

# 21<sup>st</sup> SADBOC Government Procurement Fair

## Starting a Small Business In Minnesota



Presentation  
will start at  
10:05 am



U.S. Small Business  
Administration

# Agenda

SBA resource partners who can help

Do you have what it takes?

The proper steps to start a business in Minnesota

Business Plan



**Maribel Reigstad**, Economic Development Specialist

[maribel.reigstad@sba.gov](mailto:maribel.reigstad@sba.gov)

SBA

The image features the letters 'SBA' in a bold, white, sans-serif font centered on a dark blue background. Above the letters is a white bracket-like shape consisting of a horizontal line with short vertical bars at each end. Below the letters is a red bracket-like shape consisting of a horizontal line with short vertical bars at each end, mirroring the white bracket above.

# The SBA works to ignite change and spark action so small businesses can confidently



**START • GROW • EXPAND • RECOVER**

# Supporting small businesses for 65 years.



**Free business  
counseling**

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**SBA guaranteed  
business loans**

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**Home & business  
disaster loans**

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**Federal government  
contracting**

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# So You Want to Start a Business



# WHAT'S NEW WITH SMALL BUSINESS?

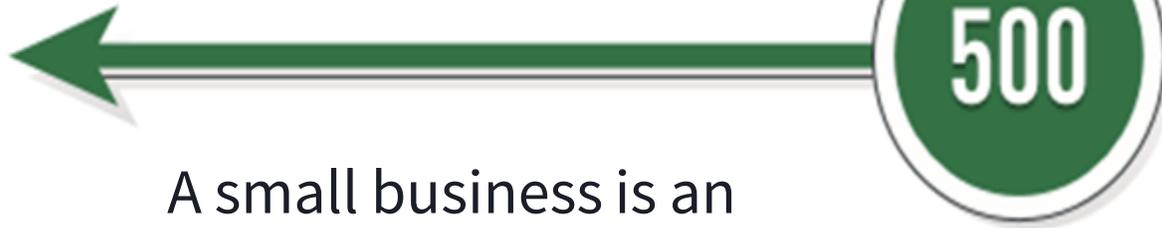
September 2019

U.S. SMALL BUSINESS ADMINISTRATION  
**OFFICE OF ADVOCACY**

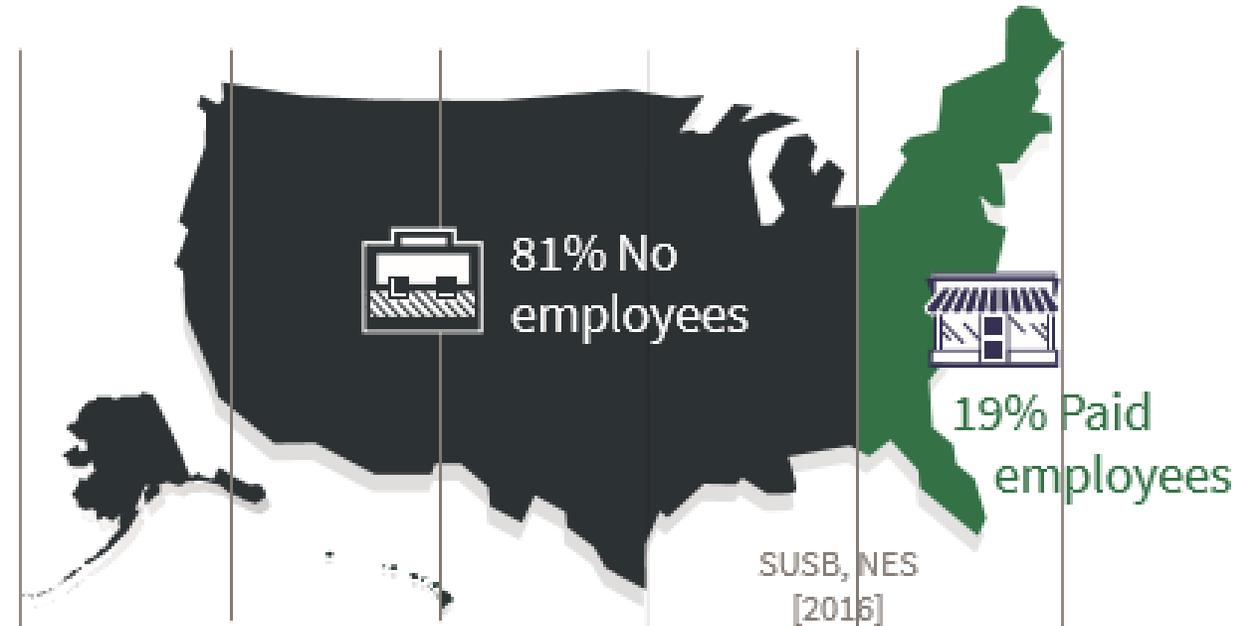
REGULATION • RESEARCH • OUTREACH

## 30.7M SMALL BUSINESSES IN THE U.S.

### WHAT IS A SMALL BUSINESS?



A small business is an independent business with fewer than 500 employees



# 2019 Small Business Profile

U.S. SMALL BUSINESS ADMINISTRATION  
**OFFICE OF ADVOCACY**

REGULATION • RESEARCH • OUTREACH

