

## The State of Texas and Business

It is not hard to find evidence that supports the claim that Texas is growing. It is a state that is wide open for business. Other states might make it difficult for people to open a business but Texas is not one of them.

For starters, the state only requires that four easy steps be met to open one's own business. First, a person must choose a business structure. This requires choosing a business structure that best meets your needs from a list of seven possible structures. The next step that must be met is receiving an Employer Identification Number (EIN) from the state. This, of course, requires a lot of forms that need signatures but isn't that difficult. Next, a new business needs to file state tax information. The final step involves educating one's self concerning employers and employment.

Once these four steps are met, it is reasonably easy to open one's own business. Once the business is open, the state's laws, other than the franchise tax, favor business' interests. There is not technically an income tax, and, generally speaking, the state's tax levels are relatively low. The state's courts also have been known to bend over backwards for business' interests.

The ease with which people can open businesses is evident in the number of small businesses that exist in the state. Also, the growth rate is somewhat indicative as well. The state also favors business by having a low cost of living and cheap land. This allows people to buy land for their business at a cheap rate (relatively speaking) which allows for more money to be invested into the growth of the business. The low cost of living means people can pay their employees less than in other states but the employees are still able to live at a high level.

The one down side of the State and business involves the state's favoring of landlords over tenants. Generally speaking, the laws of the state favor the person that owns the property when dealing with rent disputes. A downside of the state's tax structure is that business franchise taxes often go up to correct the funding problems for the state's schools. Businesses are given higher rates to ease the pressure from the general populace. When one considers that the general populace votes and not the businesses, this tax policy sort of makes sense.

Generally speaking, Texas is a great place to open a new business. There is tremendous growth throughout the state even considering the recent downturn in the real estate market.

## About the Author

Texas business laws for incorporation can be difficult. For this reason when you are looking to change the legal structure of your business, an experienced Texas Business Lawyer is important. Contact the [Austin Business Lawyers](#) of Slater and Kennon.

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