



SUMMER 2021

NEW BUSINESS GUIDE

CITY OF HAMTRAMCK

COMMUNITY AND ECONOMIC
DEVELOPMENT DEPARTMENT

Are you planning to open a business in Hamtramck? This document will help you understand how to get started and the steps necessary before you can open your doors to customers. We wish you success in starting your business in our city!



OVERVIEW: OPENING A NEW BUSINESS

Here is a quick overview of the steps to opening a new business. The rest of this document explains these steps in more depth.

1. Find out where your desired business type is allowed in the City of Hamtramck.
 - a. Check the Zoning Ordinance or the map and list of permitted uses in the appendix of this guide.
 - b. Confirm with the Community and Economic Development Department.
 - i. (313) 800-5233 ext. 818
 - ii. <https://hamtramck.us/community-and-economic-development-ced/>
2. Secure a location for your business.
 - a. You may choose to own or lease but must have decided on a location before applying for a Certificate of Occupancy in the next step.
3. Apply for a Certificate of Occupancy
 - a. Contact the Building Department. Application can be found in the appendix.
 - i. Building Department (313) 800-5233 ext. 296
 - ii. <https://hamtramck.us/building/>
4. Register your Tax ID with the State of Michigan.
 - a. <https://www.michigan.gov/taxes>
5. Register your business name with Wayne County.
 - a. <https://www.waynecounty.com/elected/clerk/assume-d-names.aspx>

6. Apply for a business license.
 - a. Contact the Clerk's Office. Application can also be found in the appendix.
 - i. Clerk's Office (313) 800-5233 ext. 821
 - ii. <https://hamtramck.us/clerk/>
7. Fill out your Hamtramck income tax forms.
 - a. Contact the Income Tax Department. Forms can be found in the appendix.
 - i. (313) 800-5233 ext. 363
 - ii. <https://hamtramck.us/income-tax/>
8. Pass Building and Fire Department inspections.
 - a. For more details on inspections, contact the Building Department
 - i. (313) 800-5233 ext. 296
 - ii. <https://hamtramck.us/building/>
9. Receive Certificate of Occupancy from the City of Hamtramck.
10. Receive business license from the City of Hamtramck.
11. Open for business!
12. Invite us to your grand opening! City Staff can help coordinate a ribbon cutting.

The Community and Economic Development Department, Clerk's Office, and Building and Fire Departments are here to help you go through this process as smoothly as possible. The timeline from first deciding to open a business and opening your doors to customers may vary, and some projects may require a more complicated process than others, but we are here to help you, your business, and the City of Hamtramck succeed.

If you have questions or need assistance, please contact the Community and Economic Development Department. We are ready to help guide you through the process!

- (313) 800-5233 ext. 818
- <https://hamtramck.us/community-and-economic-development-ced/>



STEP 1: GETTING STARTED



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What kind of business can I open?

Like most cities, Hamtramck has a Zoning Ordinance that describes what types of businesses can operate within city limits and where. The city is divided into several zones, with certain types of businesses allowed or prohibited in each.

Check out the zoning map at this link to find out what zoning district your business is in:

<https://hamtramck.us/wp-content/uploads/2020/06/Zoning-Map.pdf> . Confirm the zoning of your business with the CED team before moving forward.

Review the list of permitted uses for each district in the appendix of this document to check whether your desired use matches your desired location.

It is wise to verify that your planned business is suitable for your chosen location before getting too far along in the process; contact the CED Department for more information.

What is a Certificate of Occupancy?

A Certificate of Occupancy is a permit that allows you to open your building for business. You must apply for a new “C of O” when you open a new business or if your business changes name or location. The Certificate of Occupancy is issued by the Building Department once all final building, plumbing, electrical, mechanical, and fire safety inspections have been successfully passed.

STEP 1: GETTING STARTED

Do I need to have my business inspected?

