

Do the Hustle! Your Get-Started Guide to Earning an Extra \$1,000+ Per Month on the Side.

A step-by-step
checklist to
launching a side
gig that will turn
your spare time
into spare cash.





Feeling like something is missing from your day job? Maybe it pays the bills...but just barely. Maybe you want to save up for a major purchase. Or maybe it just doesn't fulfill you in the way you'd like. It might keep the lights on in your house...but not in your heart. Or maybe you simply want to travel more, pay off your mortgage faster or just make a little extra income doing something you enjoy.

Whatever your reason, a side hustle is a great way to supplement your full-time salary. Side hustles are flexible and can even be fun, and they're a great way to turn your downtime into let's-get-down-to-business time. Launching a thriving side gig helps fill your bank account — but when you pick the right one, it can also help fill your spirit.

The hustle is real, but so is the potential. Here are some of the stats on living that hustle life:

70M

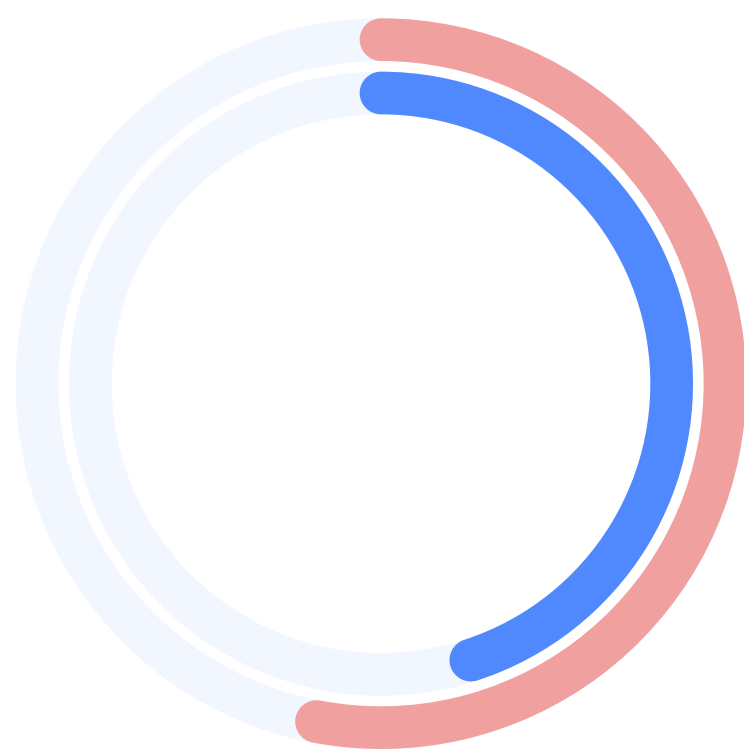
Americans report having a side hustle.

\$1K

Average earnings from side hustles a month.

50

Percent of Millennials earn money from a side gig.



■ 53% Women
■ 45% Men

Women are slightly more likely to side hustle than men, largely due to the flexibility side hustles provide.

- ✓ The top side hustles include content creation (blogs, podcasts and YouTube), freelance services (graphic design, copywriting, photo editing), ecommerce (Amazon, reselling and online marketplace), real estate, and multi-level marketing (Rodan + Fields, Scentsy, Mary Kay, etc.).

So, how do you know you've got the hustle in you? Ask yourself these questions:

- ❓ Do I have the chutzpah to make this happen on my own?
- ❓ Am I willing to give up some sleep and sacrifice some free time to make this happen?
- ❓ Do I need more — more money, more fulfillment, more creativity, more inspiration — than my full-time job provides?
- ❓ Am I tired of working to live, and ready to live for the work I love?
- ❓ Is there more I can learn about leveraging social media, adopting new technologies and making my mark in the digital space?
- ❓ Do I need or want more cash to stop living paycheck-to-paycheck, or simply to live the lifestyle I want?
- ❓ Do I have the drive to work harder and longer to improve my finances?
- ❓ Can I actually do this?

Here's a hint on that last one: You can! But to get started on the right foot, you need a plan. That's where we come in. We've helped half a million entrepreneurs form their business and reach for their dreams, and we can help you, too.

But first thing's first: Coming up with an idea for a great side hustle can be a thrilling process. Turning your hobby into a money-maker, or experimenting with out-of-the-box ways to earn extra cash is exciting, but can also feel more like a dream than an attainable reality. Don't sell yourself short. Side jobs can be legitimate, money-making businesses...but you have to see yourself as a legitimate, money-making business owner to make it happen. If you're a risk-taker, opportunity-maker, thrill-seeker, creative-thinker...you're in the right place.

