

BUSINESS ASSISTANCE GUIDE



Business Assistance Guide

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This Business Assistance Guide is designed to provide technical assistance – to support you in starting and/or expanding your business in Sandy Township, DuBois City, Falls Creek Borough Enterprise Zones (SDF EZs).

The SDF EZs mission is to create family sustaining jobs by encouraging the creation of new businesses, expanding existing businesses and attracting new ones via a Revolving-Loan-Fund.

Please use this guide as a checklist. It is an overview of many issues that are important in creating a successful business and in complying with licensing, tax and registration requirements. It also provides you additional resources – telephone contacts and internet sites – that can enable you to make better decisions. Of course, our office is also a resource, and we welcome your call or e-mail.



FAX – (814) 375-7837

www.sandytownship.org

BUSINESS PLANNING CHECKLIST	
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BUSINESS REGULATION CHECKLIST	
Permitting & License Requirements	
<ul style="list-style-type: none"> • File partnership, corporate, or limited liability company papers with the Secretary of State's office. • File state tax forms with the Franchise Tax Board. • Contact the Internal Revenue Service for information on filing your federal tax schedules. See www.irs.gov/business/small for more information. • Apply for a seller's permit. • If you will have employees: <ul style="list-style-type: none"> ○ Apply for an employee identification number with the Employment Development Department (EDD). ○ Find out about worker's compensation. ○ Investigate business insurance needs. ○ Get tax information on withholding taxes. ○ Get tax information on hiring independent contractors 	
Department of Planning & Zoning	
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• Clearfield County Economic Development Corp (CCEDC)	
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Business Planning

Writing the Business Plan

A thorough business plan plays an important role in the success of a small business. It is a synopsis of the business's objectives and how they will be achieved. The plan should provide a detailed description of the business, its product or service, marketing plan, financial statements and projections and management's principles.

The business plan is often required when seeking financing. Banks require a written business plan for loans, and the Small Business Administration will not guarantee long-term loans without one. Additionally, the SDF EZs Revolving-Loan-Fund application requires any entity/entrepreneur to submit a business plan prior to reviewing any applications for funding via the Revolving-Loan-Fund.

Even when the plan is not required by others, it is a valuable tool for making quality business decisions. It helps business owners define and focus on their strategic objectives; and it is an important tool when managing and communicating with managers and staff. There are a number of useful, often free, resources available for writing the business plan – whether launching a new business, or expanding.

Small Business Development Center (SBDC)

The SDF EZs Small Business Development Center office, located at Clarion University, is staffed full-time by a SBA certified business analyst. The SBDC is a non-profit organization a division of Pennsylvania, University of Clarion and the U.S. Small Business Administration (SBA).

SBDC provides free on-site counseling, plus training and technical assistance in all aspects of small business management. Their trained staff can help you with your business plan, marketing or production issues, engineering and technical problems, or with feasibility studies.

The SBDC also sponsors free and low-cost seminars on significant development issues, from acquiring capital to marketing.

Contact:



Service Corps of Retired Executives (SCORE)

SCORE is a resource partner with the U.S. Small Business Administration (SBA), offering free, confidential, business plan development and one-on-one consulting.

The local SCORE contact is a retired business owner who volunteers their expertise in specific kinds of businesses. You can take advantage of their years of experience in everything from accounting, management and marketing, to manufacturing, insurance and restaurants. SCORE serves both new and existing businesses.

Contact: Phone: 814-234-9415

Email: score@statecollege-pa.com

Web: www.score.org

Small Business Assistant Team (SBAT)

SBAT is comprised of, Captains of Industry/Services; the team is comprised of four business owners/CEOs/Upper-Management and includes 1 – CPA, 1 – Bank President/Vice-President, 1 – Insurance Agent, and 1 – Manufacturing CEO/Vice-President to assist SDF EZ specific firms in retaining, expanding, and/or relocating within the EZ. SBAT is a quick reaction force to assist any business the EZ Administrator identifies as needing quick assistance for strategies to market new or improved products; and, an advisory group to assist new start-up businesses with business plans, marketing, or financing strategies.

Contact:



Business Legal Structure

Every business must have a legal structure. There are four primary structures for for-profit enterprises:

1. Sole Proprietorship
2. Partnership
3. Corporation
4. Limited Liability Company

Establishing the legal structure is a first step to obtaining the required government permits and licenses.

The notes below are general in nature and should not be relied upon as legal or financial advice. It is recommended that you consult with an accountant or attorney when deciding on your business's legal structure.

Sole Proprietorship

This is the simplest to set-up and dissolve, and generally the least costly. However, sole proprietors have unlimited liability and are responsible for all business debts.

