
	<p>Arrange for utilities, telephone and other services</p>
	<p>Review all labor regulations, if hiring employees</p>
	<p>Protecting your Business (includes common scams, cybersecurity, keeping customers' data safe)</p>
	<p>Choose a record keeping system and method of inventory control</p>

Business Plan

A written guide to starting and running your business successfully is essential. This plan will encourage loans, promote growth and provide a map for you to follow.

Basic Business Plan Elements

Cover Sheet

Statement of Purpose

Table of Content

The Business

- Description
- Marketing Plan
- Competition
- Operating Procedures
- Personnel
- Business Insurance

Financial Data

- Loan applications
- Capital equipment and supply list
- Balance sheet
- Breakeven analysis
- Pro-forma income projections (profits & loss statement)
 - Three-years summary
 - Detail by quarters, second & third year
- Assumptions upon which projects were based
- Pro-forma cash flow

Supporting Documents

- Tax returns of principals for the last three years
- Personal financial statement (all banks have these forms)
- For franchise businesses, a copy of franchiser contract & all supporting documents provided by the franchiser
- Copy of proposed lease or purchase agreement for building space
- Copy of licenses & other legal documents
- Copy of resumes of all principals
- Copies of letters of intent from suppliers, etc.

Structure & Name

Business Legal Structure

One decision that business owners need to make early in their business planning process is which legal form of business to choose. Before reaching this decision, a thorough understanding of the advantages and disadvantages of each legal structure is important. Business owners will need to consider the legal and tax-related implications of each form of business and determine which best fits their needs. It is recommended that you seek advice from an attorney and/or certified public accountant before making this decision.

Business structures available in the State of Arizona are:

- Sole Proprietorship
- General Partnership
- Limited Liability Company (LLC)
- Limited Partnership (LP)
- C Corporation

*See chart on page 15 for a comparison grid of some business structures.

Sole Proprietorship

A sole proprietorship is the simplest and most common form of business organization. It is defined as a business that is owned by one individual. The creation of a business as a sole proprietorship requires no formal Arizona filing. Profits and losses are reported on a separate schedule within your personal tax return.

General Partnership

A general partnership is an association of two or more persons joined together to carry on trade or business for profit. Each partner may contribute skills, money and/or time, and each shares in the company's profits and losses. Earnings are reported at the end of the year with personal tax returns.

The partnership's existence is usually formalized through preparation of a written agreement. In general, agreements outline each partner's share of income, gain, loss, deductions, credits and methods to dissolve the partnership under various situations. It is not required to file your agreement with the state.

Limited Partnership (LP)

The limited partnership (LP) has become an increasingly popular choice for business owners, especially those involved in real estate or other investment ventures. Unlike general partnerships, LPs can limit the liability and the involvement of certain partners. This is useful for attracting investment partners who would like to participate in the profits of the business but not necessarily in its risks or daily operations.

The profits and losses in a limited partnership flow through the business to the partners, all of whom are taxed on their personal income tax returns. LPs are required to register with the Arizona Secretary of State.

Structure & Name Continued

Limited Liability Partnership (LLP) & Limited Liability Limited Partnership (LLLLP)

Arizona's limited liability partnership statutes (A.R.S. § 29-1101, et seq.) govern both limited liability partnerships (LLPs) and limited liability limited partnerships (LLLLPs) and permit both general partnerships and limited partnerships to elect limited liability for their general partner(s). The owners report company profits and losses on their personal income tax forms. The business itself is not subject to a federal income tax, as corporations are.

To ensure that all legal requirements are satisfied, it is a good idea to consult an attorney to organize these types of partnerships. LLPs and LLLLLPs are required to register with the Arizona Secretary of State.

Limited Liability Company (LLC)

A limited liability company (LLC) is a flexible form of enterprise that blends elements of the partnership and corporate structures. LLCs are popular because, similar to a corporation, owners have limited personal liability for the debts and actions of the LLC. Other features of LLCs are more like a partnership, providing management flexibility and the benefit of pass-through taxation.

Owners of an LLC are called members. There is no maximum number of members. LLCs are required to file with the Arizona Corporation Commission.

Corporation

A corporation is the most complex type of business organization. It is formed by law as a separate entity, completely distinct from those who own it, and has its own rights and responsibilities.

The primary advantage of incorporating lies in the area of liability. A corporation has its own legal identity, completely separate from its owners. The corporation safeguards the business owner's personal assets, and its protection alone justifies the additional expense and paperwork.

In forming a corporation, potential shareholders usually offer money and/or property in exchange for capital stock. The shareholders are the owners of the corporation, and the directors and officers of the corporation may or may not be shareholders. Corporations are required to file with the Arizona Corporation Commission.

S Corporation

An S corporation sometimes referred to as a "Subchapter S corporation," allows you the protection of a corporation with some of the financial flexibility of a partnership and elects not to be subject to federal corporate income tax.

The shareholders, however, include their shares of the corporation's items of income, deduction, loss and credit, or their shares of non-separately computed income or loss, as part of their personal income.

To qualify as an S corporation, a corporation must meet the following:

- It must be based in the United States
- It must have only one class of stock
- It must have no more than 75 shareholders
- It cannot have any nonresident alien as a shareholder

A corporation that meets all of the above criteria can become an S Corporation if:

Non-Profit Corporation

Arizona allows the formation of a non-profit corporation, but if the corporation intends to be tax-exempt, it must apply for that status through the Internal Revenue Service (IRS). There are more than a dozen different types of corporations approved by the Internal Revenue Service as "tax-exempt non-profit." These organizations usually are developed and operated exclusively for one or more of the following purposes: charitable, religious, educational, scientific, literary, testing for public safety, fostering amateur sports competition (under certain restrictions), or the prevention of cruelty to children or animals. The organization may be a corporation, community chest fund or foundation. A sole proprietorship or partnership may not qualify. Non-profit corporations are required to file with the Arizona Corporation Commission.

Choosing a Name & Registering Your Business

If you were asked to name the first computer chip business that comes to mind, who would it be? Intel perhaps. What about a tire manufacturer?

