



Setting Up a Business and Company

(Process and Legal Considerations)

Establishing a business in Australia involves several steps and legal considerations that are crucial for ensuring compliance and long-term success. Whether you are starting a small business or forming a company, understanding the legal landscape is essential. Here's a comprehensive guide to the process and key legal considerations involved in setting up a business and company in Australia.

Choosing the Right Business Structure

The first step in setting up a business is choosing the appropriate structure. The main types of business structures in Australia include:

1. **Sole Trader:** A simple structure where the business is owned and operated by one person. It offers full control but also full liability.
2. **Partnership:** Involves two or more people who share profits, risks, and responsibilities. Partnerships require a formal agreement to outline each partner's role and share.
3. **Company:** A separate legal entity that offers limited liability to its shareholders. Companies are governed by the Corporations Act 2001 and require registration with the Australian Securities and Investments Commission (ASIC).
4. **Trust:** A structure where a trustee holds property or income for the benefit of others. Trusts can be complex and often require professional advice.

Registering Your Business

Once you have chosen a structure, the next step is to register your business. This involves:



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- **Choosing a Business Name:** Ensure the name is unique and not already registered. You can check availability through the ASIC website.
- **Registering for an Australian Business Number (ABN):** An ABN is required for tax and business transactions. It can be obtained through the Australian Business Register.
- **Registering for Goods and Services Tax (GST):** If your business has a turnover of \$75,000 or more, you must register for GST.
- **Registering a Company:** If you choose to set up a company, you must register it with ASIC. This involves choosing a company name, appointing directors, and issuing shares.

Legal Considerations

1. **Compliance with the Corporations Act 2001:** Companies must comply with the Corporations Act, which includes maintaining financial records, holding annual general meetings, and lodging annual returns.
2. **Consumer Protection:** Businesses must adhere to the Australian Consumer Law (ACL), which governs fair trading and consumer rights. This includes providing accurate information and honoring warranties.
3. **Employment Law:** If you plan to hire employees, you must comply with the Fair Work Act 2009, which covers employment terms, conditions, and workplace rights.
4. **Intellectual Property Protection:** Consider registering trademarks, patents, or copyrights to protect your business's intellectual property.



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5. **Privacy and Data Protection:** If your business collects personal information, you must comply with the Privacy Act 1988, which regulates the handling of personal data.
6. **Tax Obligations:** Understand your tax obligations, including income tax, GST, and payroll tax. It may be beneficial to consult with a tax professional.

Setting Up Operations

- **Location and Premises:** Choose a suitable location for your business operations. Ensure compliance with local zoning laws and obtain necessary permits.
- **Banking and Finance:** Set up a business bank account and consider your financing options, whether through loans, investors, or grants.
- **Insurance:** Obtain appropriate insurance coverage to protect your business from risks, such as public liability, professional indemnity, and workers' compensation.

Setting up a business and company in Australia involves careful planning and adherence to legal requirements. By understanding the process and key legal considerations, you can establish a solid foundation for your business.

In the complex world of business law, having an experienced lawyer from **Dojo Legal Australia** can make all the difference. They provide invaluable expertise, ensuring your business complies with legal requirements, protects its interests, and capitalizes on opportunities. By engaging a seasoned legal professional, you can focus on what you do best—growing your business—while leaving the legal intricacies to the experts.



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Do you have additional questions regarding **Business and Company Setup** ? Please feel free to contact us by email at admin@dojolegal.com.au, or by phone on **+61 02 9138 0688** to arrange a consultation with our experienced lawyers.

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