

Legal Guide for Starting and running a small business

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Overview

Stephen Fishman's "Legal Guide for Starting and Running a Small Business" serves as an indispensable resource for entrepreneurs navigating the complex legal landscape of business ownership. The book systematically breaks down critical legal topics, offering practical advice and clear explanations to help small business owners understand their rights and obligations. It covers the entire lifecycle of a business, from the initial decision of choosing a legal structure (like sole proprietorship, partnership, LLC, or corporation) to handling daily operations, managing employees, protecting intellectual property, and complying with tax laws.

The guide's primary aim is to empower business owners to make informed legal decisions, thereby minimizing risks and avoiding costly mistakes. Fishman emphasizes proactive legal planning, providing templates and checklists for common legal tasks such as drafting contracts, hiring employees, and registering trademarks. It demystifies legal jargon, making complex subjects accessible to non-lawyers and enabling them to handle many legal matters themselves, or at least understand when professional legal counsel is truly necessary. The book is a comprehensive toolkit designed to help small businesses establish a solid legal foundation and operate compliantly.

Key Takeaways

- Carefully choose the appropriate legal structure for your business (e.g., sole proprietorship, LLC, corporation) from the outset, as it impacts liability, taxes, and administrative burden.
- Always put all business agreements, including those with partners, customers, and suppliers, in writing to prevent misunderstandings and provide legal recourse.
- Understand and comply with all federal, state, and local employment laws before hiring your first employee to avoid costly disputes and penalties.
- Proactively protect your intellectual property, such as trademarks, copyrights, and trade secrets, to safeguard your brand and unique creations.
- Maintain clear separation between personal and business finances to preserve limited liability and simplify accounting and tax preparation.

- Ensure your business obtains all necessary licenses and permits required by your industry and location to operate legally and avoid fines.
- Regularly review your business's legal compliance and seek professional advice from an attorney or accountant when facing complex issues or significant changes.

Chapter Summaries

Choosing the Right Business Structure

This section guides readers through the various legal forms a business can take, such as sole proprietorships, partnerships, limited liability companies (LLCs), and corporations. It details the advantages and disadvantages of each, focusing on liability protection, tax implications, and administrative requirements, helping entrepreneurs select the structure best suited for their specific needs and goals.

Contracts and Agreements

This chapter emphasizes the importance of written contracts in business. It covers the essential elements of a valid contract, common types of business agreements (e.g., sales, service, lease), and practical advice on drafting, negotiating, and enforcing contracts to protect business interests and prevent disputes.

Hiring and Managing Employees

This part delves into the legal aspects of employment, from hiring to termination. It covers federal and state employment laws, including discrimination, wages, benefits, independent contractors vs. employees, and workplace safety, providing guidance on creating legally compliant policies and procedures.

Protecting Intellectual Property

This section educates business owners on how to safeguard their valuable intellectual assets. It explains trademarks, copyrights, patents, and trade secrets, offering practical steps for registration, enforcement, and avoiding infringement, crucial for maintaining a competitive edge.

Taxes and Finances

This chapter simplifies the complex world of business taxation. It outlines federal, state, and local tax obligations, including income tax, payroll tax, and sales tax, and provides advice on record-keeping, deductions, and working with tax professionals to ensure compliance.

Operating Your Business Legally

This section covers various ongoing legal requirements for running a business, such as obtaining necessary licenses and permits, complying with environmental regulations, and understanding

consumer protection laws. It highlights the importance of ongoing legal vigilance to avoid penalties.

Dealing with Legal Disputes and Lawsuits

This chapter prepares business owners for potential legal conflicts. It discusses strategies for dispute resolution, including negotiation, mediation, and arbitration, and provides guidance on what to do if a lawsuit arises, emphasizing the importance of early intervention and legal counsel.

Working with Legal and Financial Professionals

This final section advises on when and how to engage attorneys, accountants, and other professionals. It offers tips on finding the right experts, understanding their fees, and effectively collaborating with them to manage legal and financial aspects of the business.

Themes

- Legal Compliance
- Risk Management
- Business Formation
- Intellectual Property
- Employment Law
- Tax Obligations

Frequently Asked Questions

What is Legal Guide for Starting and running a small business about?

Stephen Fishman's "Legal Guide for Starting and Running a Small Business" is a comprehensive resource that provides practical legal advice for entrepreneurs. It covers essential topics from choosing the correct business structure and drafting contracts to managing employees, protecting intellectual property, and navigating tax obligations, all aimed at helping small businesses operate legally and avoid common pitfalls.

Is Legal Guide for Starting and running a small business worth reading?

Yes, it is highly recommended for anyone starting or operating a small business. The book distills complex legal information into an accessible format, empowering business owners to understand their legal responsibilities, protect their assets, and make informed decisions without constant reliance on expensive legal counsel. It's an invaluable tool for proactive legal planning and risk mitigation.

How does Legal Guide for Starting and running a small business end?

Spoiler: The book concludes by reinforcing the continuous nature of legal compliance and risk management for small businesses. It encourages owners to regularly review their legal standing, stay updated on relevant laws, and understand when it's crucial to seek professional legal or accounting advice to ensure the long-term health and success of their enterprise.

Who should read Legal Guide for Starting and running a small business?

This book is ideal for aspiring entrepreneurs, new small business owners, and even experienced small business operators who wish to deepen their understanding of legal requirements. It's particularly beneficial for those who want to establish a strong legal foundation for their business, minimize liability, and handle many legal matters independently.

How long does it take to read Legal Guide for Starting and running a small business?

Given its comprehensive nature and the depth of legal topics covered, a thorough reading of "Legal Guide for Starting and Running a Small Business" would realistically take approximately 10 to 15 hours, depending on the reader's pace and how much time is spent on specific sections relevant to their business.