Probably Goodyear Tire Company. Having name recognition or what is commonly referred to as "Top of Mind Awareness" is essential in today's world of intense competition and constant advertising. It all begins with selecting the right business name. There are several factors to consider when choosing a name for your business, such as:

- Is the name already in use?
- Name type - descriptive or non-descriptive
- Ease of use - easy to spell and pronounce
- Positive connotation - Goodyear for Goodyear Tire

Register your business name by visiting the Secretary of State's website at www.azsos.gov/business. Under Business Filings, click Trade Names and Trademarks. From there you can search for existing names and guidelines. Forms can be downloaded and either mailed in or you can apply in person at the Office of the Secretary of State.

Business Structures Comparison Chart

Business owners have to pick the business structure that best meets their needs. No one choice suits every business. To help you select the form of ownership that is right for you, consult with an accountant and/or attorney.

	Sole Proprietorship	General Partnerships	Limited Liability Company (LLC)	"C" Corporation	"S" Corporation
Definition	A business owned and operated by one person for profit	Two or more people who jointly own and operate a business	Blends the elements of the partnership and corporate structures	Formed by law as a separate entity, completely distinct from those who own it, and has its own rights and responsibilities	Allows the protection of a corporation with some of the financial flexibility of a partnership and elects not to be subject to federal corporate income tax
Number of owners allowed	One owner	<ul style="list-style-type: none"> At least two; no upper limit Partners (general or limited) 	<ul style="list-style-type: none"> At least one; no upper limit Members are owners 	<ul style="list-style-type: none"> At least one; no upper limit Shareholders are owners 	<ul style="list-style-type: none"> At least one; upper limit is 75 Shareholders are owners
Arizona filing requirements	<ul style="list-style-type: none"> None Recommended trade name registration 	<ul style="list-style-type: none"> None Recommended written agreement and trade name registration 	<ul style="list-style-type: none"> File articles of organization with the Arizona Corporation Commission includes business name 	File articles of incorporation with the Arizona Corporation Commission includes business name	File articles of incorporation with the Arizona Corporation Commission includes business name. Must file Form 2553 with IRS
Management	Owner has absolute control	In absence of agreement, all partners have equal voice	Governed by the operating agreement	Shareholders elect directors who set policy; officers manage day to day operations	Same as corporation
Subject to income tax	No, sole proprietor pays all taxes	No, income/loss is passed through to all partners	No, income/loss is passed through to all members	<ul style="list-style-type: none"> Yes, Shareholders also report income from distributions & bonuses Officers and directors report salary income 	No, income/ loss is passed through to the shareholders
Liability	The owner of the business can be held personally liable for the debts and obligations of the business.	All partners are personally liable for business debts and liabilities	Members have limited personal liability for business debts even if they participate in management	The corporation safeguards the shareholder's personal assets except personally guaranteed business debt, or personal negligence or fault	Same as corporation
Dissolution	Easiest to dissolve. Owner to pay debt, taxes and claims against the business	<ul style="list-style-type: none"> Partners pay debt, taxes and claims against the business Settle partnership account 	<ul style="list-style-type: none"> File articles of dissolution with the Arizona Corporation Commission Pay debt, taxes and claims against the LLC Distribute assets to members 	<ul style="list-style-type: none"> Shareholders must vote to approve dissolution File articles of dissolution with the Arizona Corporation Commission Pay debt, taxes and claims against the corporation Distribute corporate assets to shareholders 	Same as corporation

* Limited Partnership (LP), Limited Liability Partnership (LLP) and Limited Liability Limited Partnership (LLLP) are not included in the chart above

Data Source: Arizona Entrepreneur's Edge

Business Contact Information

Chandler Economic Development Division

175 S. Arizona Ave., 5th Floor

Chandler, AZ 85225

Phone: 480.782.3030

Fax: 480.782.3040

Email: economicdevelopment@chandleraz.gov

Web: www.chandleraz.gov/ed

Business Plan & Legal Structure Resources

Arizona Commerce Authority

Small Business Services

Arizona Entrepreneur's Edge is a publication that shows a detailed step-by-step process to start your business.

Google Search Terms: Arizona Entrepreneur's Edge

Phone: 602.845.1200

Web: www.azcommerce.com/programs/small-business-services

Arizona Small Business Development Center

Free business plan counseling

Google Search Terms: azsbdc free business counseling

Web: www.azsbdc.net

Arizona Small Business Association (ASBA)

In addition to being a step-by-step guide to designing a business plan, this resource gives tips on specializing your business and what lenders want to see.

Google Search Terms: ASBA business plan

Google Search Terms: ASBA choose a structure

Phone: 602.745.7200

Web: www.azsbdc.net

Service Corps of Retired Executives (SCORE)

Business plan templates and free business counseling

Google Search Terms:

Business plans and Startup Assistance Resources

Web: www.greaterphoenix.score.org

Naming & Registering your Business

State of Arizona

Google Search Terms: azsos Trade Names and Trademarks

Phone: 602.542.4285

Web: www.azsos.gov/business/trade-names-trademarks

Financing Your Business

Funding Options

Loans, Grants & Investments

This section will cover how to give yourself the best chance possible of obtaining commercial loans, grants and investment, also covering the benefits and challenges of each option.

Funding Types

The primary funding most people acquire is personal funding through home equity loans, friends and family, etc. Depending on the type of business you wish to start, this may be enough. For many, these personal resources are not sufficient. In this case, you may follow many avenues to obtain additional funding. Your financial need greatly determines which opportunities are optimal for you and your business.

For Machinery & Supply Needs

- Negotiate with suppliers, using a promissory note rather than cash, if possible
- Lease machinery, if possible
- Equity bartering is when equity in the company is offered in lieu of payment
- Licensing is when another company assumes various costs of bringing the product to market in exchange for payment of royalties
- Partner with companies that are more established until your company is self-sufficient. This will often be a company that sees some direct benefit from your product being in the market

For Monetary Needs

- Traditional loans from commercial banks or lending institutions is a common way to gain capital
- Grants may be available, especially if you are bringing technology-related products to market
- Investments may be attained from an angel fund or venture capitalists

In all cases, seek whatever help necessary in understanding the terms of these agreements.

