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Opening a Barber Shop

By:
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To open a barber shop, either the business owner or a hired barber must have held a Class A Barber Certificate for at least 12 months. Take following steps to open a barber shop:

(1) Find a Location for the Barber Shop.

A barber shop must meet certain standards as described by the Texas State Board of Barber Examiners Rules. Some of the major requirements are:

- a. Public barber shops must be adequately lighted and ventilated as defined in Texas Occupations Code Chapter 1601.
- b. Barber shops must have no entrances from the facility opening directly into sleeping quarters or places where food is prepared or sold.
- c. Barber shops must be supplied with an adequate supply of hot and cold water under pressure.
- d. Adequate and safe sewage facilities shall be provided.
- e. At least one sink for every three barber chairs must be provided.

To see the complete rules for barber shops you may go to:

[http://info.sos.state.tx.us/pls/pub/readtac\\$ext.ViewTAC?tac_view=4&ti=22&pt=2&ch=51](http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC?tac_view=4&ti=22&pt=2&ch=51).

(2) Choose a Name for the Barber Shop.

You may want to include the word “Barber” in the name since it is required that this word be displayed at least once on the entrance door or window.

Once you have chosen a name, check to make sure no one else is using that name. You may check with the County Clerk’s office (sometimes they will have a computer system for you to look on). Also check corporate names on the Texas Comptroller of Public Accounts (“Comptroller”) web site at www.cpa.state.tx.us by looking at the Franchise Tax Account Status.

Alternatively you may pay for an Assumed Name search on the Secretary of State’s web site at www.sos.state.tx.us. Once you have chosen an available name, file an Assumed Name (DBA) at the County Clerk’s office so that no one else can use the name you choose. Fees are usually around \$10.

(3) Obtain a Barber Shop Permit.

You may download a Barber Shop Permit application from <http://www.tsbbe.state.tx.us/webpages/barbershoplink.htm> or you may request an application by calling the Texas State Board of Barber Examiners at (888) 870-8755. A permit will be issued after your shop is inspected by the State Board of Barber Examiners and is found to meet requirements of the Texas Barber Law, the Texas State Board's General Rules of Practice and Procedure, and the Rules and Regulations of the Texas Health Department. Application and renewal fees are \$60. You must renew this permit every two years.

(4) Apply for an Employer Identification Number.

An Employer Identification Number (EIN), also known as a Federal Tax Identification Number, is a nine-digit number that the IRS assigns to business entities. The IRS uses EINs to identify taxpayers that are required to file various business tax returns. EINs are used by employers, sole proprietors, corporations, partnerships, and other forms of businesses. As a sole proprietor, you would need to obtain an EIN if either of the following apply: (1) you pay wages to one or more employees, or (2) you file pension or excise tax returns. Otherwise use your own Social Security Number. For more information on excise tax returns you may go to <http://www.irs.gov/publications/p510/ar02.html>. You may apply for an EIN online at <http://www.irs.gov/businesses/small/article/0,,id=102767,00.html> or call the IRS Business and Specialty Tax Line at (800) 829-4933.

(5) Obtain a Sales and Use Permit and Tax ID.

Submit an application to the Comptroller's office to obtain a Texas sales and use permit and tax ID. You may download the sales and use tax application online at <http://www.window.state.tx.us/taxinfo/taxforms/00-forms.html> (Sole Owners or Proprietors should complete form AP-157). You may also request an application by calling the Comptroller's office at (800) 252-5555. As a permit holder in the state of Texas you will be required to collect sales taxes and pay sales and use taxes. More state tax information for new businesses is provided by the Comptroller at http://www.window.state.tx.us/taxinfo/sales/new_business.html. It is required that your Texas sales and use permit "be prominently displayed in your place of business."

(6) Post Necessary Rules and Posters in Your Shop.

It is required by law that you post or display the following items in your barber shop:

- Sanitation Rules Poster

- Complaint Poster

You may download the Sanitation Rules Poster and Complaint Poster at <http://www.tsbbe.state.tx.us/webpages/barbershoplink.htm> or call the Texas State Board of Barber Examiners at (888) 870-8755.

If you choose to display a barber pole, this pole is required by the State Board to be red and white, but may also contain blue.

(7) Consider Purchasing Insurance.

Purchasing liability and other insurance may help to protect you from severe financial losses associated with law suits, theft, fire, flood, and other unexpected losses.

(8) Determine if You Want to Set Up Additional Barber Chairs.

If you want to set up barber chairs for additional barbers, you must decide if you want to hire additional barbers as employees or let them contract, rent, or lease space as independent contractors. How you decide to let additional barbers operate in your store will have tax, liability, and other implications. Independent contractors withhold their own taxes while you withhold taxes for employees. Independent contractors also have more personal responsibility and liability and are required by law to have a Booth Rental Permit. A booth rental permit application may be downloaded at <http://www.tsbbe.state.tx.us/webpages/boothapp.pdf> or you may request an application by calling the State Board of Barber Examiners at (888) 870-8755.

Caveat: There are other laws relating to employees and state and local taxes that are not covered here.

Additional information for small businesses may be found at the following locations:

Federal Taxes: <http://www.irs.gov/businesses/index.html>

Employment Laws: <http://www.tded.state.tx.us/guide>

State Taxes: <http://www.cpa.state.tx.us>

Legal Assistance to Micro-enterprises Project (LAMP) provides free legal services for qualified low-income residents of the Texas RioGrande Legal Aid service area to start or sustain a small business. LAMP provides useful legal advice and assistance on the laws that may affect proposed and existing businesses, including: formation, contracts, employment issues, tax, health and safety laws, commercial landlord/tenant leases, and lending laws. Texas RioGrande Legal Aid can only represent residents who are lawfully present in the United States. To complete an application, call toll-free: 1-888-988-9996.