Partnerships

Partnerships are formed by two or more persons who agree to share business ownership. Each partner contributes money, labor, and/or property; and, each partner shares the profits and losses on their individual tax returns.

Partnerships can be either general or limited. In a general partnership, at least one partner has unlimited liability. The general partnership may require no legal document to set-up, but as a good business practice, the partners should have an attorney prepare a legal partnership agreement. In a limited partnership, there are limits to the personal liability of each partner.

Corporations

Corporations can provide their owners greater protection from personal liability. A C corporation is taxed at two levels. This is commonly referred to as double taxation. A C corporation pays a corporate tax on its corporate income (the first tax). Then, the C corporation distributes profits to stockholders who pay income tax on those dividends (the second tax).

One way to avoid the double taxation of a C corporation is to make a special election to be taxed as a S corporation, which is pass-through entity taxed like a partnership or a sole proprietorship. That way, there is only one level of taxation. The corporate profits "pass through" to the owners, who pay taxes on the profits at their individual tax rates.

Limited Liability Company (LLC)

A Limited Liability Company (LLC) is a cross between a partnership and a corporation. It may be considered as a limited partnership without a general partner. It provides the liability protection of a corporation with the advantage of being treated as a partnership.

Fictitious Name Registration

A fictitious name is any assumed name, style or designation other than the proper name of the entity using such name.

The use of fictitious names is now governed by the Fictitious Names Act of 1982, (54 Pa.C.S. Section 301 et seq.), which repealed prior laws on the subject. Accordingly, fictitious names no longer need to be filed at the county seat. Any entity or entities (including individuals, corporations, partnerships or other groups) which conduct(s) any business in Pennsylvania under an assumed or fictitious name shall register such name by filing an application for registration of fictitious name.

The surname of a person — standing alone or coupled with words that describe the business — is not a fictitious business name. The inclusion of words that suggest additional owners, such as Company, & Company, & Sons, & Associates, makes the name an assumed or fictitious name. **Please note:** For partnerships, the last name of all partners must be listed or the fictitious name rule applies.

Find additional information at:

[A Guide To Business Registration In Pennsylvania](#)

SEE → <http://www.dos.state.pa.us/corps/lib/corps/guidetobusreg/businessguide.pdf>

OR

Pennsylvania Department of State, Corporation Bureau

206 North Office Building

Harrisburg, PA 17120

Phone:(717) 787-1057

Phone:(888) 659-9962

<http://www.dos.state.pa.us/corps/site/default.asp>

Tax Requirements

How do I know what taxes are required for my business?

Once you start your business, you will have to start paying certain taxes to both the federal government and the Commonwealth of Pennsylvania. The specific taxes you are required to pay or remit depend on your type of business. The [Pennsylvania Department of Revenue website](#) provides information on business taxes.

Do I need a sales tax number and how do I register for one?

If you sell tangible personal property, or provide certain fabrication, rental, or other particular services, you must obtain a sales tax identification number, also known as a seller's certificate, from the State of Pennsylvania. To obtain the appropriate forms you may visit the [Pennsylvania Revenue Services website](#) or you can (717) 787-1064. If wholesalers and retailers are reselling your product(s) you would not charge sales tax, but would provide them your sales tax number for a resale certificate.

If I am self-employed, how do I report my taxes?

Self-employed business owners are required to pay state and federal income taxes, Social Security, and Medicare based on the profits generated by the business. Profits in a proprietorship are determined before you draw compensation from the business (i.e. your draw or wages are not considered an expense of the business.) Once your liability for federal income tax and self-employment FICA exceeds \$5000, you will need to deposit the tax payments to the IRS. You can estimate and report your federal taxes by using the 1040-ES form, and your state taxes by using the 1040ES-ME form.

Which business expenses can I deduct for income tax purposes?

Generally, all the expenses you incur to start and operate your business are deductible, however many are subject to various IRS rules; for example, start-up costs, vehicle expense, meals and entertainment, and use of a home office. Start by reading IRS publications (such as the Business Tax Kit) and looking at the tax returns for your form of business.

Can I hire my children or relatives and get a tax deduction?

Yes. This is a common practice of small family owned businesses. As long as the child or relative is performing some needed service for the business and is paid approximately what a non-relative would be paid for the same work, it is allowed.

Can I buy a new car in my business and get a tax deduction?

Yes, provided the car is used in the business. If it is used exclusively in your business, you can deduct all of its cost and operating expenses. If it is used partly for business and part for personal use, you can allocate the business portion and claim a percentage of its cost and expenses.

If I operate my business from my home, what can I deduct from my taxes?

