

General Partnership Formation Fact Sheet

A general partnership (GP) is created when two or more people agree to do business together for profit, even if there is no intent or written agreement to form a partnership. While there are no formal filing or registration requirements needed to create a partnership, partnerships should follow certain formation steps applicable to any business.

Below is a general overview of the recommended process to set up a General Partnership:

Enter into a Partnership Agreement

- The agreement identifies who the general partners are as well as their individual rights and duties regarding the business, including its funding, management, and profit & loss sharing
- Some common issues addressed in GP agreements include:
 - Name and purpose of the partnership and date of creation
 - Contributions (cash/property/work) of each partner
 - Each partner's share of profits and losses
 - Each partner's management powers and duties
 - Provisions for taking profits out of the company
 - How to add or remove a partner
 - How to resolve disputes among partners
 - How to wind down the partnership

TIP: Check whether your business name is available before signing the Agreement by searching here:
http://www.dos.ny.gov/corps/bus_entity_search.html

File a Business Certificate

- To do business in the name of the partnership, file a certificate of fictitious business name. This certificate is also known as a DBA (Doing Business As) or a Business Certificate.
- File the Business Certificate in the county clerk's office of the county where the partnership's principal business address is located
- DBA forms can be completed and purchased at stationary stores or online (e.g., at www.blumberglegalforms.com)
- Filing fees vary by county but range from \$100-\$120. Contact the county clerk's office for more information
- A list of county clerk's offices and locations can be found at:
<https://www1.nyc.gov/nycbusiness/description/certificate-of-assumed-name--business-certificate>

Obtain an EIN

- EIN stands for Employer Identification Number. You don't need employees to get an EIN; it's just a number the government uses to identify your business, much like your social security number is used to identify you.
- An EIN will allow you to open a business bank account and apply for business licenses, among other things.
- How to get an EIN:
 - Apply online and get an EIN immediately: <https://www.irs.gov/businesses/small-businesses-self-employed/apply-for-an-employer-identification-number-ein-online>
 - Mail or Fax IRS Form SS-4 (can take four to five weeks to get an EIN):
<https://www.irs.gov/pub/irs-pdf/fss4.pdf>
 - Mail to: Internal Revenue Service, Attn: EIN Operation, Cincinnati, OH 45999
 - Fax to: 855-641-6935

This resource is provided for informational purposes only and does not cover all of the issues that could arise when setting up a general partnership. For more information, contact an attorney.