You've got this. And we've got you.

Getting Over the Hump: Tackling the Top Challenges of Starting Your Side Hustle

Like any business endeavor, side hustling comes with a few hurdles you'll have to leap as you're getting started. But understanding those obstacles now will help you get past them when they do arise. Here are some of the most common challenges side hustlers face:

- 1 Finding the “lightbulb” moment.** If you're waiting for inspiration to strike, you might be waiting forever. Explore numerous side hustle options, and don't count anything out just yet.
- 2 Making time.** You're busy and tired, so how do you find the hours and the energy to hustle? Start working on your time management skills now to set yourself up for success.
- 3 Standing out from the crowd.** There are a lot of side hustles out there. Plan now for how what you make or sell, or the services you provide, will be different from your competitors.
- 4 Making real money.** Will your side hustle be enough to actually supplement your income? Work on a marketing plan to reach customers who want to spend their money on what you have to offer.
- 5 Staying committed.** There are so many things competing for your time and attention. How will you cut through the clutter and stay focused on your side hustle to see it through?



Your 7-Step Side Hustle Checklist



Step 1: Hustle Up and Pick Your Gig



Define the Relationship. What Kind of Side Business Do You Need?

There's a lid for every pot, and there's also a side gig for every money-making moonlighter. You just have to find the one that fits. Luckily, there are [countless options](#) out there, and when you know what you're looking for, it will be that much easier to find. Sit down and run a quick analysis on what you want from your side hustle and what you can bring to the table. The right side hustle will:

- Leverage your existing skills and experience, and spark your passion.
- Require some, but not all, of your spare time to create and manage — you might have to give up some free time (or cut back on TikTok), but the sacrifice will be worth it.
- Complement or otherwise not distract you from your day job. Make sure those bills get paid before you bid your 9-to-5 farewell.
- Be relatively simple to maintain and run through smart automation, so you're maximizing your time and bringing in dollars rather than sitting around stressing over administrative headaches.



Do Some Recon on the Side Gig Landscape

You've got to know what's out there before you can decide on the hustle that's right for you. Here are some of the most popular choices for side hustlers.



Writing and Blogging

Got a creative streak? Then put pen to paper (or, more likely, fingers to keyboard) and let the words flow. Blogging and writing is a top pick for side gigs, and if you've got a unique perspective or out-of-the-box insights, you might find that readers will want to hear what you've got to say. You can offer up your services as a freelancer, or get paid through affiliates on your blog.



Sell Your Expertise as a Freelancer or Consultant

You may well have insight and experience that individuals or organizations want to pay for. If that's the case, then consulting or freelancing could be for you. There are hundreds of skills that you can turn into money, like marketing, social media management, business strategy, problem-solving and many more. Seize this opportunity to offer up your unique skills, either by approaching potential clients directly or using a freelance marketplace like Upwork, Fiverr or People Per Hour.



Sell Products Directly or Through a Third-Party Marketplace

You might want to embrace the huge shift towards ecommerce and sell products instead of services. If you do, you can open up your own online store with services like Shopify, take advantage of a third-party marketplace like Amazon or eBay and even sell on social media channels.



Create and Sell Your Own Products

There's a handmade product boom happening, and this might be your opportunity to get in on it. Consider creative design services like CafePress, custom clothing from Teespring or crafting and artisan products through Etsy. It's never been easier to make and sell beautiful things. You'll get artistic and financial satisfaction!



Offer Local Gig Services

There are lots of gig marketplaces around, and they're a good way to make a little extra money outside your regular job. Driving people around via Lyft or Uber, delivering meals through Grubhub, shopping via Instacart or completing jobs with TaskRabbit are a few of the different gigs you can try until you find the right fit.



Be a Good Neighbor

There's big buzz around "going local," and many members of your community might be looking for ways to support small businesses like yours. Look for opportunities in your own backyard (literally). Offer up your services as a dog walker, pet sitter, childcare provider, handyman or house cleaner, to name a few.



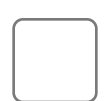
Rent Out Your Property

If you own a space you aren't using, you can make some income by renting it, either in the short term or long term. A vacant home, spare guest room or even an RV could be a money-maker if you market it right. Rent directly to tenants, hire a management company or use a vacation rental platform like Airbnb.



