

Essential Entrepreneurship Documents

AAQIB HASIB

There are many challenges that an individual faces when starting up their business, and at the forefront of these challenges is becoming familiar with the essential documents for running their business.

These documents can range from the license you need to apply for only once, all the way to a simple day to day invoice. While there is a contrast in importance between the former and the latter, both are essential to the smooth operation of a company.

As e-commerce businesses are the most popular amongst the youth, I'll be listing off some of the most essential documents you need to familiarise yourself with before starting your business. This will not only make life a lot easier for you when dealing with the day to day stuff but might also help save you some time and money.

TRADE LICENSE

When you're starting out your business, the first thing that you absolutely must get is a trade license. A trade license is a mandatory requirement for any business, and you cannot start your operations without procuring one. Trade licenses are issued by the local government – the city corporation under whose jurisdiction you fall – upon completion of all the required processes. There is now also an option to apply for an e-trade license, which is a trade license which you can apply for online and simplifies the process compared to the traditional route. Another important thing to remember regarding trade licenses is that they have to be renewed upon expiration, and that process of renewal can take up a few days, so it is best to apply for it before your license expires.

TIN AND VAT REGISTRATION

Another procedure to ensure that your business is maintaining its legal requirements is procuring your Tax Identification Number (TIN) and VAT registration. As a business, paying your taxes as well as the necessary VAT on product sales is mandatory, and you cannot do so without getting your TIN and VAT registration done. In the case of e-commerce businesses, you cannot even set up your online payment systems/gateways without procuring both of the aforementioned documents. As mentioned above, there is an option for online registration for your TIN, but if you want to save your own time, Sheba.xyz can also take care of this procedure as well.

E-CERTIFICATE

These include any sort of digital exchange that is signed off using an e-signature. E-certificates exchanged with clients are considered to be official documents, and can be useful



to set up official correspondents, with both buyers and sellers, easily through online communication.

TRADEMARK (TM) AND COPYRIGHT REGISTRATION

Trademarks and copyrights are two other types of essential documents that you must invest in. Trademarks are used to protect logos and company slogans/mottos. So if you don't want some random fried chicken restaurant popping up in Kakoli with the logo you put a lot of money and effort into making, it's best to trademark all of your logos and slogans. Copyright, on the other hand, protects intellectual property. If you're using any sort of jingle, which you've personally created for your company, then copyright registration will protect it. Additionally, you can also copyright artwork that you use in advertisements.

MONEY RECEIPT AND INVOICE

Once you're done getting yourself familiarised with all of the other documents mentioned above, the next two you absolutely have to learn up on are money receipts and invoices. These two documents are crucial to running your business and understanding the difference between the two, and when to use one over the other will help you save a lot of time in the long run. The prime difference between an invoice and a receipt is the time of issuance. An invoice is issued upon sales/purchases of a good or service. However, this doesn't account for the payment. It only marks the fact that a sale/purchase has been made, and in what amount. Seeing as businesses do most of their dealings on credit, invoices are issued left and right. Receipts, on the other hand, are an acknowledgement of payment and are only issued when a monetary transaction between two or more parties have been completed. They act as proof of

payment and are useful when mishaps occur on the part of the other party or the bank.

Setting up your business is great, we've seen a lot of young entrepreneurs making great strides in the field of e-commerce recently, but it's important that you pre-plan a lot of your steps beforehand.

Gathering and familiarising yourself with the aforementioned documents is a first step towards ensuring your business is both a legal entity and also a success in the future.

If you find yourself stumped when trying to understand or procure these documents, the E-commerce Association of Bangladesh website and Facebook group has a lot of information available on their blogs for entrepreneurs looking to start their own e-commerce business. Additionally, for businesses in general, the OGR legal resource portal for businesses is also a good source for information.

Finally, for those who do not want to take the hassle of procuring these documents on themselves, Sheba.xyz offers their services in helping you procure Trade licenses, TIN and VAT registration and Trademark and Copyright registration.

Useful Links:

<https://www.facebook.com/groups/eeCAB>
<https://resource.ogrlegal.com/licenses/trade-license/>
<http://e-cab.net/>
<https://www.sheba.xyz/services/legal-general-consultancy>

Aaqib is stuck in an existential crisis loop. Send help at aaqibhasib94@gmail.com