Loans

Commercial Loans

Lenders, being averse to risk, have developed the following criteria design to help them determine a potential client's level of risk: Capacity, Collateral, Credit, Character and Conditions.

Capacity

Ability of a borrower to repay the loan shown by historic cash flow (financial statements etc.) and prospective cash flow (business projections).

Collateral

The security pledged for the repayment of the loan.

Credit

Shows your historical tendency towards repaying loans and managing borrowed capital. Both you and your company's credit will be examined.

Character

The least tangible, involving impression, perception and reputation.

Conditions

Terms of the loan, meaning interest rate, duration of loan, etc. The lending institution establishes these.

Materials Needed When Applying for Loans

- Loan Application
- Past financial statements (three years)
- Current financial statements
- Financial statements for anyone who owns 20 percent or more of the company
- Two years of personal income verification
- Management resumes
- Business debt schedule
- Loan Proposal
 - Size of Loan
 - Owner Equity
 - How funds will be used
 - Personal credit record
 - Description of the purpose of the funds
 - Payback plan with contingency plan

Funding Options

	Financing/Loan Guarantees	Loan Range \$100-\$25K	Loan Range \$2K-\$35K	Loan Range \$10K- \$5M	Loan Guarantee \$0-\$1M	Loan Package Assistance	Low Cost Training Courses	Online Training	Technical & Management Assistance
AZ Minority Business Development Center						☞			☞
Business Development Finance Corporation	☞			☞		☞			
CDC Small Business Finance	☞			☞	☞	☞			
Arizona Small Business Development Centers						☞	☞		☞
National Center for American Indian Enterprise Development									☞
Neighborhood Economic Development Corporation (NEDCO)		☞	☞			☞			☞
Prestamos	☞		☞			☞			☞
Service Corps of Retired Executives (SCORE)							☞		☞
SBA*	☞				☞			☞	

* SBA provides loan guarantees through SBA-qualified lenders.

SBA Programs

The U.S. Small Business Administration is a United States government agency that provides support to entrepreneurs and small businesses.

Minority Business Certification Programs

8(a) Program

The 8(a) Business Development Program is a business assistance program for small disadvantaged businesses. The 8(a) Program offers a broad scope of assistance to firms that are owned and controlled at least 51% by socially and economically disadvantaged individuals.

The 8(a) Program is an essential instrument for helping socially and economically disadvantaged entrepreneurs gain access to the economic mainstream of American society. The program helps thousands of aspiring entrepreneurs to gain a foothold in government contracting. Participation in the program is divided into two phases over nine years: a four-year developmental stage and a five-year transition stage.

Small Disadvantaged Business (“SDB”) Certification Program

This program pertains to benefits in Federal procurement. SDBs are eligible for price evaluation adjustments of up to 10 percent when bidding on federal contracts. SDBs must be at least 51 percent owned by a socially and economically disadvantaged person(s). An individual's net worth cannot exceed \$750,000, excluding ownership interest in the applicant firm and equity interest in a personal residence.

SBA Programs Continued

Loan Programs

SBA's Microloan Program

SBA extends funding to nonprofit intermediaries who make loans from \$100 to \$35,000 to small businesses. Technical assistance also is available to small businesses from the intermediaries.

SBA 504 Loan Program

This program is for growing businesses to finance major fixed assets such as new equipment or real estate — including existing buildings and/or new construction. A typical 504 project requires only 10 percent down from the borrower.

7(a) Guarantee Loan Program

The 7(a) program is a flexible program designed for small businesses just starting out or those looking to expand. SBA offers loan guarantees to participating lenders to increase access to capital for small businesses.

- Loan guarantees of 85 percent on loans of \$150,000 or less
- Loans of \$150,001 to \$2,000,000 receive a 75 percent guarantee
- \$2,000,000 is the maximum gross 7(a) loan amount
- A business must be operated for profit

Interest rates are negotiated between the borrower and the lender and are subject to SBA maximums. For loans that are more than \$50,000, interest rates must not exceed Prime plus two and one-quarter percent (2.25 percent) if the maturity is less than seven years, and must not exceed Prime plus two and three-quarters percent (2.75 percent) if the maturity is seven years or more. For loans between \$25,000 and \$50,000, maximum rates must not exceed Prime plus three and one-quarter percent (3.25 percent) and three and three-quarters percent (3.75 percent), respectively. In addition, for loans less than \$25,000, the maximum interest rate must not exceed Prime plus four and one-quarter percent (4.25 percent) and four and three-quarters percent (4.75 percent), respectively.

The general terms are five to 10 years for machinery, equipment and working capital, and up to 25 years for the purchase and/or construction of real estate including major renovation. A weighted average term will be calculated for multi-purpose use loans.

Loan fees for a loan of \$150,000 or less, are one percent (1.00 percent) of the 85 percent SBA-guaranteed portion. For a loan of \$150,000 to \$700,000, the guarantee fee is two and one-half percent (2.50 percent) of the 75 percent guaranteed portion. For a loan of more than \$700,000, the guarantee fee is three and one-half percent (3.50 percent) of the 75 percent guaranteed portion.

7(a) Based Loan Programs Include:

- SBA Express; Community Express
- Export Working Capital
- International Trade

Regional Grants & Credits

Technology Grants

Though grants are rare, many of the grants available are offered to technology companies. These are offered for companies in the research and development stage and when preparing to go to market. Both the state of Arizona and the federal government offer these grants.

State Technology Grants Market Assessment Grant

Small companies receive help determining the market potential of a technology product under development.

Technology Assessment Grant

Small technology companies receive assistance getting their product validated and reviewed.

Research & Development Tax Credit

Individual income tax credit for qualified research conducted in the tax year.

Other Grants & Credits

Angel Investment

Companies can get certified with the State for the Angel Investment Program as a Qualified Small Business. This means that capital investors can receive significant tax incentives for investments in these companies.