Provide Tutoring and Coaching Services

If you've got great interpersonal skills, knowledge and expertise to share, then tutoring and coaching are a natural fit. From offering specialized tutoring in areas like languages, sciences or other subjects, to being a life or executive coach, there are plenty of people out there who want to learn what you already know.



Avoid Conflicts of Interest

Your regular job or other circumstances might create a "conflict of interest" with your side hustle. Check your employment contract and any other agreements or documents you've signed to make sure that you're legally and ethically able to start and run your side hustle. Check any non-compete or non-disclosure agreements before you begin.



Step 2: Invest in Your Side Hustle



Be Present, Be Open, Be Honest

You've got a great idea, now you need to bring it to life. It's going to take time and some hard work, so now is the time to be honest with yourself when evaluating your desires, motivation and willingness to take a chance. It's easy to get caught up in the thrill of launching a side business, but when you're making yourself vulnerable to criticism, sacrificing your time and risking failure, you're putting it all on the line.



Be Sure You've Got What It Takes

The biggest reason that your side hustle business will succeed will be the skills, experience and discipline you put into your new idea. It's a lot of work, and you need to be willing to take it on. You'll need perseverance, too — success doesn't come overnight, so make sure you're in it for the long haul. Ask yourself if these qualities sound like you:

- Extra time to devote to making your side hustle a success
- Willingness to make necessary sacrifices
- Enthusiasm for learning the ropes of owning and running a business
- Commitment to see you through the rough patches



Make Time to Hustle

How will you fit your side gig into your already busy schedule? What are you willing to give up? You have responsibilities that still need to be fulfilled, but maybe you could stop bingeing Netflix an hour earlier every evening. You could research your industry while hitting the treadmill. Or you could set the alarm a little earlier and take advantage of a quiet, peaceful house. Finding time for your side hustle can be done, especially when you're motivated, focused and fearless.

Commit to freeing up a couple hours a day to focus on your side business, and always remember why you're doing this — whether it's paying down school loans, buying a new car, or simply giving yourself more financial freedom.





Don't Forget About Your Day Job

Bills, bills, bills. Nobody wants them, but everybody's got them. And you need to ensure they get paid, even while working toward your dream. Don't let that dream distract you from your full-time job or wear you out to the point your performance lags.

If you're in between jobs, continue looking for work while working your hustle. And if you're looking to earn your full income with several side hustles, make sure you're budgeting time so you can give each the focus they need to help you succeed.



Set Clear Boundaries and Learn to Say "No"

Boundaries are necessary for anyone who's self-employed, but they're especially vital for a side hustler. To begin with, you need to have clear boundaries between your regular job and your side hustle so that you can maximize your effort on each of them without compromise. You may also need to set other boundaries and manage expectations with your friends, family and others on how you'll be spending your time and effort.

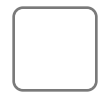


If You Can't Do It, Delegate It

You can do anything, but you don't have to do everything. You're not alone in this, and while it's tempting to want to DIY your hustle, there may be times you need help to make your business thrive. Focus on your strengths, and seek support to supplement other areas.

Outsourcing is easier than ever, and it doesn't have to break the bank. Get a logo professionally designed from \$5-100 on Fiverr, or find a social media manager for an average of \$14-35 an hour on Upwork. These freelance marketplaces make it simple and cost-effective to hire help to knock out your to-do list, so you can focus your time on what matters.





Get Real About Your Finances

You can definitely start a side hustle on the cheap, but you'll still need to consider your budget and know ahead of time how much you can spend. Startup costs vary widely depending on what you're selling. You may start earning money with \$0 invested, or it may take a few hundred or more. Starting a business on your own with very little money is known as "bootstrapping," and while it takes less cash, it usually costs quite a bit more in time. So remember that your time has value, too. If you're planning to make the products you sell, materials can add up quickly, so you'll need to plan for those upfront costs and set your prices accordingly. And even if you're doing gig work or selling services, there are likely to be overhead expenses, like software services, gas and car maintenance if you're driving to clients, or computer and tech maintenance and repairs. Think through how much money you'll need, and make sure you have the resources in place before you begin.



Take Smart Risks

You probably haven't gotten this far by playing it safe, but you'll need to calculate the risks you take to ensure you're boosting your finances, rather than putting them in jeopardy. You may or may not be an overnight success, but you can certainly earn cash quickly, if you do it right. It takes a combination of luck and hard work to achieve success, so plan your strategy carefully, and be dedicated and disciplined in reaching for your goals.