Yes, most new businesses will need certain inspections before they can receive a Certificate of Occupancy. Once you have secured a location for your business, your contractor must secure all necessary permits for work that is being done on the building. Your facility must pass building, plumbing, electrical, and fire safety inspections in order to qualify for a C of O.

If you wish to schedule an inspection, apply for a permit, or have questions about the process, please contact the Building Department at (313) 800-5233 ext. 296, <https://hamtramck.us/building/> or by visiting their counter at City Hall.

Where do I need to register my business?

Before your business can open, you will need to ensure you have properly registered your business with the correct levels of government.

Municipal – You must apply for a business license from the City of Hamtramck. This is done via the City Clerk. See the next section for more information.

Certain businesses will require additional applications, state licenses (see the next section for this list), or background checks. Businesses that need to fill out an additional application with the city include home-based businesses, rental properties, and peddler. Check with the Clerk to ask whether getting your business approved requires any extra steps.

County – You must register your business's name with the Wayne County Clerk. Visit <https://www.waynecounty.com/elected/clerk/assumed-names.aspx> for more information.

STEP 1: GETTING STARTED

State – You must apply for a Tax ID number from the State of Michigan. Visit <https://www.michigan.gov/taxes> for more information and to apply.

Federal – You will likely need to apply for an EIN (Employer Identification Number) from the IRS. Visit <https://sa.www4.irs.gov/modiein/individual/index.jsp> to learn more, determine whether you need an EIN, and apply. Not all businesses need an EIN, so check the IRS website to find out whether you will need one.

Where and how do I get a business license?

Business licenses are issued by the City Clerk's Office. The application is available on the City of Hamtramck website, by contacting or visiting the City Clerk's Office, or in the appendix. The City Clerk can be reached at <https://hamtramck.us/clerk/> or (313) 800-5233 ext. 821.

When you have completed the application, return it to the Clerk's Office by mail or in person. Once the Clerk has received your application, the City of Hamtramck will begin to process your application. The City will confirm that you do not owe any unpaid personal back taxes, property taxes, or personal property taxes. If you do have unpaid back taxes as listed, you will be asked to pay them before your new business license application can be approved.

Certain businesses will require additional applications, state licenses (see the next section for this list), or background checks. Businesses that need to fill out an additional application with the city include home-based businesses, rental properties, and peddler. Check with the Clerk to ask whether getting your business approved requires any extra steps.

STEP 1: GETTING STARTED

Do I need a permit from the State of Michigan or Wayne County?

This depends on what type of business you plan to open! Certain types of businesses require additional permits and/or licenses from the State of Michigan or Wayne County. It is your responsibility as the owner of the business to complete the appropriate process at the state or county level.

Examples of types of businesses that may require a state permit or license include but are not limited to: mechanics, cosmetologists, pharmacies, medical offices, and uses that require a liquor license or local health department approval like a bar or restaurant.

So, when can I open?

You can open your business once you have received your Certificate of Occupancy, business license, and all other county or state approvals.

Remember, the Community and Economic Development Department is here to help you along the path to opening your new business! Every small business in Hamtramck is important, and we want to help you be successful at each step of this process.

Do I need to pay income taxes?

All Hamtramck business owners are subject to income tax on their business earnings and must file a City of Hamtramck Corporation, Partnership, or H1040 with Federal Schedule C tax return yearly. You must also file your City of Hamtramck individual income tax return yearly. All Hamtramck business owners with one or more employees are required to withhold taxes from their employee's paychecks and forward the payment to the Hamtramck Treasurer. Hamtramck residents pay 1% and non-resident employees who work in Hamtramck pay 0.5%.

STEP 1: GETTING STARTED

Where do I file and pay my income taxes?

Option 1

Income tax returns and payments (Check or money order only) can be sent to:

The City of Hamtramck – Income Tax
P.O. Box 209
Eaton Rapids, MI 48827

Option 2

Put the tax return and/or payment in one of the drop boxes located inside or outside City Hall, 3401 Evaline, Hamtramck, MI 48212. Be sure to include your contact information with your payment and address the envelope to “Income Tax.”. No stamp is needed. Only check or money orders are accepted.

