

# How to Register and License a Home-Based Business in Jordan



## First: Register your home-based business as a formal entity

The registration process will depend on what type of legal business structure you choose. Below is a table to show the main legal structures for home-based businesses that you can register in Jordan according to the issued instructions for 2017. You may require certain pre-approvals from specific entities per the type of work/ activity your home business will operate before you begin the registration process.

Process	Characteristics	Entity Involved	Needed Documentation
<b>Registering an individual establishment</b>	Individual Establishments are the simplest business structure. From a legal standpoint, this type of business is not seen as separate from the owner, therefore the owner does not have limited liability. This means the owner is personally responsible for covering all legal, financial and administrative costs incurred by the business.  Capital: the minimum capital required is JD 1,000	Central Registration Directorate at the Ministry of Industry, Trade and Supply	Please refer to the Startup Guide for the full information including fees and time needed
<b>Registering a general partnership company</b>	A general partnership company must have at least two owners. Each owner is fully obligated to the business, meaning that they do not have limited liability.  Capital: the minimum capital required is JD 1,000	Companies Control Department	Please refer to the Startup Guide for the full information including fees and time needed
<b>Registering a limited partnership company</b>	This business structure allows for a combination of general partners and limited partners:  a) General partners are responsible for the day-to-day operations of the business and do not have limited liability. b) Limited partners contribute to the capital of the business but are not permitted to be involved in the company's operations. They are limited to their own shares in the company.  Capital: the minimum capital required is JD 1,000	Companies Control Department	Please refer to the Startup Guide for the full information including fees and time needed
<b>Registering a limited liability company</b>	An LLC usually has more than 2 owners but if there is only one owner then this will require approval of the Company Controller.  Capital: The minimum capital required to set up this type of business is JD 1. Limited liability companies are required to have an auditor. If the capital for an LLC exceeds JD 20,000, then a lawyer is also required.	Companies Control Department	Please refer to the Startup Guide for the full information including fees and time needed

For more information on the full process of registering an individual establishment or a business in Jordan, you can download a free copy of the Startup Guide in Arabic at:  
**www.startupguidejo.com**

or email  
**lenscomms@jordanlens.org**  
 to request an English version.



## Second: Get a vocational license for your home business

Attaining your vocational license allows you to operate your business legally from home. You need to apply to a vocational license in the municipality in which your home is located.

Process	Entity Involved	Required Documents
<ol style="list-style-type: none"> <li>1. Submit your vocational license application to the municipal employee.</li> <li>2. A municipality official will conduct a site inspection of your home to determine that it is eligible to operate as a home business.</li> <li>3. Your application will be reviewed and based on that and the site inspection, a final decision will be made within three days.</li> </ol> <p>* The applicant will not be granted a vocational license if they possess an existing vocational license</p>	<p>Vocational Licenses Department at the relevant Municipality</p> <p>Municipal Official</p> <p>Mayor or Head of District</p>	<ul style="list-style-type: none"> <li>• Business registration certificate</li> <li>• Proof of membership in the Chamber of Commerce or the Chamber of Industry (you must register for a membership before you begin the vocational license application process)</li> <li>• Signed agreement to allow municipal officials to inspect your home</li> <li>• Original copy of the lease agreement or title deed</li> <li>• Home owner's written consent</li> <li>• Signed agreement to operate your business without causing any disturbances</li> </ul>

\* Within the broader review of occupational categories and classifications in general, the Greater Amman Municipality conducted a review of vocational licenses for home-based businesses and reclassified licensing fees for home-based businesses between JD 20 and JD 70 depending on the type of work required to be licensed from home.