Understand When It's Time to Give Up the Day Job and Go Full Time

With the right combination of luck, timing, products, services and expertise you could build your side hustle into a thriving business that's demanding more of your effort. If that's the case, you might be thinking about ditching the day job. Before you do that, make sure your side business is reliably earning you enough after expenses and taxes to meet your needs. Then, put aside a cash buffer of a few months so you don't worry through the inevitable downtimes.



Step 3: Plan Your Side Hustle Strategy



Conduct a Self-Assessment

You know you've got the drive, motivation and dedication to take on a side hustle. Now it's time to determine if you have the hard and soft skills necessary to tackle the mundane, day-to-day necessities of operating your business. Where do you shine, and where do you need some help? Here's a quick list to check for:

- What apps, programs and tech tools do you need to learn?
- How will you manage bookkeeping?
- Do you know how to create a go-to-market strategy for your big idea?
- Do you have a plan for market research?
- Where are your customers, and how will you reach them?



Define What Makes Your Business Special. Then Own It.

You need your side business to stand out from the crowd, and that means understanding your "Unique Selling Points" (USPs). USPs come in many different forms, and some of the areas where you might shine are:

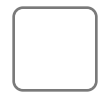
- Having access to different products and services than your customers can get elsewhere
- A unique approach to selling, customer service or business operations that delights your clients
- A niche that provides customers with curated, hard-to-find or highly specialized items that they feel passionate about and motivated to buy
- Very strong professionalism, including meeting your commitments, active communication and adding value



Learn from the Hustlers Who Came Before You

There are a lot of people sharing their outlook, experiences and lessons learned from running their own side business. Research some of their common challenges, learn from their mistakes and implement the solutions they found that worked.

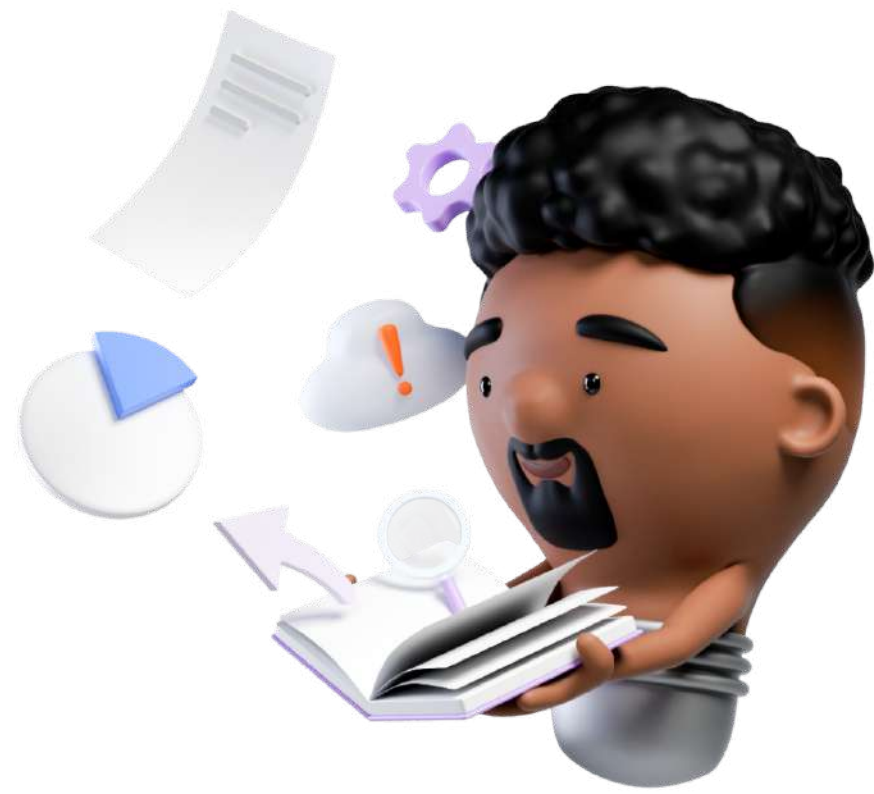
Also, find out where the gaps are between what you can do and other skills that similar entrepreneurs have mentioned. Read books, join online groups for side hustlers and don't be afraid to ask questions. If there's a hole in your knowledge or experience, work on closing that gap yourself or work with others who can help.



Get to Know Your Market

Your side business marketplace combines the products and services you sell, where you sell them, how you sell them, the industry you're operating in and more. Researching your marketplace means you can shape your offerings to what your customers need. Areas to think about include:

- What are the main products or services you're going to sell?
- What demand is there currently for those products or services?
- Are you going to sell locally, online or through some other means?
- What channels are you going to use to engage with customers and sell?
- Is there a fit for your products and services in the current marketplace?
- What do you need to do to get noticed and stand out?
- What are the current advantages and disadvantages of the marketplace?
- How are your competitors performing in the marketplace?



