Business Bank Accounts for Startup Founders

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Hey, it's Armine!

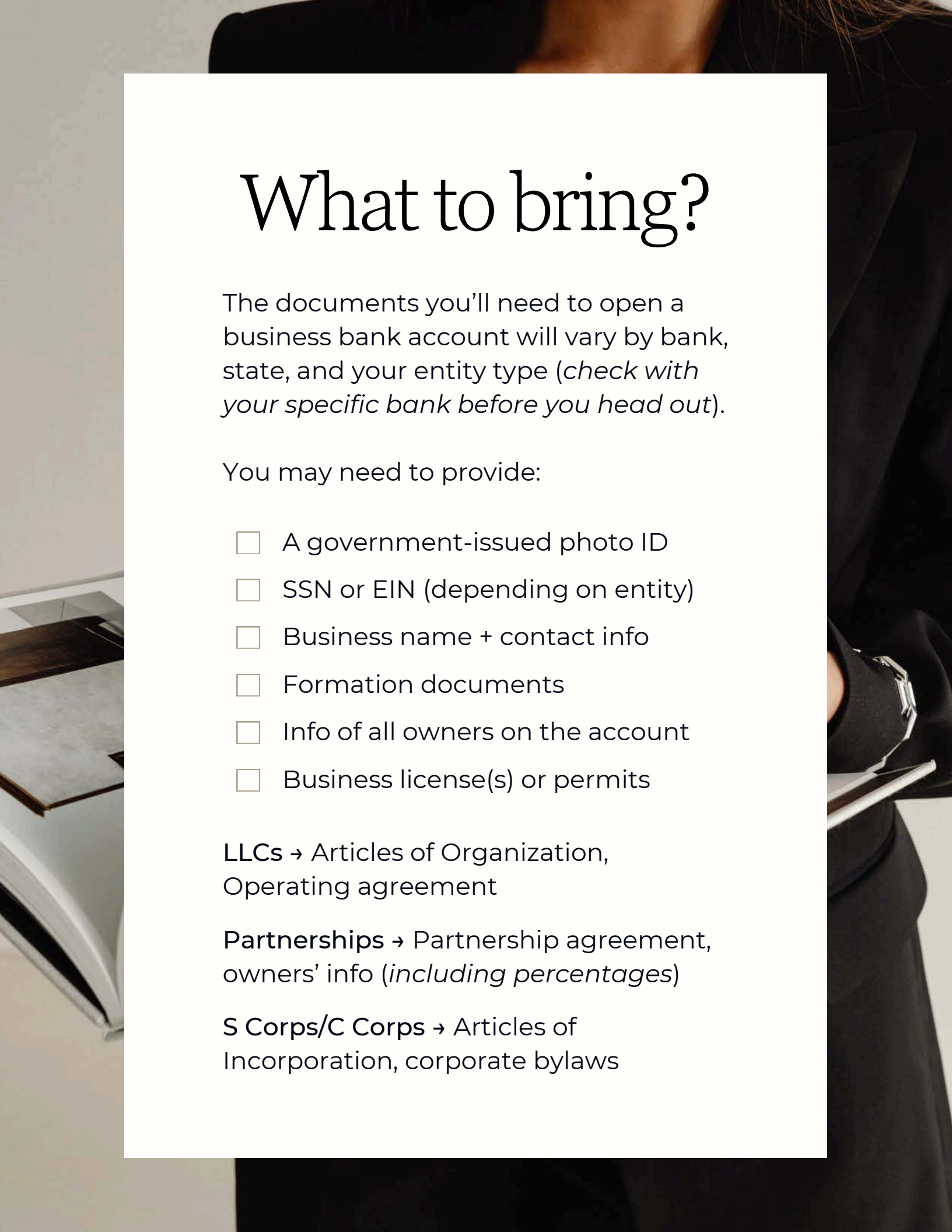
Too many startup founders put off opening a business bank account because they think it's going to be some long, drawn-out task...

Spoiler alert, you could probably get it done in an hour today!

Opening a business bank account is one of the *best* things you can do for yourself as a new business owner.

It makes tracking your finances easier, adds credibility to your business, and supports the separation between you and your business, especially if you operate as an LLC or corporation.

