

AUTHORITY NEEDS IN ORDER

Decide on your business structure. Will your business structure be Sole Proprietor, LLC or Corporation?

If you are a sole proprietor, you will need to register your DBA or assumed name with the state if you are a resident of the following states:

- Alaska
- Arkansas
- California
- Colorado
- Connecticut
- Delaware
- Florida
- Georgia
- Illinois
- Indiana
- Iowa
- Kentucky
- Louisiana
- Maine
- Massachusetts
- Michigan
- Minnesota
- Missouri
- Montana
- Nevada
- New Hampshire
- New Jersey
- New York
- North Carolina
- North Dakota
- Ohio
- Oregon
- Pennsylvania
- Texas
- Vermont
- Virginia
- Washington
- West Virginia

- If you choose to form an LLC or Corporation, you will need to form your LLC or Inc through your Secretary of State Office
- Obtain a Federal ID Number (EIN #) for your business from the IRS (TBS can provide this service - \$50)
- Obtain your motor carrier operating authority, MC# DOT# and BOC-3 filing - TBS Charges \$350
- Once your MC# is issued, it will be a minimum of 21 days before it will become active. Your MC# will go active on the 21st day if you are able to obtain your insurance within the first 14 days of this 21 day waiting period.
- Obtain liability and cargo insurance. The FMCSA will require you carry a \$750,000 liability policy for general freight. The FMCSA insurance requirement can go as high as \$5 million if you are hauling certain hazmat. The FMCSA does not require you to carry cargo insurance, however, most brokers will want to see at least \$100,000 in cargo coverage. TBS will also require \$100,000 cargo insurance if you intend to use our factoring services.
- Your insurance provider will be required to file proof of insurance with the FMCSA. Your MC# will not go active if your insurance provider does not make this filing.
- Once your MC# is active, provided you have any other necessary permits in place, you are ready to go!