The more clearly you can answer these questions, the better you'll be able to plan.



Scope Out the Competition

Almost every type of side business is going to have competitors, and it's important to know who you'll be going up against. Use online and offline research to see who your main competitors are going to be. For businesses providing local services, your competitors will be others in your city or area. For online side hustles, it's going to be everyone in a similar digital space.

Pay attention to what they do well...and where they fall short. Learn how they brand their business, how they handle customer service and what they charge for products and services similar to the ones you're planning to offer. Understand exactly what, where and how they do what they do...then do it better. How?

- Use better materials when crafting handmade items
- Become an expert on the products you're reselling so you answer customer questions
- Adjust your prices to give customers a better deal
- Provide faster or free shipping
- Offer free trials or consultations for services
- Provide quick resolutions to customer service issues
- Respond to reviews, both positive and negative



Find Your Potential Customers, Then Start a Conversation

One of the best types of [market research](#) you can do for your side business is talking to the audience you hope to sell to. Ask them about their pain points, and learn what they're looking for when making a decision to buy. Here's how to find your buyers, and build a relationship:

- Join relevant social media groups, but only for gathering information; not for making sales pitches.
- Send out surveys to collect information that will empower you to make better business decisions.
- Increase the feedback you receive by offering a small incentive, like free shipping on the first purchase, a modest discount or free gift packaging.



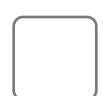
Source Equipment for Your Side Business

If you're mainly running an online side hustle, it's likely that the only equipment you will need is a computer or phone, a desk, a chair, a printer, a headset and a few accessories. If you're providing more specialized types of products or services, you'll need to purchase the relevant equipment and assets.



Learn Which Business Licenses and Permits You'll Need

Your side business may need certain permits and licenses to operate. You initially get those permits when you start your business, and some or all of them may need to be renewed on a yearly basis.



Find Your Community

Sure, you can start a side hustle on your own, but you don't have to do it alone. There are plenty of websites, forums and community groups where side hustlers hang out and discuss their plans for world domination! For instance, you could join the Side Hustle Pro group on Facebook (and listen to the podcast), or search "side hustle" on Meetup to make connections with other side hustlers in your industry. Groups like this build relationships, but they also offer best practices, networking opportunities, support and encouragement. Most of all, they've been in your shoes, and they get you.





Step 4: Build Your Business Plan

A side hustle can be something you love, but it's also more than a hobby. If you want it to perform like a business, you have to treat it like one. And the best way to do that is to create a business plan. Business plans can vary in scope, length and complexity.

The structure we've suggested below is a good starting point. Treat this document as a source of truth, and refer back to it as you move through the process.



Set Ambitious But Realistic Goals

Figure out what success looks like for your side business. You want to earn extra income, but do you know what the realistic expectation is? Once you've earned enough to do what you set out to accomplish (decreasing your debt, funding a major purchase, etc.), will you keep going? And if it takes longer than expected to achieve those goals, what are your plans for regrouping and reworking them?

Write down the targets you want your side hustle to meet, and build your business plan around hitting them.



Plot Out the Structure of Your Business

Your business will operate according to a certain structure, typically a sole proprietor, partnership or limited liability company (LLC).

We'll share what these are below, but it's important to capture that information in your business plan together with other details like any partners or special legal considerations.



Share Your Side Business Model and Marketing

Your business model is how your side hustle will make money. You may choose to launch an ecommerce store, resell via an online marketplace, or offer subscription-based products or services.

Your business model plan should go into detail about exactly what you're selling, how you will sell, your likely challenges and how you will overcome them. This will also include details of your marketing and the channels you will use to reach your customers.



Include Financial Projections

If you understand how your business finances will be impacted, then that should also be shared in your business plan. You can include details of your projected revenues, expenses and profits, so you can see how your business is likely to do over time.



Step 5: Make It Official and Choose a Business Structure for Your Side Hustle

In research we conducted with Incfile customers, we found that 40% were already operating their business before they formed a legal entity. Being a sole proprietor can work in the short-term, but it doesn't offer any legal protections, and could leave your side hustle vulnerable to liability and lawsuits, which could put your personal assets at risk. Keep in mind that "setting up a business" requires more than building your website on Wix or creating a Shopify account. To make your side hustle legit and protect your interests, you need a legal business structure. Here's how to get started:



Define the Stakeholders

Businesses, including side businesses, can have several different structures. One of the most important areas to determine is whether you're going to be the only owner of the business, or if you'll jointly own the business with other people.