NOTE: This guide is for educational purposes and is not intended as legal, tax, or financial advice.



What to bring?

The documents you'll need to open a business bank account will vary by bank, state, and your entity type (*check with your specific bank before you head out*).

You may need to provide:

- [ ] A government-issued photo ID
- [ ] SSN or EIN (depending on entity)
- [ ] Business name + contact info
- [ ] Formation documents
- [ ] Info of all owners on the account
- [ ] Business license(s) or permits

LLCs → Articles of Organization, Operating agreement

Partnerships → Partnership agreement, owners' info (*including percentages*)

S Corps/C Corps → Articles of Incorporation, corporate bylaws

Setting Up For Success

Before you actually walk into a bank and start filling out paperwork, I want you to think *very* critically about the way your business operates on a day-to-day basis and what you actually *need* from your new bank.

How many accounts do you need?

You'll want at least an operating account, but does your business need a savings account (specifically one for taxes)? What about a separate payroll or sales tax account?

Do you need a business credit card?

Business credit cards can help you manage cash flow, earn rewards, and add additional fraud protection. But, they only work if you manage them responsibly!

Who needs access?

Knowing up front who you'd like to give access to can make setting up your accounts easier. What level of access should your employees have, if any?

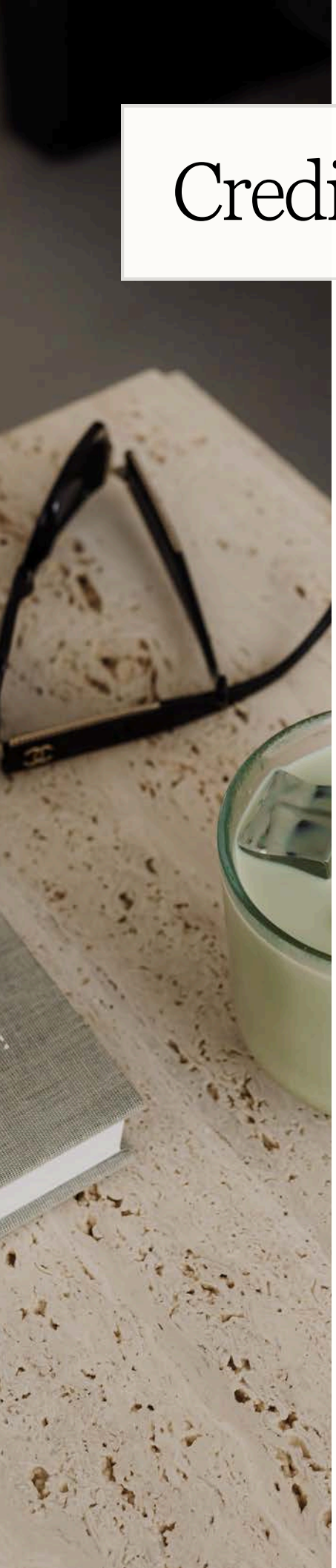
Choosing The Right Bank

The default option for a lot of business owners is to just use whichever bank they use for their personal banking as their business bank. But you don't *have* to!

Look for which banks fit your needs best. Do you deposit cash often or need access to a local branch? Do you send a lot of ACH payments? What are the mobile deposit limits?

Most importantly, you need to consider what fees are associated with your new bank account. Do you need to carry a certain balance to avoid annual fees? What about wire fees or transaction limits?

Plus, don't forget to check that your bank integrates with your bookkeeping software + your payment processor.



Credit Card Considerations

This is always the natural next question when opening up your new account:

Should you get a business credit card, too?

First, you need to understand the impacts of a credit card. Banks can require a personal guarantee, meaning you could be personally responsible for paying your business's debt in a default. Some business credit cards can affect your personal credit.

But there are *a lot* of pros to having a business credit card, including the right to dispute charges and fraud protection. Plus, you can strategically manage your cash flow while earning points and rewards.

Your credit card utilization can be an early warning sign of your business's health! If you're regularly maxing out your card to cover normal operating expenses, it's time to adjust your spending.