Financial Resources

Loan Help & Financing

Arizona Minority Business Development Center

255 E. Osborn Rd., Suite 202

Phoenix, AZ 85012

Phone: 602.248.0007

Toll Free: 1.800.428.7299

Fax: 602.279.8900

Web: www.phoenixmbdcenter.com



Prestamos

A Division of Chicanos Por La Causa, Inc.

1122 E. Buckeye Rd., Suite B-4

Phoenix, AZ 85034

Phone: 602.257.0700

Fax: 602.307.0336

Web: www.cplc.org/econ/lending.php



Arizona Small Business Development Center

2411 W. 14th St.

Tempe, AZ 85248

Phone: 480.731.8721

Fax: 480.731.8729

Web: www.azsbdc.net



Service Corps of Retired Executives (SCORE)

2828 N. Central Ave., Suite 800

Phoenix, AZ 85204

Phone: 602.745.7250

Fax: 602.745.7210

Web: www.greaterphoenix.score.org



Business Development Finance Corporation

1702 E. Highland Ave., Suite 202

Phoenix, AZ 85016

Phone: 602.381.6292

Fax: 602.224.0733

Toll Free: 1.800.264.3377

Web: www.bdfc.com



Small Business Administration (SBA)

2828 N. Central Ave., Suite 800

Phoenix, AZ 85004

Phone: 602.745.7200

Fax: 602.745.7210

Web: www.sba.gov/az



CDC Small Business Finance

221 E. Indianola Ave.

Phoenix, AZ 85012

Toll Free: 1.800.611.5170

Toll Free: 1.800.817.3795

Fax: 602.393.2682

Web: www.cdclloans.com



The National Center for

American Indian Enterprise Development

National Headquarters

953 E. Juanita Ave.

Mesa, AZ 85204

Phone: 480.545.1298

Fax: 480.545.4208

Web: www.ncaied.org



The Neighborhood Economic Development Corporation (NEDCO)

868 E. University Dr.

Mesa, AZ 85203

Phone: 480.969.4024

Web: www.turnanewleaf.org/services/nedco.html



Service Key



ADVISING



FINANCING



LOAN GUARANTEES



LOAN PACKAGING



TRAINING

Establishing Your Location

Location Type

You have probably heard before that the three most important factors in starting your business are Location, Location, and Location. **The City of Chandler's Economic Development Division is ready to help you with making that most important decision.** Some factors to consider when selecting a site for your business are:

- Do you plan to buy or lease?
- Type and history of the site
- Parking
- Condition of the building
- Total cost and terms of the lease
- Home-based business?
- Existing space?
- Build your own building?
- Is there room to expand?
- Proximity to client base
- Traffic counts/traffic patterns
- Demographics
- Nearby services (restaurant, retailers, employee services, etc.)

It may be in your best interest to retain a qualified broker to guide you through the site selection and lease/sale negotiation process. Normally, the broker will represent you while the owner of the property you select pays their fee. Economic Development staff can assist you through this process.

What type of space fits your needs?

You need to know what type of zoning your business fits within before selecting a space. In general, there are three types of zoning for businesses:

Commercial, Office and Industrial. Within those general categories, the City of Chandler Zoning Code is very specific about what type of use is compatible in that area. Further, if you would like to start a business out of your home, there are some restrictions, mostly having to do with public safety and nuisance. For example, you would not be allowed to pave your front yard and use it as a parking lot because it disrupts the residential nature of the area. Every zoning decision has reasons behind it and it is always important to speak with Economic Development or Planning staff before choosing a building with zoning that does not fit your use. See the chart below for an overview of location types and what those choices might mean for you.

Home-based Business	Existing Building	New Building
File an application for clearance	<ul style="list-style-type: none"> • If current zoning is compatible, you can move forward • If zoning could fit with a "use permit" contact Economic Development staff for guidance • If rezoning is required, contact Economic Development staff for guidance 	<ul style="list-style-type: none"> • If current zoning is compatible, you can move forward • If zoning could fit with a "use permit" contact Economic Development staff for guidance

The Business Location Team

Spearheaded by Economic Development Division, the City's Business Location Team (BLT) is an aid to navigating the City of Chandler's development process. The BLT is a group of knowledgeable team of City staff from the Development Services, Economic Development, Fire and Planning divisions that help entrepreneurs navigate the planning, permitting and licensing process. We assist entrepreneurs with converting a residence to a business, starting a business in your home, leasing or remodeling a commercial space and/or buying a building and converting it for your use. For assistance contact:

Chandler Economic Development Division

175 S. Arizona Ave., 5th Floor

Chandler, AZ 85225

Phone: 480.782.3030

Fax: 480.782.3040

Email: economicdevelopment@chandleraz.gov **Web:** www.chandleraz.gov/ed

Zoning & Use Permits

Home-Based Business

To begin a home-based business, you must first determine that the business you are planning will be allowed in residential areas. This will prevent issues, and possibly fines, down the road. To do this, you must read and fill out an application for clearance with the City. As part of the application, you will have to verify that you will not change the residential character of the neighborhood.

Go to www.chandleraz.gov/ed and choose Business Services then Small Business Resources for a PDF link to the application.

Use Permits

A Use Permit requires City Council approval and allows a use that is otherwise not permitted within a specific zoning area. It is important to realize that a Use Permit process can take as long as six months to be approved. If this is not feasible given your timeline, you will need to find an alternative location. To see if your use is one allowed by a Use Permit you can call the City's Development Services Department or look at the zoning code at www.municode.com.

See Chapter 35, Section 2100 of the City Code (35-2100) for the Use Table.

Zoning Changes

A zoning change is a change to the City's zoning code in order to modify the uses permitted at a given site. If a building or site seems like a good fit for your business, but your use is not included as an approved use through its zoning or a use permit, the first step is to speak with Economic Development and Planning staff to determine if staff is supportive of such a change. If staff is supportive, the change is more likely to be approved, but it is ultimately decided by the City Council. The process will likely take between four to six months.

