



FDI Starter Packet

Every business is different, so the required steps for you to get started in California will vary based on your unique circumstances. **This list is not comprehensive!** It provides an overview of unique steps for international firms growing in California. Please contact Foreign Direct Investment Specialist Maria Onorato at maria.onorato@gobiz.ca.gov with any questions.

1. Designate an agent for service of process

You will need to designate an agent for service of process. This is an individual who resides in California and is over the age of 18. You are required to include an agent for service of process and their address (a P.O. Box is not permitted) on your application to register your business with the State of California. This is required so to accept legal papers that may be filed against you. You will have to research an agent for service that works for your business.

2. Register your business with the Secretary of State

The California Secretary of State is responsible for maintaining business filings and are dedicated to making government more transparent and accessible in the areas of elections, business, political campaigning, legislative advocacy, and historical records.

The Secretary of State has forms for the establishment of corporations, limited liability companies, and limited partnerships [HERE](#). ([HERE](#) is information on the types of businesses in California.) Businesses can register as either foreign or domestic. This is **not** determined by the nationality of the business owner. Businesses can register as “foreign” if they have existing presence outside of California; in this case they are required to include a Certificate of Good Standing issued by the government agency where the firm was formed. If you are starting your business from scratch in California, you would register as a domestic business. We recommend you consult with a tax expert to determine the business registration type that is right for you.

NOTE: If you are submitting a Certificate of Good Standing (or its equivalent) that is not in English, you will be required to provide a certified translation. The legal team at the Secretary of State will work with you to ensure you are providing the correct documentation.

When you apply to register your business, you will be asked for your business address. If you are applying for registration BEFORE you have a permanent address in California, you can list any international or domestic address.

You are able to apply for a domestic limited liability corporation online. You can access the application and pay the filing fee [HERE](#). If you are applying for any type of a foreign entity or a domestic corporation to limited partnership, you will need to file your application either in person or by mail. Submission instructions are included in the application.



Within 90 days of registering your business, you will receive a Statement of Information. Your Statement of Information will need to include the address of your business and current information about your management. Therefore, you should not apply to register your business if you are more than 90 days away from signing a lease.

3. Get a Federal Employer Identification Number

This is a nine-digit unique number assigned by the Internal Revenue Service for tax purposes. [HERE](#) is information on the Federal Employer Identification Number and an online application. In order to apply for a Federal Employer Identification Number online, you must provide an Individual Taxpayer Identification Number. [HERE](#) is information about the Individual Taxpayer Identification Number, including an [application](#) (Form W-7) and [instructions](#). You can apply by mail. The process can take up to 11 weeks.

It is possible to apply for a Federal Employer Identification Number without an Individual Taxpayer Identification Number, but you cannot apply online. You must apply by phone, fax, or mail. The timeline for these processes is significantly shorter than the 11-week wait for an Individual Taxpayer Identification Number. [HERE](#) is information about this process, including the [application](#) and [instructions](#).

4. Open a U.S. bank account

Different banks will have different policies for opening a business account. Banks will typically require the following information to open a business bank account:

- FEIN number from the Internal Revenue Service (Step 3)
- Business registration documentation from the Secretary of State (Step 2)
- The California address of your business (if you wish, you can establish a non-California mailing address)
- Passport and residency information

Please note that the bank will ask for the address of your business, but you may not be able to start your lease without a business bank account. In order to start your lease, the bank can provide you with a Letter of Credit for your landlord. You can begin your lease process using the Letter of Credit, use the address to start your bank account, then start paying your rent from your business bank account.

5. The Committee on Foreign Investment in the United States and the Foreign Investment Risk Review Modernization Act

[The Committee on Foreign Investment in the US](#) ("CFIUS") is a congressionally mandated, Executive branch committee that reviews cross-border investments to assess whether the transaction affects US national security interests. In August 2018 the [Foreign Investment Risk Review Modernization Act](#) (FIRRMA) was signed into law. Now, certain noncontrolling foreign investments involving "critical infrastructure," "critical technologies," or sensitive data are subject to CFIUS review as well as certain foreign investments in real estate.



Filing for investment review is MANDATORY for all investments in critical technology businesses and investments by foreign governments. Otherwise, filing notice of a transaction under CFIUS is voluntary. For instructions on how to file this notice, click [HERE](#).

NOTE: For non-US citizens starting companies in California, your business would technically be a US business. However, depending on your sources of financing, if your business is acquired by another firm, or if you purchase another US firm, CFIUS would likely have purview. Consult with a lawyer to ensure you understand the CFIUS requirements for your company.

6. Site Selection

The Business Investment Services unit (CalBIS) at GO-Biz provides free and confidential site selection services. Businesses are asked to fill out our site selection worksheet, which includes details on seismic and energy requirements, staff numbers/types/salary levels, desired location, and more. We distribute this information to our local economic development partners and conduct site tours with you and our partners to find the right location for your business. To start the site selection process for your business, please reach out to calbis@gobiz.ca.gov.

7. Incentive Navigation

CalBIS can walk you through incentives that your business may be eligible for, including tax credits, the Employment Training Panel, the Economic Development Rate Program, and more. To find out what you're eligible for, please reach out to calbis@gobiz.ca.gov.

8. Permitting

Businesses in California are subject to local, state and federal permits. To get an understanding of the permits required to run your business, visit the CalGold website [HERE](#).

Once you have chosen the location for your business, you will need to get a business license from the city/county. All businesses in California must register with the [Franchise Tax Board](#) and the [California Department of Tax and Fee Administration](#). If you will have employees, you will need to register with the [Employment Development Department](#) and the [Department of Industrial Relations](#). Depending on your industry, there may be additional state and regulatory agencies from which you will need to receive permitting. GO-Biz's Permitting Unit can help you navigate the permitting process. For questions regarding permitting, please reach out to manjeet.mccarthy@gobiz.ca.gov.

NOTE: Visas and Work Permits

The State of California does not provide guidance on visas, as this is a federally administered issue. [HERE](#) is the U.S. Citizenship and Immigration Services website, which provides resources on visa options that might be right for you.