Going Solo? Consider an LLC

If you're the only person in your business, you have a couple of business entities to choose from.

- 1 A sole proprietorship is the "default" type of business if you choose not to form a legal business entity. This is how many side hustlers start out, but keep in mind, by forgoing formation, you're leaving your business open to financial and legal repercussions.
- 2 A [limited liability company \(LLC\)](#) acts as a shield that separates your personal and business assets, and protects you in the case of litigation or other issues. As a solo business owner, you would be forming a single-member LLC.



There are other business entities, such as C Corps, but this is generally not the best choice for a side business, due to tax structures and ongoing filing requirements. An S Corp is a tax designation you can use with an LLC (our S Corp calculator will help you determine if it could save you money). If you still aren't sure, our [Business Entity Quiz](#) can help you decide.



Bringing On a Partner? Here Are Your Options

If you're planning to own the business with one or more other people, you have a choice to make in how you structure the business. Decide between:

- 1 A partnership, which is formed when two or more people work together without a more formal arrangement
- 2 An LLC, which would be a multi-member LLC in this case



Benefits of an LLC

Typically, an LLC is the best choice for side hustlers, as it provides you with advantages you won't get with a sole proprietorship. It's flexible, and has fewer requirements than other entities. Remember, your side hustle is a big deal. It's a legitimate business that will impact your financial future. Minimize your risk by considering these LLC benefits:

- Liability protection, so your personal assets (like your bank account and property) are not impacted if your LLC is liable
- Better reputation with customers and suppliers because you've gone to the effort of registering an LLC
- Separate financial accounts to make your bookkeeping and accounting much clearer
- Low costs to set up and run an LLC



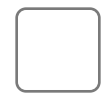
Start Hustling! Get Your Business Registered

Once you know the structure that you want your business to have, it's time to file. Here's what you'll need if you're going with an LLC:

- **A business name:** Choose a unique name not already in use in your state. Need some inspo? Check out [Incfile's Business Name Search Tool](#).
- **EIN or Employer Identification Number:** This is needed for filing taxes and opening a business bank account.
- **Registered Agent:** This is an individual who receives important documents on behalf of your business. If you form with Incfile, Registered Agent service is free for the first year.
- **Business address:** This can be a physical address, a P.O. Box or a virtual address service, and it's most ideal if it isn't your personal home address.
- **Articles of Formation:** Incfile can handle this for you with our \$0 + state fee LLC.



Step 6: Get Familiar with Rules, Regulations and Taxes



Understand the Types of Taxes Your Side Business Will Need to Pay

If you make money from your side hustle, there are normally three types of taxes you will need to pay:

- Federal self-employment tax on any profits that you earn through the business
- Federal income tax on your regular earnings and your side hustle earnings
- State income tax on your regular earnings and your side hustle earnings

