



# Smart Wealth University

## 1. Establish your business as its own separate financial and legal entity.

Set up a physical address and phone number for the business.

An accountant or attorney can help you decide between a C corp, S corp or another structure.

File state and federal paperwork as required.

Once you have a legal entity, apply to the IRS for an EIN (employer ID number) in the company's name. You do not need to have employees to receive an EIN.

## 2. Open a business bank account.

Use the business' address, phone number and tax/EIN number.

Commit to using this account for all business expenses—and no personal outlays.

## 3. Open a business credit card and/or line of credit.

Connect the line of credit to your business account, and use this account to pay the credit card bill.

Use these funds to bridge cash flow interruptions versus personal assets.

Review credit card offers carefully as terms and rewards vary widely.

Decide whether you will issue business credit cards to employees. This can help with expense reporting and segregating business expenses.

**4. Get a Dun & Bradstreet D-U-N-S number and begin building your credit score.**

Ask all of your vendors, suppliers and service providers to report on your payments.

Don't forget the professionals you work with, such as your CPA or attorney.

Borrowing can boost your score, but make sure you leave enough credit available for emergencies.

**5. Make payments in full and on time, all the time.**

Paying early may enable you to take advantage of discounts with suppliers. It also boosts your credit score.

If you will be unable to make a payment on schedule, proactively contact the supplier and seek to avoid late fees or negative reports.

**6. Monitor your credit reports from all agencies at least quarterly.**

Make factual corrections and dispute errors promptly.

Review which suppliers, service providers and lenders are reporting activity and take action if needed.

Consider engaging a monitoring service that will alert you to changes.

