Gateway to the USA

An Introductory Guide for Foreign Companies Establishing a Branch in Whatcom County



Contact the Port of Bellingham at: (360) 676-2500

Why Whatcom County?

Conveniently located near the Canadian border between two major metropolitan areas—Vancouver, BC and Seattle, WA.

Many Canadian companies have selected Whatcom County as their second home.

Forbes Magazine identified Whatcom County's main city, Bellingham, as one of the Best Places for Business and Careers.

Highly skilled workforce.

<u>Outside Magazine</u> named Bellingham the #1 place for recreation activities.

Steps to Operating a Business in Whatcom County, Washington State, USA

1) Immigration

In order for Canadians to work in the United States they must seek the appropriate immigrant/nonimmigrant classification and obtain the necessary visas. The first thing to determine is the ideal visa type for your business. This will help determine business structure options. We highly recommend working with an immigration attorney early in the planning process. To learn about options for visas visit: <u>U.S. Immigration Law</u>

2) Business Licensing

All individuals and firms doing business in Whatcom County must register with the state of Washington. Refer to the following publication for guidance on registering and licensing your business: <u>Department of Revenue Roadmap</u>. There may be additional registration requirements at the local level, so check with the city that you will be doing business in.

3) Business Structure

You may operate your business under any one of several business structures. Each type of business structure has certain advantages and disadvantages that should be considered. Canadians are often advised to form their U.S. business as an LLC or S corporation, but there may be adverse ramifications for Canadians who pursue these strategies. A C corporation is generally the business structure of choice for Canadians. For a more comprehensive explanation of various business structures see: WA Secretary of State

You should contact an attorney, accountant, financial advisor or other business or legal advisor to determine which structure is most suitable for your business.

4) Taxation

Washington state does not have a personal or business income tax. Instead, its tax structure includes the business and occupation tax (gross receipts tax measured on the value of products, gross proceeds of sales, or gross income of business), sales and use taxes, property taxes and a variety of industry-specific taxes. For comprehensive tax information see: WA State Department of Revenue

Specific tax incentives are available. For a complete list of tax incentives, visit: <u>Choose Washington Incentives</u>. For the most accurate and up-to-date tax advice, consult a tax accountant.

5) Transporting Goods

In a post 9/11 world, transporting goods into the U.S. without researching entry requirements in advance can be a costly experience. It is your responsibility to be familiar with the various regulations that may apply to the category of goods you will be transporting across the border. For detailed, up-to-date information on customs requirements see: U.S. Customs & Border Protection.

Consulting a customs broker can help you prevent most of the problems that arise from improper or incomplete documentation.

6) Access to Skilled Workforce

The Northwest Workforce Council is responsible for governance and oversight of the workforce development system in Whatcom, Skagit, Island and San Juan counties. The council's core business is to improve the ability of the region's workforce to meet the demands of business and industry. The Northwest workforce development system provides a valuable array of services to business. Innovative solutions are drawn from vibrant partnerships and through strategic resource investment of training and the leveraging of public/private funds.

Home to <u>Western Washington University</u>, <u>Whatcom Community College</u>, <u>Bellingham Technical College</u>, and <u>Northwest Indian College</u>, Whatcom County boasts a highly skilled and innovative workforce with excellent capacity and skill in workforce development.

Canadian employers operating in Whatcom County are required to meet labor standards imposed by the United States and the state of Washington. For comprehensive information regarding Washington state labor laws see: <u>WA State Department</u> of Labor & Industries. For U.S. labor laws see: U.S. Department of Labor

For assistance regarding finding qualified job candidates, access to labor market information, professional interview space and more, see <u>WorkSource</u>. WorkSource Whatcom is a joint venture of employment and training organizations operating as a one-stop access point providing no-cost services to employers and job seekers.

7) Access to Financial Services

Following 9/11 and the Patriot Act, U.S. banking regulations have changed, often making it more difficult for foreigners to engage in financial activities within the U.S. Many American banks require applicants have a permanent U.S. address and/or Social Security Number in order to open a new account. The following banks allow Canadian citizens to open accounts without these requirements.

Wells Fargo Bank: <u>www.wellsfargo.com</u> Whidbey Island Bank: <u>www.wibank.com</u>

US Bank: <u>www.usbank.com</u>

Banner Bank: <u>www.bannerbank.com</u>

It is recommended that you contact the bank to confirm opening procedures. Generally the business must be registered in the U.S. and have a US address other than a US post office box. All signers on the account must appear in person with valid identification, an EIN number (IRS) and formation documents.

Local Resources

Port of Bellingham P: (360) 676-2500 W: www.portofbellingham.com

Responsible for state supported development within Whatcom County. Markets industrial real estate for sale or lease.

Bellingham/Whatcom Chamber of Commerce & Industry P: (360) 734-1330 W: www.bellingham.com

Promotes cross border commerce.

Western Washington University Small Business Development Center

P: (360) 778-1762 W: http://www.edu/sbdc Provides free, confidential business advising.

State Resources

Washington State Small Business Guide P: (800) 917-0043 W: www.bizguide.wa.gov

A comprehensive guide to doing business in the state of Washington.

Department of Revenue P: (360) 676-2124 W: www.dor.wa.gov

Responsible for issuing master business licenses. Acts as Washington state's principal tax collection agency as well as providing taxpayer assistance, information, and education.

Washington State Secretary of State, Corporations Division P: (360) 725-0377 W: www.sos.wa.gov/corps Responsible for registering and licensing private corporations, limited partnerships and trademarks.

State of Washington W: <u>www.access.wa.gov</u>

General information about the state of Washington and doing business within the state.

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