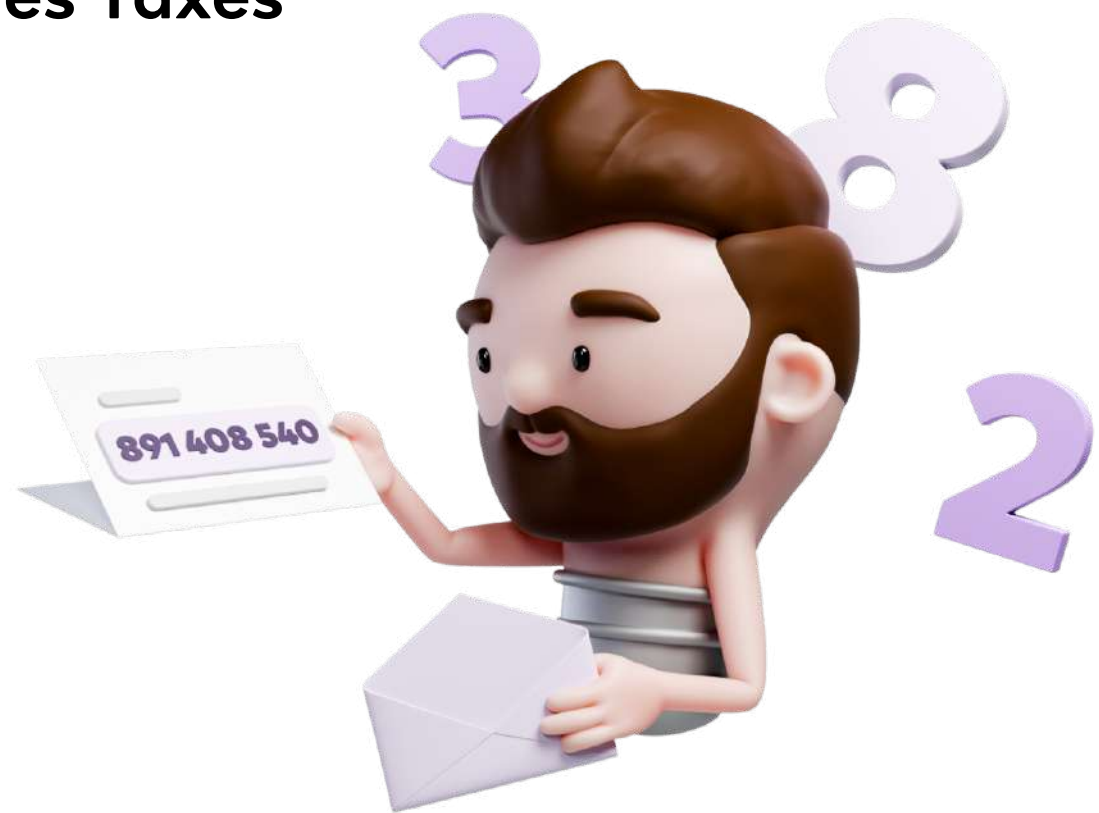
In some cases, you may need to pay other types of taxes, like sales tax.



Find Out If You Need to Pay Sales Taxes

Depending on your state, sales taxes might be charged on the products and services you sell. This will be a fixed percentage amount that you add to every liable transaction, then pay to your state's Department of Revenue.

Check your state and local rules with your accountant or on your state's Department of Revenue website, and register as needed. You'll also want to look into the "Sales Tax Nexus" and how they're treated in your state.



Pay Estimated Taxes Through the Year

The Internal Revenue Service and your state's Department of Revenue will expect you to pay estimated self-employment and income taxes four times a year, normally in April, June, September and January.



Prepare, File and Pay Taxes at the End of the Year

You will need to file and complete a tax return every year before the middle of April. If you're a sole proprietor or a single-member LLC, then you only need to prepare and file a "Schedule C" and a "Schedule SE" on top of your normal tax filings.

If you're a partnership or a multi-member LLC, you'll need to file a Form 1065 and other schedules. Your accountant can provide guidance on what you need to do.



File an Annual Report for Your LLC

If you run an LLC, you may need to file an [annual report](#), depending on the state you live in. This is generally a straightforward process.



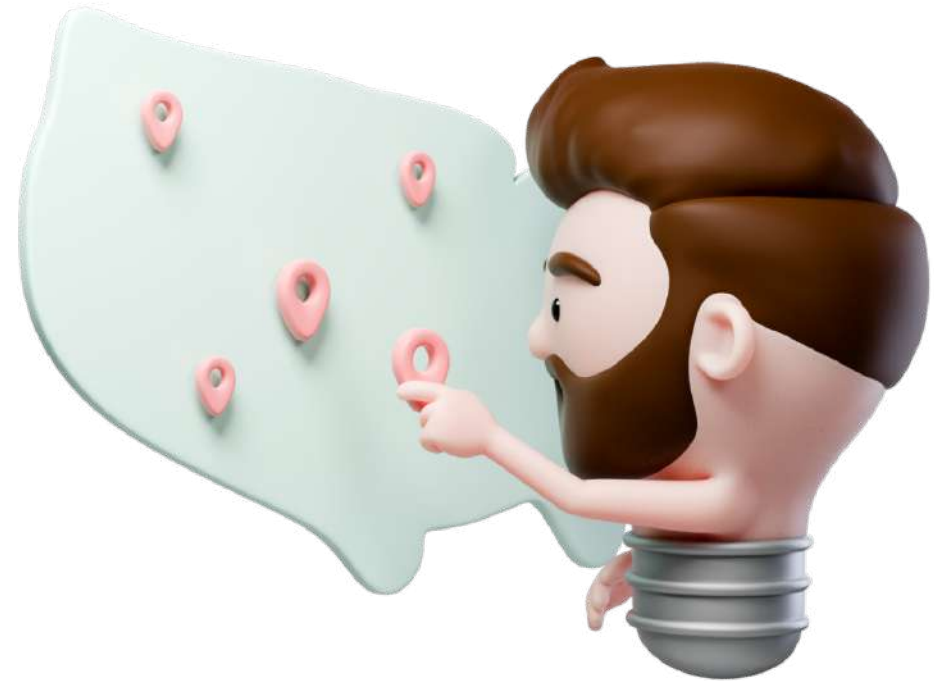
Step 7: Get Your Gig Ready to Launch



Choose the Right Location for Your Side Business

You'll probably be running your side business from home, especially as you can complete many tasks online. It's helpful to set up a dedicated, focused space in your home to run your side business.