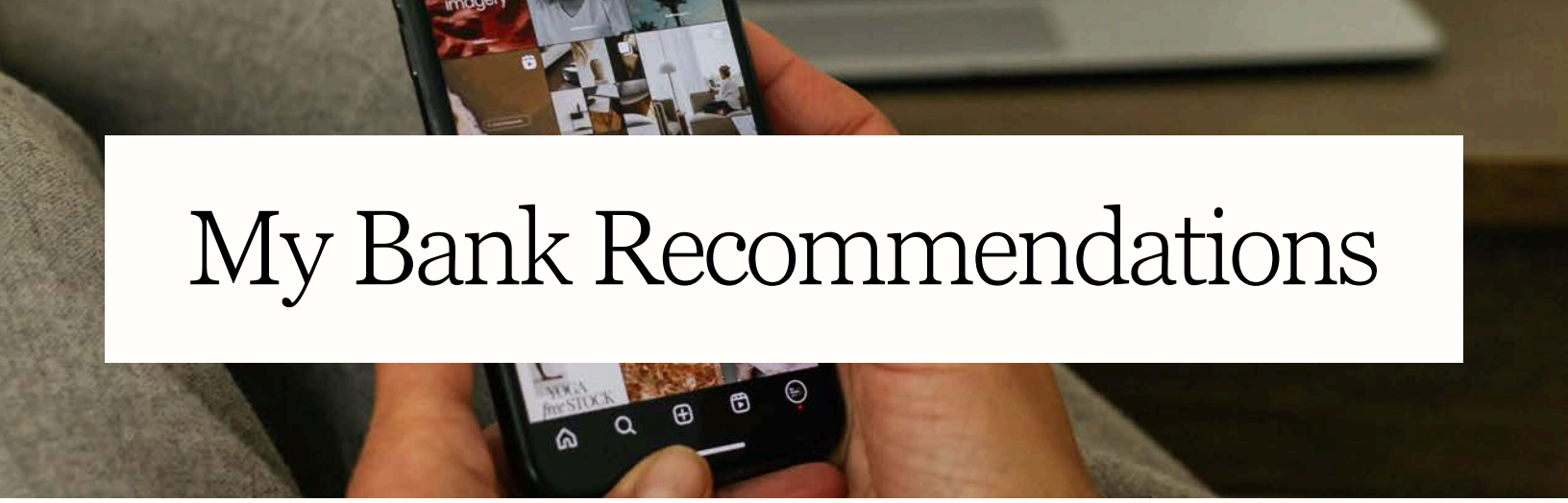
All About Your Account Access

User access is another feature that can vary depending on your bank, but I'll share two of the most common ones I see!

Primary Account Holder: Most likely, this is you! The person who owns the account and has unrestricted access to manage your funds, add/delete other users, and close the account. You may have **joint owners** who own the account with you.

Read-Only Access: This level of access is usually granted to an accountant or bookkeeper who needs to see the activity in your account, but doesn't necessarily need to control any funds.

The access you give any employees (or accountants) should be limited to their necessary job functions. Consider setting spending limits and restricting the ability to send wires, add payees, or transfer money.



My Bank Recommendations

There's no one *perfect* bank for startup founders, but I definitely have a personal preference! When helping startup founders choose a business bank, I encourage them to focus on low fees, easy online banking, strong security features, reliable customer support, integration with accounting software, ACH and wire capabilities, mobile deposit functionality, and products that can grow with their business.

The bank I recommend most ↓

There is no single best bank for every startup founder. The right choice depends on how your business operates. Some businesses prioritize branch access and cash deposits, while others value online banking, automation, and software integrations. I recommend comparing fees, account features, customer service, and integration capabilities before making your decision.

The credit card I recommend most ↓

There is no one size fits all business credit card. The best option depends on your spending habits, cash flow needs, and reward preferences. Before applying, compare annual fees, reward structures, introductory offers, spending categories, and any reporting requirements to determine which card best supports your business goals.

DISCLAIMER: This is not a sponsored recommendation unless noted. I always recommend doing your own independent research before choosing your bank.

Let's Connect!

I am passionate about helping startup founders understand their numbers, maintain accurate bookkeeping, stay compliant with tax requirements, improve cash flow, and build financial systems that support growth.

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