Development Process

Building your own building

If you are building your own building in Chandler, you will typically go through a complete development process. The City's dedicated staff will help make this process smooth, predictable and accessible. Each project is assigned a Development Project Administrator (DPA) to oversee the process. They are the single point of contact for you and will keep you up to date on where your project is in the process. ED staff also will be available to help in any way possible as you move forward. The following is a brief outline of the steps necessary to construct a building in Chandler.

*Please note that this chart is meant as a general illustration of what one might expect. Please consult City staff for an official explanation of your specific process.

Additional Location Items to Note

Certificate of Occupancy

A Certificate of Occupancy (C of O) is given to a company when appropriate inspections have been completed to determine that the building meets code and that current zoning matches the use of the business going into that location. Before opening a business, every business is required to pass inspection and obtain a Certificate of Occupancy.

Fire & Police Safety

Chandler Fire, Health and Medical and Chandler Police Department are responsible for ensuring compliance with local fire and police codes. Compliance with fire code is achieved through review of construction and development plans to ensure that the site is accessible to fire trucks, has sufficient fire hydrant capacity, proper chemical storage and that employees are safe in the building. Department website: www.chandleraz.gov/residents/fire.

Chandler Fire, Health and Medical also performs ongoing inspections of existing space to ensure safety and compliance, including on-site hazardous materials storage (quantity and type). The inspections also include reviews of identified escape routes and potential employee safety hazards.

The Chandler Police Department verifies addressing and building layout to guarantee access to the building in a timely manner in the event of an emergency. In addition, all businesses with alarms must have an alarm permit, which can be obtained from the Chandler Police Department. Permits and all information on fees and schedules can be obtained at the Chandler Police Department website: www.chandlerpd.com.

Utilities

The Permit Counter staff is the main contact for all types of utility improvements, including temporary power service required during construction. Staff coordinates new utility installation orders and utility service relocations.

Location Resources

Zoning & Development Review Information

Chandler Economic Development Division
 175 S. Arizona Ave., 5th floor
 Chandler, AZ 85225
Phone: 480.782.3030
Fax: 480.782.3040
Email: economicdevelopment@chandleraz.gov
Web: www.chandleraz.gov/ed

City of Chandler - Planning Division

Office Location:
 215 E. Buffalo St.
 Chandler, AZ 85225
Phone: 480.782.3051
Fax: 480.782.3075
Web: www.chandleraz.gov/planning

Permitting Information

City of Chandler - Permit Counter

215 E. Buffalo St.
 Chandler, AZ 85225
Phone: 480.782.3000
Fax: 480.782.3055

Inspections

City of Chandler - Building Inspections

215 E. Buffalo St.
 Chandler, AZ 85225
Phone: 480.782.3101
Fax: 480.782.3009

Fire & Police

City of Chandler - Fire Department

221 E. Boston St.
 Chandler, AZ 85225
Phone: 480.782.2121
Web: www.chandleraz.gov/residents/fire

City of Chandler - Police Department

250 E. Chicago St.
 Chandler, AZ 85225
Phone: 480.782.4520
Web: www.chandlerpd.com

Utilities

City of Chandler Water & Wastewater

975 Armstrong Way
 Chandler, AZ 85225
Phone: 480.782.3700 (Water)
Phone: 480-782.3600 (Waste)
Web: www.chandleraz.gov/residents/water

City of Chandler Trash & Recycling

955 E. Queen Creek Rd.
 Chandler, AZ 85225
Phone: 480.782.3510
Web: www.chandleraz.gov/residents/recycling-and-trash

Electric

Arizona Public Service (APS)

(Downtown area only)
Phone: 602.371.6767
Toll Free: 800.253.9407
Web: www.aps.com

Salt River Project (SRP)

Phone: 602.236.8833
Toll Free: 800.258.4SRP (4777)
Web: www.srpnet.com

Natural Gas

Southwest Gas Corporation

Phone: 602.395.4082 Industrial
Phone: 602.861.1999 Commercial
Toll Free: 877.860.6020
Web: www.swgas.com

Telecommunications (Internet & Phones)

Centurylink

Toll Free: 800.603.6000
Web: www.centurylink.com/small-business

Cox Communications

Phone: 623.322.2000
Toll Free: 866.456.9944
Web: www.cox.com

Doing Business in Chandler

Tax & Licensing

Chandler Tax & Licensing Services

City of Chandler special regulatory licenses are required for a number of business types. Please refer to the City of Chandler's Tax & Licensing Division for more information. Fingerprints, photographs and background checks may be required.

Chandler Business Registration

Every business that operates from a commercial location in the City of Chandler is required to have a City business license and applicable state and federal licenses. Any business proposed to be located within the City limits — except real property rentals — must have obtained location approval from Development Services. Commercial locations are required to have a Certificate of Occupancy. Home-based locations are required to have Zoning Clearance.

Liquor License

The Arizona Department of Liquor Licenses and Control regulates liquor licenses. Applications filed with the state are forwarded to the City for approval. City processing fees include a non-refundable \$200 application fee, a \$200 issuance fee, and annual license fees ranging from \$300 to \$1,000, depending on the type of license.

The process for approval includes posting a notice at the proposed business location for a period of 20 days and zoning approval. The application is then presented to the City Council for consideration. A Liquor Use Permit through the Planning and Development Department may be required, which can take as many as 60 days. Therefore, applying for a Use Permit before Liquor License is recommended. The City of Chandler has 60 days after the filing date with the Department of Liquor to recommend approval or denial of the application. The State Liquor Board receives the City's decision and either approves or denies the application.

Transaction Privilege (Sales) Tax

The City of Chandler imposes a tax rate of 1.5 percent real property rental tax, 1.8 percent for restaurants and bars, .75 percent, and/or 2.9 percent privilege tax on the gross business income of certain types of business activities (less allowable deductions). This tax is more commonly known as the sales tax paid by customers when purchasing products and services. Businesses are required to collect this tax and remit the proceeds to the Arizona Department of Revenue. The tax rate Chandler collects is currently one of the lowest in the Phoenix Metro area.