You can deduct all regular expenses associated with your business. This is no different from operating your business from a location outside your home. Consult IRS Publication 334, the IRS, a CPA, a tax lawyer, or some other source familiar with these rules.

Business Financing

How do I finance the start-up of a small business?

To determine financing needs, you should first prepare a business plan with a complete set of financial projections including a balance sheet, income statement, and cash flow statement. With a properly completed business plan, you will have identified your funding needs. Banks will lend to some business start-ups if they are satisfied with your business plan, your level of equity investment, the collateral you have to pledge to the loan, and your credit history and experience. If your request is denied, ask your bank if they would consider the loan with a guarantee from the Small Business Administration (SBA).

How much money do I need to get started?

Once you have taken care of your building and equipment needs you also must have enough money on hand to cover operating expenses for at least a year. One of the leading causes of business failure is insufficient start-up capital. Consequently, you should work closely with your accountant to estimate your cash flow needs.

Should I borrow?

Yes, provided you can handle the debt and provided the borrowing will benefit your business. Handling the debt means that you will be able to repay the principal and interest without undue hardship on you or your business. By using debt, the owner's control is not diluted as it is when money is raised by selling equity.

What do I have to do to get a loan?

When you apply for the loan, you must provide projected financial statements and a cohesive, clear business plan which supplies the name of the firm, location, production facilities, legal structure and business goals. a clear description of your experience and management capabilities, as well as the expertise of other key personnel, will also be needed.

Will the U.S. Small Business Administration (SBA) loan money to me?

Except in isolated and special situations, the SBA does not make direct loans. Its loan activity is in the form of participating loans and loan guarantees. You must deal with a bank to reach the SBA. You can think of the SBA as a level above your bank that is providing incentives to your bank to make it easier for you to get debt financing. The bank plays a major role in evaluating your loan application and in administering the loan. The bank's agreement is necessary before the SBA will get involved.

Can I get an SBA loan to refinance present debt?

Yes. Debt refinancing is allowed under the SBA programs. It is not the preferred form of SBA involvement, but it will be supported if the refinancing has a beneficial business consequence. Refinancing just to get out of a jam is usually not favored.

Does the SBDC provide financing?

The SBDC does not provide financing. Our assistance is technical and educational in nature. We work with banks and other lending agencies and organizations to assist in putting together financial projections, but the actual financing comes from outside sources.

What type of collateral do I need for a loan?

Repayment ability from the cash flow of the business is a primary consideration in the SBA loan decision process but good character, management capability, collateral, and owner's equity contribution are also important considerations. All owners of twenty percent (20%) or more of the business are required to personally guarantee SBA loans. The SBA does not deny approval for a SBA Guaranty Loan solely due to lack of collateral; however, it can be used as a reason, in addition to, other credit factors.

What are the alternatives in financing a business?

Committing your own funds is often the first financing step. It is certainly the best indicator of how serious you are about your business. Risking your own money gives confidence for others to invest in your business. You may want to consider family members or a partner for additional financing. Banks are an obvious source of funds. Other loan sources include commercial finance companies, venture capital firms, local development companies and life insurance companies. Trade credit, selling stock and equipment leasing offer alternatives to borrowing. Additionally, the SDF EZ Region has some Revolving-Loan-Funds, too. For more information contact:



Where can I find a grant to start my small business?

Grant monies are usually not available for new venture businesses, with a few exceptions of high technology businesses. You may find grant information at your local library, [The Catalog of Federal Domestic Assistance](#), or from the [SBA](#).

FOR MORE SBDC INFORMATION CONTACT:



Business Incentives

There is an array of state and county incentives; please contact one of the following for more information:

Matthew J Smith
Sandy Township
Economic Development Coordinator

(814) 371-4220 Work
msmith@sandytownship.org
1094 Chestnut Ave
PO Box 267
DuBois, Pa 15801
www.sandytownship.org

Rob Swales
Clearfield County Economic Development
Director

(814) 768-7838 x.204 Work
rswales@clearfieldco.org

250 Technology Drive, Suite 1
Clearfield, PA
16830

Workforce Resources

Two of the greatest challenges for any business are hiring the right people and keeping them. Employees, and, more importantly, their contributions, are a business' most important asset. So how do you go about finding, selecting, and retaining the best people?

Decide What You Want

Before beginning your hiring efforts, know what you want. One way to list the skills, experience, and other attributes you are looking for is in categories of:

- **Must-have:** skills you do not have the time, money, or desire to teach but which are absolutely necessary to do the job.
- **Should-have:** sets of skills in which the candidate should have some degree of knowledge or skill.
- **Nice-to-have:** what you'd love to have but can live without.

