



## Village of Mount Prospect Business License Frequently Asked Questions (FAQs)

**I am thinking of starting a new business in Mount Prospect. Do I need to submit the Business License application to determine if my idea is even possible?**

No, please contact the Planning Division at (847) 818-5328 to discuss your proposed business and location.

**Who needs a Business License in Mount Prospect?**

All businesses, with the exception of home-based businesses, located within the Village of Mount Prospect must maintain a current *Business License* or *Business Certificate*.

A *Business License* is required by the Village to conduct most types of businesses;

A *Business Certificate* is required if your business is regulated by the State of Illinois. Proof of your current State License and the Business Certificate Application must be submitted to the Village.

**Why do I need a Business License in Mount Prospect?**

Both the Business License and Business Certificate programs ensure proper inspection and safety information is maintained for your business. For example, emergency contact information is gathered through the licensing process, which ensures someone related to the business will be contacted in the event of an emergency related to the property. The licensing process also ensures that your business complies with various Village Ordinances/Regulations.

**How much will the Business License or Certificate cost?**

The fee charged for the License or Certificate varies, and depends on factors such as the type of business being conducted, the gross floor area of the establishment, and additional factors such as if the location will have a security alarm. The Community Development Department will give you the total cost when your License or Certificate is ready to pick up; the Village Code details the licensing fees for various types of uses.

**What other type of licenses could I need to operate in Mount Prospect?**

The following is just a sampling of additional licenses your business *may* need. If you have any questions, please feel free to ask!

- Liquor – A separate license is required (Contact the Village Manager's Office)
- Outdoor Dining – A separate permit is required if dining area encroaches into public right-of-way. If all outdoor dining is located on private property, a separate permit is not required. (Contact the Community Development Department).
- Vehicle Registration – Separate registration required for fleet/company vehicles (Contact the Finance Department)
- Vending Machines – If you intend to operate any vending machines within your business, a separate Vending Machine Addendum must accompany the Business License Application. (Contact the Community Development Department).



## Village of Mount Prospect Business License Frequently Asked Questions (FAQs)

### Which do I apply for first – the Business License/Certificate or the Building Permit?

Your Business License/Certificate application, Building Permit, or other business related applications can be submitted at the same time, and this is encouraged. Please note: before your business can open, you will need both your Business License and a Certificate of Occupancy if your project included a building permit. You will also need any other separate licenses to be approved before the use is permitted, i.e. Liquor Licenses.

### Where can I pick up a Business License or Certificate application?

- Community Development Department, 2<sup>nd</sup> Floor of Village Hall.
- On-line, through the Village's website.

### Where do I turn in my completed application?

- All new or renewal Business Licenses should return their application to the Community Development Department, 2<sup>nd</sup> Floor of Village Hall.
- INCOMPLETE APPLICATIONS WILL NOT BE PROCESSED.

### How long is does my application remain active?

Once you complete your application, it is valid for six (6) months. If more than six (6) months pass and you have not obtained your license, you will need to submit a new application to start the process over, unless you have a current building permit underway and are making progress on the construction.

### How long will the License/Certificate process take?

If you applied for a Business License or Certificate only (no building permits required), expect the process to take 7-10 business days, provided that the application was complete at the time of submission and all required inspections are passed in a timely manner.

For businesses requiring Building Permits, the process varies based on your construction time-frame. Note that all of the following items must be addressed prior to the approval of any Business License:

- All required inspections related to construction, including building, health, and fire inspections, must be approved by the Village ("passed").
- The space the business occupies must receive a Certificate of Occupancy from the Building Division.
- All license and permit fees must be paid.

### What is the difference between a Certificate of Occupancy and a Business License?

A Certificate of Occupancy permits you to occupy the structure. A Business License permits you to open and conduct your business.



## Village of Mount Prospect Business License Frequently Asked Questions (FAQs)

### When should the required inspections be done?

Inspections for Building Permits are SEPARATE from the Business License/Certificate inspections.

- The Building Division and Fire Department will conduct appropriate inspections *related to an active building permit*, during the course of achieving occupancy approval.
- A separate Business License/Certificate inspection is made by the Fire Department when your business is ready to open.
- A separate Inspection from the Environmental Health Department is required for businesses preparing and/or selling food/beverage items.