The following business activities are subject to privilege (sales) tax:

- Advertising
- Amusements
- Construction contracting
- Job printing
- Mining
- Timbering and other extraction
- Publishing and other periodical distribution
- Rental, leasing and licensing for use of real property
- Rental or leasing to transients
- Rentals
- Leasing and licensing for use of tangible personal property
- Restaurants and bars
- Retail sales
- Telecommunication services
- Transporting for hire and utility services

Tax returns are generally due monthly on the 20th of the month following a reporting period. Quarterly or annual reporting options may be allowed based on the provisions in the tax code. All requests for a change of reporting frequency must be submitted in writing to the Department of Revenue.

Use Tax

Use tax is a tax on purchases or rentals for storage or use within the City, on which an equivalent excise tax has not been paid. The tax is not on inventory held for resale, but if goods were purchased for resale and later removed from inventory for use by that business, use tax would apply. If goods are purchased in a city where the local tax rate is the same or higher than 1.5 percent, then no use tax is due.

Transient Occupancy Tax

Additional tax on transient lodging. Hotels and similar businesses who offer lodging for less than 30 consecutive days must collect the 1.5 percent real property rental tax in addition to the transient lodging tax of 2.9 percent, including vacation rentals. Therefore, the total tax on transient lodging equals 4.4 percent.

Tax & Licensing

Restaurant & Bar Tax

The tax rate for restaurants and bars is 1.8 percent. The tax is applicable to preparing and serving food or beverages for on or off-premise consumption, including cover charges. Caterers are taxed according to their location, not the catering site. Delivery, set-up and clean-up fees separately charged and maintained are exempt from catering income. Sales to nonprofit hospitals and public school cafeterias are exempt.

Telecommunication Services Tax

The tax rate is 2.75 percent and is charged on subscriptions or access fees for one-way or two-way voice, sound, or video transmissions, facsimile transmissions, relay or repeater service, computer interface over a communications channel, computer time-sharing, and security or alarm system monitoring. Telecommunications for resale and interstate transmissions are exempt.

Utility Services Tax

The tax rate is 2.75 percent and is charged to City rate-payers on water, electricity and natural gas. Excluded are resales and sales to nonprofit hospitals.

NOTE: This information is meant to be a guideline only. For complete details, refer to the City of Chandler Tax Code and related regulations. In case of inconsistency or omission in this publication, the language of the tax code will prevail. For more information, contact the City of Chandler Tax & Licensing Division at 480.782.2280.

State of Arizona Tax & Licensing Services

The Phoenix Metropolitan area is ranked/rated consistently as one of the top places in the country to start and grow a business. The State of Arizona encourages the development of successful businesses by maintaining a favorable tax system. The state agency that administers the tax system is the Arizona Department of Revenue.

In order to make the determination of which State taxes your business will be required to pay as easy as possible, the State has developed a single form application. This application is called the Arizona Joint Tax Application and it is published by the Department of Revenue. After completing this application, the Arizona Departments of Revenue and Economic Security determines which taxes and licenses apply to your business type and legal structure.

This application covers the following license and registration requirements:

- Transaction Privilege (Sales) Tax
- Use Tax
- Withholding and Unemployment Taxes
- Wholesale Tobacco Dealer's License
- Liquor Wholesalers, Microbreweries, Farm Wineries and Cider Products
- Corporate Income Tax
- Property Taxes
- Unemployment Insurance

* These taxes and licenses are described in detail at www.azcommerce.com/smallbiz, hosted by the AZ Department of Commerce.

Federal Taxes - Internal Revenue Service

The Internal Revenue Service (IRS) provides assistance to business owners with questions regarding tax rules and regulations.

Environmental

Arizona Department of Environmental Quality

The Compliance Assistance Program is designed to help small businesses comply with the environmental regulations that govern the State of Arizona. This special program coordinates many facets of environmental compliance and is separate from the inspection and enforcement divisions.

Chandler Fire Department

The Chandler Fire, Health and Medical Department helps ensure the compliance of businesses and the safety of their employees by conducting routine fire inspections of commercial businesses, reviewing building improvements, and reviewing construction plans of new or existing facilities. The Hazardous Materials Team is responsible for the hazardous materials program and inspections.

Chandler Municipal Utilities Department - Environmental Resources

City of Chandler staff is available to offer guidance and compliance support to businesses locating in Chandler. Education programs also are available through this department.

Environmental Issues

An environmental assessment of the property may need to be completed prior to commencing of the project whether constructing a new building or occupying an existing facility. Development Services staff will be able to assist you to ensure that the correct assessments are completed.

Maricopa County Air Quality

This program is directed by the Maricopa County Environmental Services Department and assists small businesses that are or will be subject to the requirements of the 1990 Federal Clean Air Act Amendment. This free program uses education and technical assistance to help small businesses comply with environmental regulations while promoting health, safety and environmental benefits. In addition, the program assists small businesses through the environmental permit process, pollution prevention strategies and solutions, and site evaluations.

Maricopa County Environmental Health Division

Any establishment that serves food or drinks is required to obtain an Eating and Drinking Permit from the Environmental Health Division. The establishment also must be in compliance with Maricopa County Environmental Health Division requirements for food service facilities and food handlers.

Maricopa County Environmental Services Department

The Environmental Services Department is responsible for the health and safety of the community by preventing and removing environmental risks. The Department's Environmental Health Specialists help to improve air quality, ensure that food in eating establishments is free of contamination and ensure that water supplies throughout the County are safe to drink.

US Environmental Protection Agency

This agency has the primary responsibility for setting and enforcing national standards under a variety of environmental laws, in consultation with state, tribal, and local governments. It delegates some permitting, monitoring, and enforcement responsibility to U.S. states and Native American tribes. EPA enforcement powers include fines, sanctions and other measures. The agency also works with industries and all levels of government in a wide variety of voluntary pollution prevention programs and energy conservation efforts.