If you're not going to be working from home, you will need to decide on a good location where you can provide your services from.



Choose the Right Marketing

If you want to stand out from your competitors, you'll likely need to do at least a little marketing. Use the USPs you discovered earlier to create marketing and promotions that show why your business and product is the best choice for your customers. Find an email tool like MailChimp or CampaignMonitor to automate emails, and look into social media tools like Hootsuite or Buffer to reach your customers where they already are. An all-in-one platform like HubSpot can help you manage a comprehensive marketing strategy from one location. Take a look at [all the tools we recommend](#) to launch your business and get it in front of your customers.



Handling Accounting and Bookkeeping

You will want to track how your business is doing so you can meet your financial goals. This means setting up accounting and bookkeeping that can track your revenue, expenses and profits.

Investigate accounting software and learn how to do basic bookkeeping so you can ensure you're capturing everything accurately. That will also make it much easier to do your taxes.

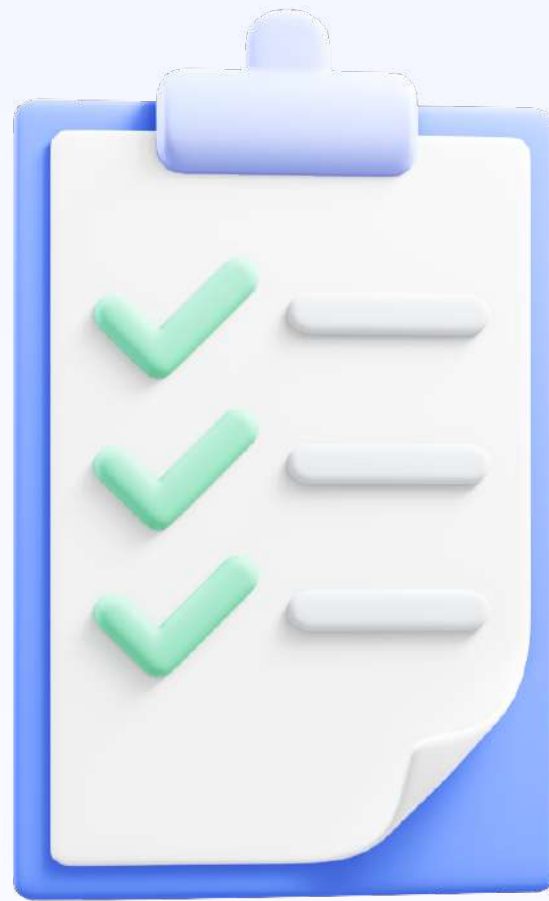




Find the Best Software to Help You Run Your Side Business

The right software will make it much, much easier to run your business, especially if you can automate your more common tasks, such as tracking time, invoicing and task management. Look for recommendations from other side hustle entrepreneurs and try out some free trials yourself so you can find the right combination of tools. Programs like Asana make project management simpler and easy to visualize, while apps such as Todoist ramp up your productivity. You might want to use Google Docs or Dropbox to collaborate and share files. Compare customer support services like ZenDesk or GetSatisfaction, and get help managing SEO with tools like SemRush, AHREFS or Moz.





Need More Help Getting Your Side Gig Going? Use Our Start a Business Checklist

Not all side hustlers are created alike. Moms, veterans, students, retirees and corporate professionals come from widely different backgrounds, but they all have a few key traits in common — all are motivated, driven, passionate and ready to live that hustle life. If you're ready to earn cash quickly to supplement your income and meet your financial goals, remember that sometimes, success comes on the side.

Want to learn more? Check out [detailed information](#) on starting and running a side hustle, and [read our blogs](#) on finding side gig ideas, starting up on a budget and bringing in spare cash in your spare time.

Ready to go all-in on the side? Get your \$0 LLC + 12 months of free Registered Agent service from Incfile.

[Form My LLC](#)