

Auto Repair/Auto Body Shop

1 BUSINESS PLANNING

The New Bedford Economic Development Council (NBEDC) offers technical business assistance, loan opportunities, workshops, and site location assistance once you have drafted a business plan.

*New Bedford Economic Development Council
1213 Purchase Street, Third Floor
New Bedford, MA 02740
508-991-3122
info@nbedc.org
<http://www.nbedc.org>*

Before contacting the NBEDC draft a business plan. Business plans are part of a continuous process to define your business concept, understand your market, set goals and effectively meet client needs. Typically, plans encompass operational issues including, but not limited to, the following: What services and products will your business provide and what needs do these fulfill? Who is your target market and how will you reach them? How will your company secure and repay financing? Contact the Southeastern Massachusetts Regional Small Business Development Center for a detailed business plan guide with a sample business plan:

*Southeastern Massachusetts Regional SBDC
200 Pocasset Street
Fall River, MA 02721
508-673-9783
www.msbdc.org/semass*

TIP: This guide concerns the regulations and licensing requirements for starting a sole proprietorship with no employees. If planning on hiring employees, consult "Becoming an Employer."

2 LOCATION

The New Bedford Economic Development Council Real Estate Assistance Program (REAP) maintains a list of commercial property for sale, rent, or lease to help business owners find property in New Bedford or relocate within the city.

*New Bedford Economic Development Council
Real Estate Assistance Program
1213 Purchase Street
New Bedford, Massachusetts 02740
Tel: 508-991-3122
Fax: 508-991-7372
info@nbedc.org
<http://www.nbedc.org>*

Draft a detailed floor plan, as you may need it throughout the permitting and licensing process. If you plan to make repairs or do renovations, the floor plan should show what the property will look like when the work is complete. The floor plan does not need to be prepared professionally, but must show all planned furniture, doors, windows, equipment, plumbing and electrical outlets.

3 ZONING AND PERMITTING

- 3a. Contact the **Building Department** and determine which building permits or certificates you may need.

*Building Department
Inspectional Services Division
New Bedford City Hall, Room 308
133 William Street
508-979-1540*

- 3b. If you are placing any new building signs or changing existing ones, contact the **Building Department**.

Any freestanding signage will have to be approved by the **City Planner**:

*Department of Planning
New Bedford City Hall, Room 303
133 William Street
New Bedford, MA 02740
508-979-1488*

- 3c. If you are within one hundred feet of a "wetland resource area", you may need to file a **Notice of Intent** with the **Conservation Commission** in order to move forward with your project. For more information on what constitutes a "wetland resource area" or whether you need to file a Notice of Intent, contact the Conservation Commission:

*Conservation Commission
New Bedford City Hall
133 William Street
New Bedford, MA 02740
508-991-6188*

4 LICENSING

Obtain all necessary licenses and permits

- 4a. Operating an auto repair shop requires that you deal properly with hazardous wastes such as waste oil, waste gasoline, and waste generated from degreasing auto parts. You must file the appropriate forms with the **Massachusetts Department of Environmental Protection** (DEP).

*Massachusetts Department of Environmental Protection
One Winter Street
Boston, MA 02108
617-292-5500
<http://www.state.ma.us/dep>*

You will also need to register with the DEP as a generator of hazardous waste and/or waste oil. Complete the Hazardous Waste Generator Registration Form for:

- 1) Very Small Quantity Generators (VSQG) if your business generates less than 220 pounds of hazardous waste and/or less than 27 gallons of waste oil per month; or
- 2) Small Quantity Generator (SQG) if your business generates only waste oil (220- 2,200 pounds or 27 to 270 gallons per month)

You can download the [registration form](http://www.mass.gov/dep/recycle/approvals/hwforms.htm) from the DEP website:

<http://www.mass.gov/dep/recycle/approvals/hwforms.htm> - gen

If your business will be a Small Quantity Generator (SQG) of hazardous waste and/or waste oil (220-2,200 pounds or 27 to 270 gallons per month) or a Large Quantity Generator (LQG) of hazardous waste and/or waste oil (more than 2,200 pounds and/or 270 gallons per month), you need to file a Notification of Hazardous Waste Activity Form.