Further Resources

Additional Services

Arizona Department of Liquor Licenses & Control

800 W. Washington St., 5th Floor
Phoenix, AZ 85007

Phone: 602.542.5141

Web: www.azliquor.gov

Arizona Department of Revenue

1600 W. Monroe St.,
Phoenix, AZ 85007

Various Phone Numbers:

Corporate Income Taxes: 602.225.3381

New Businesses & Licensing: 602.255.2060

Problems & Resolutions: 602.716.6025

To Order Forms: 602.542.4260

Web: www.azdor.gov

Internal Revenue Service

Taxpayer Education & Communication

1818 E. Southern Ave.
Mesa, AZ 85204

Phone: 480.503.7355

Web: www.irs.gov/businesses/small

Tax & Licensing Information

Chandler Tax & License Division
175 S. Arizona Ave.
Chandler, AZ 85225

Phone: 480.782.2280

Web: www.chandleraz.gov/tax

Environmental Information

Arizona Department of Environmental Quality

Phoenix Main Office
1110 W. Washington St.
Phoenix, AZ 85007

Phone: 602.771.2300

Toll Free: 800.234.5677

Web: www.azdeq.gov

City of Chandler - Fire Department

151 E. Boston St.
Chandler, AZ 85225

Phone: 480.782.2120

Web: www.chandleraz.gov/residents/fire

Chandler Municipal Utilities Department

975 E. Armstrong Way, Building L
Chandler, AZ 85248

Phone: 480.782.3800

Fax: 480.782.3805

Web: www.chandleraz.gov

Environmental Protection Agency

US EPA - Region 9
75 Hawthorne St.
San Francisco, CA 94105

Phone: 415.947.8000

Toll Free: 866.372.9378

Web: www.epa.gov/region09

Maricopa County Air Quality Department

1001 N. Central Ave., Suite 125
Phoenix, AZ 85004

Google Search Terms: Maricopa air quality

Phone: 602.506.6010

Maricopa County Environmental Health Division

1001 N. Central Ave., Suite 300
Phoenix, AZ 85004

Phone: 602.506.6970

Web: www.maricopa.gov/3849/Public-Health

Maricopa County

Environmental Services Department

1001 N. Central Ave., Suite #200
Phoenix, AZ 85004

Phone: 602.506.6616

Fax: 602.506.5141

Web: www.maricopa.gov/envsvc

Trade Information

Better Business Bureau of Central/Northern Arizona

1010 E. Missouri Ave.
Phoenix, AZ 85014

Phone: 602.264.1721

Toll Free: 877.291.6222

Fax: 602.798.8279

Web: www.bbb.org/central-northernweStreeter-northern-arizona

Export-Import Bank of the United States (EXIM)

For information on EXIM products or ExporTech, contact:
Michael Winer

Economic Development Specialist

Phone: 480.782.3034

Grand Canyon Minority Supplier Development Council (GCMSDC)

340 E. Palm Ln., Suite A-100
Phoenix, AZ 85004

Phone: 602.495.9950

Fax: 602.495.9943

Web: www.gcmsdc.org

Labor Laws

Overview

The Arizona Labor Department is responsible for administering the State's laws relating to labor. These statutes include the payment of wages, employment practices, child labor and the licensing of some agencies.

Posting Requirements

Companies must comply with Federal and Arizona laws requiring that mandatory notices be posted in a conspicuous place that is frequented by employees and/or applicants. Copies of these posting notices can be obtained for a fee from the Arizona Employers' Advisory Council. Notices also are available on their website azeac.com.

The following is a list of some of the required posting:

Federal Notices

Department of Labor

- Age Discrimination in Employment Act
- Americans with Disabilities Act
- Civil Rights Act of 1964 (Title VII)
- Employee Polygraph Protection Act
- Equal Pay Act of 1963
- Equal Opportunity Employment
- Fair Labor Standards Act
- Family and Medical Leave Act of 1993
- Uniformed Services Employment & Reemployment Rights Act
- Federal Minimum Wage
- Government Contractors
- Federally Financed Construction
- Migrant and Seasonal Agricultural Protection

OSHA - Occupational Safety & Health Administration

- OSHA – Federal
- OSHA Summary (Form 200)
- Occupational Notice

Arizona Notices

Equal Opportunity Employment Commission

- Arizona Minimum Wage
- Constructive Discharge
- Employment Discrimination
- Unemployment Insurance
- Workers Compensation

ADOSH - Arizona Occupational Safety & Health Administration

- ADOSH – Stat
- Workplace Exposure to Bodily Fluids
- Hazmat (hazardous materials) *

*See Further Resources for contact information

Fair Labor Standards Act

The Wage and Hour Division of the U.S. Department of Labor administers the Fair Labor Standards Act (FLSA). The law establishes minimum wage, overtime, and child labor standards for employers. The Arizona Labor Department has jurisdiction over all businesses in the state that are not covered by the FLSA. To determine if your business is subject to the FLSA, please contact the U.S. Department of Labor.

Wage Payment Laws

Every employer in the state must have at least two regular paydays each month, not more than 16 days apart. Arizona law permits five working days between the end of a pay period and the payment of wages earned during that pay period. An employee who is discharged must receive all wages due within three working days. If an employee quits, the employee must be paid all wages no later than the regular payday.

Minimum Wage

In Arizona, the minimum wage as of January 1, 2021 is \$12.15.

Legislation

Right to Work Legislation

Arizona is a right to work state, which means no person shall be required to join a labor union as a condition of obtaining or retaining employment.

Safety Regulations

The Industrial Commission of Arizona, under the Occupational Safety and Health Act of 1970, is the state agency charged with regulating industrial facilities for fire, health and safety requirements.

Discrimination in Employment

Title VII of the Civil Rights Act of 1964 is the federal law, prohibiting employment discrimination based on race, color, religion, sex or national origin.

Overview Continued

Immigration & Nationality Act

The Immigration and Nationality Act (INA) prohibits employers from knowingly hiring undocumented workers. It also requires employers to verify their employee's identity and work eligibility specified on the I-9 form.