Search in the Right Places

Basically, the harder it is for you to find the skills you need, the wider the net you must cast. You may choose from local media, the state's employment center, and using the Internet. View any employment ad as a marketing tool for your company, making it as appealing as possible. Put a headline on your ad that describes the absolutely best benefit you can offer. Be sure to add your must-have list of skills, experience, and education. To get qualified people without having to weed through a pile of applications, be specific about what you say and very selective about where you place the advertisement.

Don't underestimate the value of networking. You may choose to ask your best employees if they know someone who would fit into your organization and might be interested in joining or use your network in the community to find employees.

Conduct a thorough interview

Give the applicant a complete and accurate picture of your business. In today's tight job market, you have to sell both yourself and your company. Through your questions, cover the job's must-haves, should-haves, and nice-to-haves and be sure to obtain a clear picture of where the candidate is in relation to these attributes. Remember, good questions lead to good answers-the more you learn about each applicant's experience and skills, the better prepared you are to make your decision. If you find yourself talking as much or more than the candidate, stop – you only learn about the candidate when you are listening. Don't be afraid to press a candidate for more information – it is then that you may learn important information.

Hire the Right Person

Some tips for choosing who to hire are:

- Go with your gut
- Accomplishments are what really matter
- Attitude counts
- Be objective

Three critical elements in hiring the right people for the job are: skills match, company fit, and job match. Be objective in determining which candidates have the best overall fit. In terms of wages, try to be a leader in your market – think about the cost of paying a little more versus the cost of turnover (roughly 25% of salary and benefits).

Hang on to Good Employees

Retention of employees is as important as the initial hire. An individual's suitability to a particular job is the single most important factor in job performance and retention. Be sure to provide people jobs that fit with their personality and then take the time for a proper orientation. Listen to them and continue to provide training and skills development opportunities. Set clear expectations, show concern for employees, and treat them fairly.

FOR MORE INFORMATION CONCERNING PENNSYLVANIA WORKFORCE RESOURCES:

SEE → <http://www.newpa.com/build-your-business/start/before-you-begin/index.aspx>

Upon entering the new web site look to the right of the web page and find Entrepreneur's Guide and click on the PDF version of which, will provide much needed information to assist you.

If unable to access the web, please feel free to contact one of the following individuals, who will gladly assist you:



Kelly

Email: kellyp@ncentral.com

Web: www.pacareerlink.state.pa.us - Pennsylvania's one-stop on-line resource for job seeker services, employer services, social services and training.

Phone: 814-371-0250

Permitting and License Requirements

Overview

As do most communities, Sandy Township, DuBois City, and Falls Creek Borough has established a system of permitting requirements that assist businesses to comply with building codes and land use, zoning and life safety regulations.

For Sandy Township, please contact Jim Keck at (814) 371-4220 or <http://www.sandytownship.org>

For DuBois City, please contact Scott Farrell (814) 371-2000 x132 or <http://www.duboispa.gov/directory/index.html>

For Falls Creek Borough, please contact (814) 371-2121

County Permitting Requirements

SEE → <http://www.clearfieldco.org/> or <http://www.planning.clearfieldco.org/>

State Permitting and License Requirements

Pennsylvania Department of State Bureau of Professional and Occupational Affairs provides administrative and legal support to 27 professional and occupational licensing boards and commissions. Professional licensing protects the health, safety and welfare of the public from fraudulent and unethical practitioners. Professionals range from Physicians and Cosmetologists to Accountants and Funeral Directors.

SEE → <http://www.dos.state.pa.us/bpoa/site/default.asp>

Commonwealth of Pennsylvania Department of Environmental Protection

The Pennsylvania Department of Environmental Protection (DEP) is the state agency largely responsible for administering Pennsylvania's environmental laws and regulations. Its responsibilities include: reducing air pollution; making sure our drinking water is safe; protecting water quality in our rivers and streams; making sure waste is handled properly; supporting community renewal and revitalization; promoting advanced energy technology; and helping citizens prevent pollution and comply with the Commonwealth's environmental regulations. DEP is committed to general environmental education and encouraging effective public involvement in setting environmental policy.

SEE → <http://www.depweb.state.pa.us/dep/site/default.asp>

Commonwealth of Pennsylvania Emergency Management Agency

The mission of the Pennsylvania Emergency Management Agency is to coordinate state agency response, including the Office of the State Fire Commissioner and Office of Homeland Security, to support county and local governments in the areas of civil defense, disaster mitigation and preparedness, planning, and response to and recovery from man-made or natural disasters.