Option 3

Bring tax return to the Income Tax Department inside of City Hall, 3401 Evaline, Hamtramck, MI 48212. Payments are received at the Treasurer’s window.

How do I set up income tax accounts?

First, fill out and send in the H-SS-4 Hamtramck New Business/Withholding Registration Form. There are instructions included as to where to send after filling this out. Filling out and returning this form will initiate the set up the business tax account and the withholding tax account based on the Business Tax ID # with the City.

Next, follow the instructions with the H-941/501 for payroll withholder. After reading the instructions, determine whether you need to send payments on the H-941 quarterly or H-941 monthly withholding schedule vouchers.

STEP 1: GETTING STARTED

All of these forms are located on the City's website under Income Tax department. They all include where and when to send the payments.

Last, determine whether your business is a corporation, partnership, or other and then view the forms for filing on the City's website under Income Tax Department so that you are prepared to file each year by April 30th.

If you need further assistance or clarification, please contact the Income Tax Department for help with these processes by calling (313) 800-5233 ext. 363 or visiting <https://hamtramck.us/income-tax/>.

Do I need to pay property taxes?

Business owners who own their building will pay Real Property taxes. Required taxes may also include personal property tax. An exemption from the personal property tax is available for small businesses with less than \$80,000 of personal property; exemption from this tax requires the owner to file an exemption affidavit with the City Assessor's office.

If you have any questions, contact the City Assessor's office at (313) 800-5233 ext. 820 or <https://hamtramck.us/assessor/>.

Property taxes can be paid at the Treasurer's window, the DivDat kiosk at the entrance to city hall, or via DivDat at Hamtramck.us or <https://tinyurl.com/HamtramckDivDat>.

Your mortgage company may also allow you to pay with an escrow account.

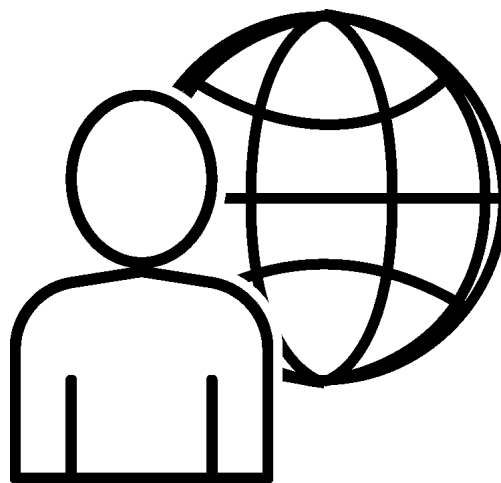
STEP 1: GETTING STARTED

Can I install a sign?

Signs are regulated by the Zoning Ordinance and permitted through the Building Department. Find the sign application in the appendix and reach out to the Building Departments for questions about the requirements and process. They can be contacted at (313) 800-5233 ext. 296, <https://hamtramck.us/building/> or by visiting their counter at city hall.



STEP 2: DAY TO DAY OPERATION



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How do I pay for water and sewer?

Utility bills are sent to the property owner. If you're the property owner, you can pay your bill at the Treasurer's window, the DivDat kiosk at the entrance to city hall and many other locations in metro Detroit, on the city website, by placing payment in the drop box outside City Hall, or by mailing payment to City Hall – City of Hamtramck Treasurer, 3401 Evaline, Hamtramck, MI 48212. If you are not the property owner, talk to your landlord about who is responsible for the bill. If you have any questions, contact the Department of Public Services at (313) 800-5233 ext. 306 or 355 or <https://hamtramck.us/public-services/>.

Who picks up my trash?

Business owners are required to have a dumpster or garbage can and need to set up their own service agreement with a trash company. Priority Waste is a local company in Hamtramck that can provide this service for a fee. Their number is (586) 228-1200. You may also choose another contractor.

How can I get a dumpster?