Arizona Workers' Compensation Insurance

Public and private employers must carry workers' compensation insurance if they employ "regularly employed workers." Regularly employed includes all employment whether continuous throughout the year or for only a portion of the year. The purpose of workers' compensation insurance is to provide medical benefits and/or compensation to a covered employee who is injured by an accident arising out of and in the course of their employment. The insurance must be covered at the employer's expense. Companies may choose to insure their employees in one of three ways:

1. State Compensation Fund*
2. Insuring with an authorized carrier
3. Qualifying as a self-insurer under the rules and regulations of the Arizona Industrial Commission*

Defining Employee/Independent Contractor Status

An employer is responsible for withholding and remitting state and federal income taxes, Social Security and Medicare taxes, paying unemployment and workers' compensation insurance and the employer's matching Social Security and Medicare tax. In the case of an independent contractor, a company does not withhold or pay the above items from payments for work performed. According to the IRS, "The general rule is that an individual is an independent contractor if you, the employer, have the right to control or direct only the result of the work and not the means and methods of accomplishing the result."

For additional assistance, please contact the Internal Revenue Service, Arizona Department of Economic Security, an attorney or accountant. Please contact the Employers Council, Inc.

*See Labor Resources for contact information

Labor Resources

Labor Information

Arizona Industrial Commission

Division of Occupational Safety & Health (ADOSH)

800 W. Washington St.

Phoenix, AZ 85007

Phone: 602.542.4661

Web: www.azica.gov

Arizona Industrial Commission - Special Fund

800 W. Washington St.

Phoenix, AZ 85007

Phone: 602.542.3294

Fax: 602.542.3696

Web: www.azica.gov/divisions/special-fund-division

Arizona Labor Department

800 W. Washington St.

Phoenix, AZ 85007

Phone: 602.542.4515

Web: www.azica.gov/divisions/labor-department

Copper Point Mutual Insurance Company (Worker's Compensation)

3030 N. 3rd St.

Phoenix, AZ 85012

Phone: 602.631.2600

Toll Free: 866.284.2694

Web: www.copperpoint.com

Employers Council, Inc.

7975 N. Hayden Rd., Suite D-280

Scottsdale, AZ 85258

Phone: 602.955.7558

Website: www.employerscouncil.org

Office of Special Counsel for Immigration Related Unfair Employment Practices

950 Pennsylvania Ave. NW

Washington, DC 20530

Toll Free: 800.255.8155

Web: www.justice.gov

U.S. Department of Labor

230 N. First Ave.

Suite 402

Phoenix, AZ 85003

Toll Free: 866.487.2365

Web: www.dol.gov

US Equal Employment Opportunity Commission

3300 N. Central Ave., Suite 690

Phoenix, AZ 85012

Toll Free: 800.699.4000

Fax: 602.640.5071

Web: www.eeoc.gov/field/phoenix

Appendix

Glossary of Terms

Annexation

The process of incorporating county islands into the City of Chandler.

Breakeven Analysis

A projection of expenses and income to determine when a company will no longer run deficits.

Capital Investors

People or companies who invest money in a company.

Case Planner

Planning staff member who is assigned to a zoning or development project.

Certificate Of Occupancy (CofO)

This certifies that the business owner has completed all city processes and can begin business operations in their space.

Demographics

Information about a community or area such as average age, income or nationality that can be used to choose a location near your target market.

Development Policies

Tools used to implement the goals and objectives of the General Plan. These policies guide City Council when making rezoning and other development decisions. New developments should consult development policies and follow the guidelines within.

Development Project Administrator - DPA

Development Project Administrators are your point of contact for the duration of city development processes.

Environmental Assessment

An assessment of the possible impact—positive or negative—that a proposed project may have on the natural environment. The purpose of the assessment is to ensure that decision makers consider the ensuing environmental impacts to decide whether to proceed with the project.

Equity Bartering

Part ownership in a company is given in lieu of monetary payment.

License Agreement

A license agreement defines the terms under which a resource or property such as petroleum, minerals, patents, trademarks, and copyrights can be used by outside parties.

Licensing

Businesses need to gain the proper registration and permission to operate their business. A license signifies that this has been done.

Minimum Wage

Lowest possible wage a worker can receive (tips can also count toward this wage).

Operating Procedures

An organization's policies for operation and the procedures that is necessary to fulfill the policies. They are often initiated because of some external requirement, such as environmental compliance or other governmental regulations.

Payment of Royalties

Usage-based payments made by one party (the "licensee") to another (the "licensor") for on-going use of an asset, sometimes an intellectual property (IP) right.

Permitting

This is initial permission to build or change something that is followed up with inspections during and after project completion.

Glossary of Terms Continued

Preliminary Development Plans

A plan that provides a general design concept and layout for a proposed development. Most rezoning requests also require a preliminary development plan to accompany the zoning application. Preliminary development plans and rezoning requests require City Council approval.

Pre-site Technical Review

A conceptual look at a site plan to address the “big picture” and discover any potential problems.

Right To Work State

Employment cannot be denied if an employee chooses not to join a union.

Setbacks

The area that must be kept clear of buildings/structures. For example, most residential properties have a 10' rear setback. This means that no buildings will be allowed to be built that are located within 10' of the rear property line.

Signage Regulations

The size, shape, and height of signs that is allowed at a particular site. All signs require a sign permit through the Development Services Department.

Target Market

The people or companies for whom your product is designed.

Use Permit

A permit that allows a land use for a certain period of time, that is otherwise not permitted within a specific zoning district. Use permits require approval by City Council.

Variance

A deviation from a regulation such as “setback” that are within the Zoning Code. Variances must be approved by the Board of Adjustments and can only be approved if there is some irregular circumstance that applies to the property, such as an irregular lot shape.

Workers' Compensation Insurance

Provides compensation medical care for employees who are injured in the course of employment, in exchange for mandatory relinquishment of the employee's right to sue his or her employer for the tort of negligence.

Zoning

The division of a city into areas (zones), specifying the land uses (i.e. residential, commercial, industrial, office, etc.) Allowable for the property in these areas and the regulations associated with the development of these properties (i.e. maximum building height, maximum density, etc.).

Zoning Code

The written, official language describing permitted land uses, can be found at www.municode.com.

Zoning Code Amendments/Zoning Change

Modifications to the Zoning Code.

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