To file on-line, go to DEP's website: <http://www.mass.gov/dep>

Click on the e-DEP icon, and register with e-DEP. Log in, then click online forms. The Notification of Waste Activity is in the drop down list. You will be prompted for your EPA ID number and your Tax ID number.

If DEP does not have this information on file for your facility, or if you do not have an EPA ID number, you should submit the "RCRA Notification of HW Activity Preliminary Form." DEP will use the information from the preliminary form to set up your facility, and will send back an email with the code needed to complete the notification.

To file the notification by mail:

Download notification of Hazardous Waste Activity Form from:

<http://www.mass.gov/dep/recycle/approvals/hwactvty.doc>

Complete and sign the notification. Save a copy for your own files.

As a New Bedford business owner, you will need to return the completed form to the **DEP Southeast Office** (Attn: BWP).

*MassDEP Southeast Region
20 Riverside Drive
Lakeville, MA 02347
508-946-2700
Service.Center@state.ma.us*

If spray painting will be performed on site, MassDEP requires auto body/repair businesses to comply with air pollution control regulations to minimize Emissions of volatile organic compounds (VOCs) and other pollutants. Call the MassDEP Southeast Regional Service Center at 508-946-2714 and ask to speak to a BWP permit engineer or inspector to understand your compliance options." For additional information on technical compliance, vendors, pollution prevention, and cost reduction at your shop, download the EPA's publication "Auto refinishing best practices kit" available at:

<http://www.epa.gov/opptintr/dfe/pubs/auto/trainers/index.htm>

Contact the Office of Technical Assistance for Toxics Use Reduction guidance manual, "Crash Course for Compliance and Pollution Prevention " (October, 1998) available online in both English and Spanish versions at:

http://www.mass.gov/envir/ota/publications/tech_reports.htm

MassDEP compliance assistance fact sheets are available at:

<http://www.mass.gov/dep/recycle/compliance/factguid.htm#hwm>

To learn more about various policies pertinent to auto body/repair shops. Go to:

<http://www.mass.gov/dep/recycle/laws/policies.htm>

- 4b. Additional licenses are required through the **Massachusetts Division of Standards** if you plan to sell antifreeze, motor fuel and/or lubricating oil. Applications for these permits can be downloaded at the Division of Standards website. Alternatively, you may also call the Division of Standards to request a paper copy. You will be instructed to leave a message with your name and mailing address.

*Massachusetts Division of Standards
One Ashburton Place, Room 1115
Boston, MA 02108
617-727-3480
<http://www.state.ma.us/standards/license.htm>*

If auto body or glasswork will be done, a **license** is also required through the **Division of Standards**. The completed application must include the following:

- Two letters of recommendation from individuals who are either Registered Motor Vehicle Repair Shop operators, elected public officials, or members of the Massachusetts Bar
- A registration fee of \$450 payable by business check or money order to the Commonwealth of Massachusetts
- A surety bond or letter of credit for \$10,000.

4c. You must get an **Auto Repair** and/or **Auto Body License** from the **Licensing Board**.

*Licensing Board
New Bedford City Hall, Room 206
133 William Street
New Bedford, MA 02740
508-979-1547*

4d. Contact the **New Bedford Fire Prevention Bureau** to acquire any hazardous material permits and licenses that you may need:

*New Bedford Fire Prevention Bureau
181 Hillman Street
New Bedford, MA 02740
508-991-6120*

4e. If you have jukeboxes or videogame machines to entertain waiting customers, you must get a **permit** from the **Licensing Board**. Contact the Board for more information.