Dumpsters may be rented from Priority Waste or a company of your choosing. Visit their website (prioritywaste.com) or call (586)228-1200 for more information. Business owners may also purchase their own dumpster. Check with the building department to see whether your dumpster requires a permit by visiting <https://hamtramck.us/building/> , calling (313) 800-5233 ext. 296, or visiting them in person.

STEP 2: DAY TO DAY OPERATION

Am I in the DDA?

The Hamtramck Downtown Development Authority district includes all of Joseph Campau, as well as a few properties across each side of the alley from Joseph Campau on the side streets. DDA businesses pay a slightly higher tax rate but are eligible for benefits like the Sign and Façade Improvement Grant. Contact the DDA manager by visiting <https://hamtramck.us/dda/> or calling (313) 800-5233 ext. 818 to set up an appointment to learn more. The DDA Board meets the third Wednesday of each month at 6:05pm, at City Hall or via zoom during the pandemic.

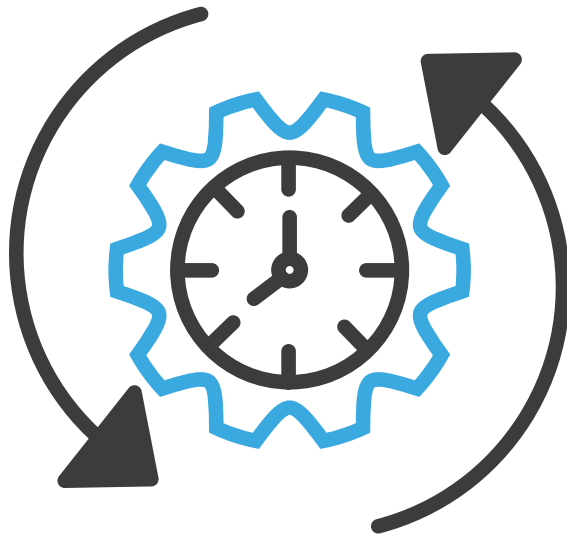
Why do I keep getting tickets?

Hamtramck has a code of ordinances that regulates the standards for properties. When property owners violate this code (i.e. not shoveling the snow, letting weeds grow uncontrollably, building disrepair) they receive a ticket. For questions about tickets or how to keep your property up to code, contact the Code Enforcement Department by calling (313) 800-5233 ext. 328, 305, or 338 or visiting the Building Department Counter. The ordinance is available at this link: <https://codelibrary.amlegal.com/codes/hamtramck/latest/overview>

How do I keep my business license updated?

Business licenses must be renewed every year on April 30. The Clerk's office sends out renewal paperwork each spring, which must be returned to their office by April 30. Failure to renew may result in a ticket being issued to the business owner.

STEP 3: IMPROVING YOUR BUSINESS



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What do I need permits for?

Before beginning any project that alters your building or property, assume that you need a permit. Permits are needed for building, electrical, and plumbing projects. Any changes to the outside of a building, including signs, also require approval. Contact the Building Department by visiting <https://hamtramck.us/building/>, calling (313) 800-5233 ext. 296, or visiting them in person to find out what permits are needed.

What do I need inspections for?

Inspections are needed whenever a permit is pulled or a business applies for a certificate of occupancy. You will need to call the building department at (313) 800-5233 ext. 296 to schedule inspections as work progresses.

How often do I need new permits?

You need new permits whenever an existing permit is closed out by the building department. A permit is closed when a final inspection is passed or no work has been done on the project for 6 months. Contact the Building Department by visiting <https://hamtramck.us/building/>, calling (313) 800-5233 ext. 296, or visiting them in person for questions on this.

ANY MORE QUESTIONS?

That's it for the overview of how to open your business and become part of Hamtramck's thriving business community! If you have any more questions, reach out to the Community and Economic Development Department by visiting <https://hamtramck.us/community-and-economic-development-ced/> or calling (313) 800-5233 ext. 818. The Community and Economic Development Department is happy to have you in Hamtramck!