SEE → <http://www.pema.state.pa.us/>

Commonwealth of Pennsylvania Department of Agriculture

The Pennsylvania Department of Agriculture encourages, protects and promotes agriculture and related industries throughout the commonwealth. As one of the leading industries in Pennsylvania, our agriculture industry truly provides the foundation for the Keystone State.

SEE → <http://www.agriculture.state.pa.us/>

Commonwealth of Pennsylvania Department of Transportation

We all know the world is changing rapidly around us. Every day, we see the prices increase at our local gas station; we read in the newspaper about global warming, we talk to our neighbors about traffic congestion or the slowing economy.

All of these trends are changing the needs and demands of our transportation system. To adapt to this changing world, the Pennsylvania Department of Transportation (PennDOT) is integrating a concept called “Smart Transportation” into the way we do business.

Smart Transportation simply asks us to understand and embrace our evolving financial, environmental, technological, and social contexts as we approach our transportation challenges. It is about consistently applying the most innovative tools and ideas to solve our new transportation challenges, while also helping to build great communities across Pennsylvania.

SEE → <http://www.dot.state.pa.us/>

MORE STATE AGENCIES

SEE → <http://www.pa.gov/portal/server.pt?open=512&objID=3069&mode=2>

CONTACTS

City of DuBois

(814) 371-2000 – www.duboispa.gov

Township of Sandy

(814) 371-4220 – www.sandytownship.org

Falls Creek Borough

(814) 371-2121

Clearfield County

(814) 765-2641 – www.clearfieldco.org

Jefferson County

(814) 849-1603 – www.jeffersoncountypa.com

Pennsylvania's Business Web Site – A comprehensive resource that provides information on state licenses and permits, tax regulations, legal and accounting issues, business types, forms, and the Entrepreneur's Guide.

Web: www.state.pa.us - Under Info & Services, click on Business in PA.

North Central PA Regional Planning & Development Commission – This regional office can assist you with employee training, business loans; grant opportunities, guidance for import/export marketing, and more.

Web: www.ncentral.com/~ncprdpc

Phone: 814-773-3162

DuBois Career Link – This office is part of Team PA Career Link, a resource for employers and job seekers. Job matching, membership in local employer-training consortium, skills training for new and current employees, testing and assessments, and labor market information are just a few of the services available.

Email: kellyp@ncentral.com

Web: www.pacareerlink.state.pa.us - Pennsylvania's one-stop on-line resource for job seeker services, employer services, social services and training.

Phone: 814-371-0250

PennTap – With a focus on small businesses, PennTap provides free consultation for technology issues and manufacturing processes, as well as other areas that help businesses to improve their competitiveness.

Web: www.penntap.psu.edu

Northwest Industrial Resource Center – The NWIRC provides consulting and assistance to industrial and manufacturing businesses for strategic planning, succession planning, new product development, sales and marketing, lean manufacturing, value stream mapping, quality improvements, ISO support, and workforce training.

Phone: 814-590-1219

Web: <http://www.nwirc.org>

Small Business Development Centers – Clarion University is the area’s SBDC, which provides free consultation to entrepreneurs and business owners on many facets of business. You will receive guidance to draft a business plan and advice about financing—vital steps for success. The consultant will meet with clients here at our chamber office by appointment. Meetings with SBDC representatives are private and confidential. Contact Corry Riley.

Email: criley@clarion.edu

Phone: 877-292-1843

Web: www.pasbdc.org - This web site provides a multitude of business resources.

SCORE – Service Core Of Retired Executives is an organization that offers free expert advice for small business owners or those thinking of starting a business. You can schedule a consultation with a SCORE consultant to meet with you at our chamber office. Their web site is a valuable resource. Meetings with SCORE representatives are private and confidential.

Phone: 814-234-9415 Email: score@statecollege-pa.com Web: www.score.org

Ben Franklin Technology Partners – Financial and technical assistance for new tech-based products and processes; start-up or early stage companies. Under the Challenge Investment Program, the company is required to pay back financial assistance.

State College Office:

Email: info@cnp.benfranklin.org

Phone: 814-863-4558

Web: www.cnp.benfranklin.org

eBizitPA – The center for eBusiness and Advanced IT, a statewide Ben Franklin Technology Development Authority initiative to help Pennsylvania businesses and organizations understand and use information technology and e-business tools.

Web: www.ebizitpa.org

Government Contractor Registration –Are you ready to sell to the government? Federal, State, and local governments purchase all manner of goods and services. For information go to www.fedmarket.com; for registration go to Central Contractor Registration.

Web www.ccr.gov

United States Patent and Trademark Office – Information on obtaining patents and registering trademarks, plus additional business guidance.

Web: www.uspto.gov

Phone: 800-786-9199