4f. Snack or soda machines in your shop require permits from the **Massachusetts Food Protection Program** (FPP). Applications are available for download at the FPP website or you can contact the FPP directly:

*Food Protection Program
Massachusetts Department of Public Health
305 South Street
Jamaica Plain, MA 02130
617-983-6700
<http://www.mass.gov/dph/fpp/vendinglic.htm>*

4g. Also, if selling food, contact the **Inspectional Services Division** to see if you need any **food safety permits**.

*Inspectional Services Division
New Bedford City Hall, Room 308
133 William Street
508-979-1540*

5 BUSINESS CERTIFICATE

Prior to opening, you must acquire a **Doing Business As (DBA) Certificate**. Complete an application and submit it to the **City Clerk** with the \$30 application fee (an additional \$10 is required for your own copy):

*City Clerk
New Bedford City Hall, Room 118
133 William Street
New Bedford, MA 02740*

508-979-1450

TIP: Open a business account with your local bank or credit union. If you are not using your social security number for your business, be sure to get your Tax ID# before opening a business bank account. A separate business account spares you the hassle of untangling personal and business transactions when you file taxes, decreases the likelihood of a missed deduction, and facilitates transparent recordkeeping in the event of an audit. Business accounts also increase credibility with potential lenders and clients and accommodate business growth. If possible get a debit card with your account to help you with back up record keeping.

6 TAXES

A **Form of List** is used to document the property owned by your business, so that it may be assessed and taxed by the city. It is required that you file one with the New Bedford City **Assessor's Office**:

*Assessor's Office
New Bedford City Hall, Room 109
133 William Street
New Bedford, MA 02740
508-979-1440*

7 INTERNAL REVENUE SERVICE

You must also file all necessary tax forms with the **United States Internal Revenue Service**. Once you file these forms, the IRS will give you a tax identification number and provide instructions on compliance with federal regulations.

*Internal Revenue Service
JFK Federal Building
15 New Sudbury St.
Boston, MA 02203
617-316-2850
<http://www.irs.gov>*

8 MASSACHUSETTS DEPARTMENT OF REVENUE

You must also file tax forms with the **Massachusetts Department of Revenue (DOR)**. Most sole proprietors file a Schedule C form with their income taxes. If you plan to sell tangible goods, you must file a Form TA-1 to pay Massachusetts' sales tax.

*Massachusetts Department of Revenue
Data Integration Bureau
PO Box 7022
Boston, MA 02204
<http://www.dor.state.ma.us>*

- 8a. Call the DOR's Customer Service Office at 617-887-MDOR (6367) or toll free at 1-800-392-6089 to request the forms by mail. Forms and filing instructions are available on the DOR website; however, it is still recommended that you speak to a DOR representative to ensure you are in full compliance with the law:

<http://www.dor.state.ma.us/forms/formlist.htm>

- 8b. After you have completed the forms either file online or mail the printed forms. Once you file Form TA-1, you will receive your Massachusetts Sales Tax Registration Number.

9 INSURANCE

Do a thorough risk assessment and determine what coverage best suits your business's needs.

Most forms of insurance are not required. However, business insurance protects you and your business in the event of fire, theft, or other losses. The most common coverage types include liability, property, business interruption, "key man," automobile, and home office.

The U.S. Small Business Association (SBA) publishes a booklet called "Small Business Risk Management Guide, #MP-28," which contains information about insurance requirements for business owners. It is available from the SBA by calling 617-565-5590 or you can download it from their website at

http://www.sba.gov/idc/groups/public/documents/sba_homepage/serv_pub_mplan_mp28eng.doc

If you get insurance, it is recommended that you assess and inventory your business facility and assets every two years. This will ensure replacement costs are up to date, enable you to settle claims faster, and help you explain business losses on your tax returns.

*Source: Navigating through Regulations and Licensing Requirements:
A Guide for Entrepreneurs in New Bedford in Twenty Occupations,
Pioneer Institute for Public Policy Research. www.pioneerinstitute.org*