Dental Practice **Acquisition Checklist**

This checklist is provided for general informational purposes only and does not constitute legal, financial, tax, or professional advice. Requirements vary by state and individual circumstances. Consult a licensed dental attorney, CPA, and your state dental board before making any business or legal decisions.

	WHO	WHEN	DATE COMPLETED	NOTES
Legal				
1. Due Diligence				
Review the purchase agreement with a dental-specific attorney.				
Verify licensure and certifications for the office and its staff.				
Confirm zoning and compliance with local ordinances.				
Research any existing lawsuits, liens, professional license issues, or debts tied to the practice.				
Lease review and negotiation, or real estate purchase contract.				
2. Ownership Transfer				
Confirm the smooth transfer of patient records (HIPAA-compliant).				
Transfer of vendor contracts and warranties.				
Review non-compete agreements with the seller.				
3. Entity Formation & Registrations				
Decide on a business structure- LLC/PLLC/PC.				LLC or PLLC recommended if state allows
Decide on a tax structure - Sole Proprietor/S-Corp/Partnership.				S corp recommended in most states if 1 owner.
File for an EIN with the IRS.				
Make an S corporation election - if 100% owned by one dentist.				
Obtain local business license from city or county.				
Open state payroll tax accounts – income, unemployment, etc.				
Open sales tax account with state if selling taxable items.				
Obtain Worker's Compensation policy.				
Update any necessary professional liability insurance.				

DRILLDOWN SOLUTION
TRUSTED DENTAL CPAs

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Financial				
1. Financing				
Secure funding through dental-specific lenders if needed.				
Determine initial working capital requirements.				
Review prior 3 years and year-to-date profit/loss and balance sheets.				
Review prior 3 years business income tax returns.				
Prepare cash flow projections.				
Prepare income tax projection.				
Open a bank account under the business name.				
Open a credit card or dedicate one for business.				
Insurance credentialing.				
Set up accounts with credit card processors and bank accounts.				
2. Valuation				
Conduct an independent appraisal of the practice's value.				
Assess equipment, goodwill, and patient base.				
Review office operations.				
3. Transition Planning				
Set wages.				
Contract for benefits and 401k, etc.				
Create a plan for patient retention.				
4. Payroll Setup: Select Payroll Processor, set up account,				
a. Determine pay cycle - semi-monthly is best for finacial reporting or bi-weekly.				
b. Set up federal and state agency payroll tax deposit accounts.				
c. Set up unemployment.				
d. Acquire Workmen's Compensation insurance policy.				
e. Post employee data to payroll system.				

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5. QuickBooks Setup with dental chart of accounts (we have wholesale pricing for QB Online)				
6. Insurance & Billing				
Update information with insurance providers.				
Operational				
1. Technology Setup or Transfer				
Audit dental software systems (practice management, imaging, etc.)				
Transfer digital assets, including websites, emails, and domain names.				
Insurance credentialing.				
2. Staffing				
Introduce yourself to the team and review existing employment contracts.				
Assess staffing needs and plan for hiring if needed.				
3. Supplies & Equipment				
Conduct inventory of dental materials and supplies.				
Test and service equipment.				
Administrative				
1. Licensing				
Update state and DEA dental licenses to reflect new ownership.				
Notify state dental boards of the ownership transfer.				
2. Patient Communication				
Draft and send letters to existing patients introducing new owner.				
Provide assurance of continuity of care.				

Please reach out if you'd like more detail or help on any specific area!