### Who should schedule my inspection(s)?

Business owners must schedule their inspections with the appropriate department:

- Fire Prevention: Contact the Fire Prevention Bureau at (847) 818-5253.
- Health: For all food/beverage related businesses, call the Environmental Health Department at (847) 870-5668.
- Building Division/Fire Department: If you received a building permit, the Building and Fire Departments inspect all construction. Call: Building at (847) 870-5675 and Fire at (847)818-5253.

You will receive written notification of inspection status from each Department that visits your business. The notification will indicate a passing inspection or problems that need to be addressed

### What is the Fire Prevention Bureau looking for during my Business License Inspection?

The following is a list of common items the Fire Prevention Inspectors would look for on all inspections, regardless of the occupancy type:

- ◆ Operational emergency lights
- ◆ A sufficient number of 3 A 40BC fire extinguishers in place (1 for every 2000 square feet or 75 feet of travel)
- ◆ Operational Exit signs
- ◆ Extension cord use
- ◆ Ensure no Exits are blocked
- ◆ Verify there are slide bolt locks on the rear exit doors
- ◆ Ensure the building has a fire protection system and if it has its annual certification.

The Fire Prevention Bureau can be contacted regarding any specific questions you may have. The Fire Codes are also available on-line through the Village Website.

### What if I don't pass my inspection(s)?

Your Business License or Certificate will be on hold until all inspections are passed. You will need to correct the problems listed on your inspection report and schedule re-inspections with the appropriate departments.

### Does the applicant need to be present for inspections?

You (the applicant) or a representative must be present for the inspection and the building must be accessible to the inspectors.



## Village of Mount Prospect Business License Frequently Asked Questions (FAQs)

### **Is a security alarm required to operate my business?**

No, a security alarm is not required to operate your business. However, if you do have a security alarm, be sure to include this information on the Business License Application, as the Emergency Contact Information on the application will be kept on file by the Police and Fire Departments should the alarm activate.

### **When can I open for business?**

You can open for business once your Business License or Business Certificate has been issued.

### **What do I do with the Business License / Certificate once I have a copy?**

Any person conducting a business in the Village must keep the License Certificate in a prominent place on the premises at all times.

### **When a business is sold, can the new owners operate the business under the existing license?**

No. The new owners must complete a new Business License Application and pay the transfer fee prior to re-opening the business. For more information contact the Community Development Department at (847) 818-5328.

### **What is a State Sales Tax Number (IBT) and how do I get one?**

All businesses must file with the Illinois Department of Revenue (IDOR) for sales tax registration. An application form can be obtained from IDOR by calling (217) 785-3707, or you can register online through the IDOR website. Your Illinois Business Tax (IBT) Number is required information on the Business License form, and will be registered with the Village Finance Department. For more information visit the IDOR website at <http://tax.illinois.gov/>

### **What is an Assumed Business Name and how do I register mine?**

The Cook County Clerk's office registers business names known as "assumed names" for new businesses, per Illinois State law. "An assumed name is issued to any business entity that uses a name other than the name(s) of the individual(s) who own or operate the business. For example, a business called "John Jones, P.C." (i.e. owner's full name and title) does not have to file an assumed name, but "Jones Wrecking" does." Please refer to the Cook County Clerk website for more information: <http://www.cookcountyclerk.com/vitalrecords/busnamereg/Pages/default.aspx>

Note: Limited Liability Companies (LLC), Limited Liability Partnerships (LLP), Limited Partnerships (LP), and Corporations are not required to file an Assumed Business Name with Cook County.

### **What is a Federal Employer Identification Number (FEIN) and how do I get one?**

An Employer Identification Number (EIN) (also known as a Federal Tax Identification Number) is used to identify a business entity. Generally, businesses need an FEIN if you have employees, operate your business as a corporation or a partnership, file any type of employment or excise tax returns, etc. See the IRS website for more details to determine if your business requires a FEIN.

You may apply for an FEIN online through the Internal Revenue Service website. This is a free service. Visit <http://www.irs.gov/Businesses/Small-Businesses-&Self-Employed/How-to-Apply-for-an-EIN> for application information.