## Minnesota

**520,110** Minnesota  
**99.5%** Small Businesses

**1.3 million** Minnesota  
**47.2%** Small Business Employees

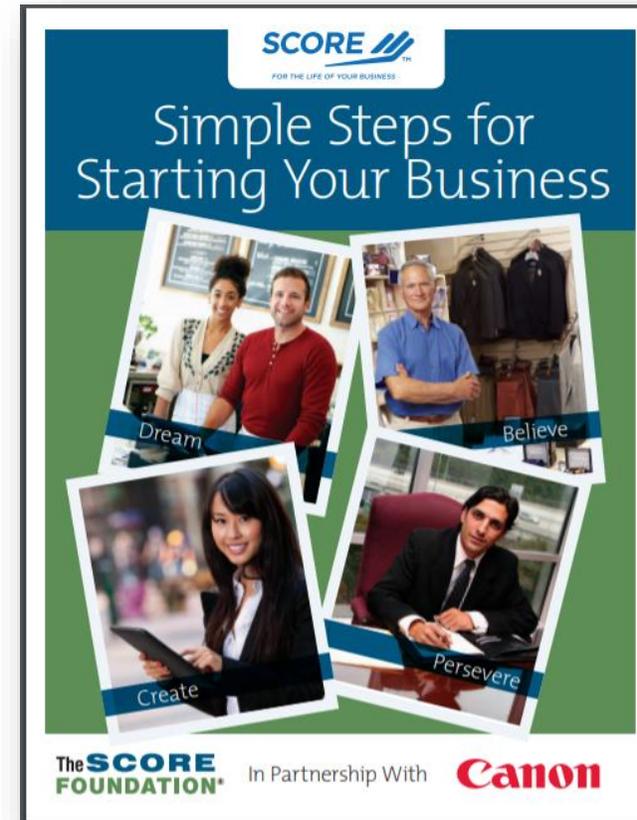


# Self Assessment



# Do You Have What It Takes?

1. Education or work experience in your chosen industry
2. Strong work ethic
3. Effective time management skills
4. Ability to multitask
5. Management skills
6. Willing to ask for help and advice from others
7. Self-motivated
8. Responsible, Trustworthy
9. Good health
10. A supportive family



Online Workshop

<https://www.score.org/getstarted>

# The Iceberg Illusion

Success is an iceberg

**SUCCESS!**

WHAT PEOPLE SEE

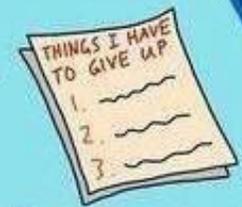
Persistence



Failure



Sacrifice



Disappointment



WHAT PEOPLE DON'T SEE

Dedication



Hard work



Good habits



@sylviaaduckworth

# Find Helpful Resources



## GET PAIRED WITH A BUSINESS MENTOR FOR FREE

Meet with one or several mentors via:  
**email • video chat • face-to-face**

Attend live or recorded webinars as well.

Small business clients who receive 3+ hours of mentoring report higher revenues and increased business growth.





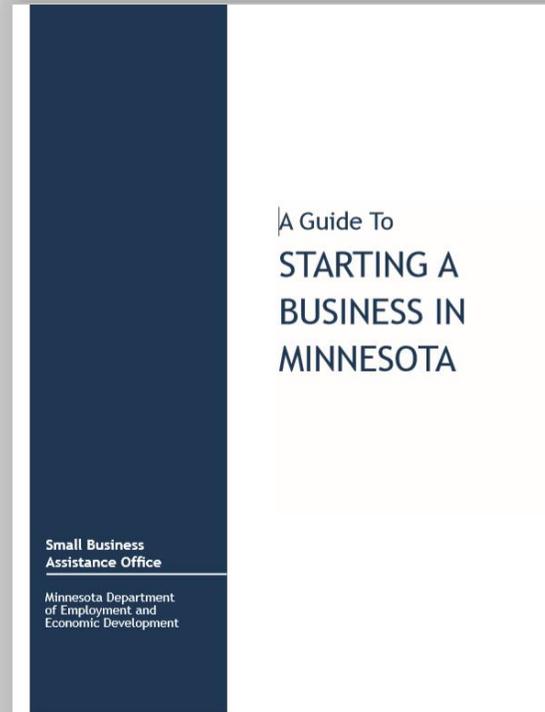
1. SBDC - Small Business Development Centers  
[www.mn.gov/deed/business/help/sbdc](http://www.mn.gov/deed/business/help/sbdc)
2. Women's Business Centers:  
Women Venture [www.womenventure.org](http://www.womenventure.org)  
Women's Business Alliance  
[www.entreperneurfund.org/womens-business-alliance](http://www.entreperneurfund.org/womens-business-alliance)
3. Veteran Business Outreach Center  
[www.wwbic.com/veterans](http://www.wwbic.com/veterans)
4. Minnesota Trade Office  
[www.mn.gov/deed/business/exporting](http://www.mn.gov/deed/business/exporting)
5. Minnesota Department of Employment and Economic Development (DEED)  
[www.mn.gov/deed](http://www.mn.gov/deed)

# Free Publications



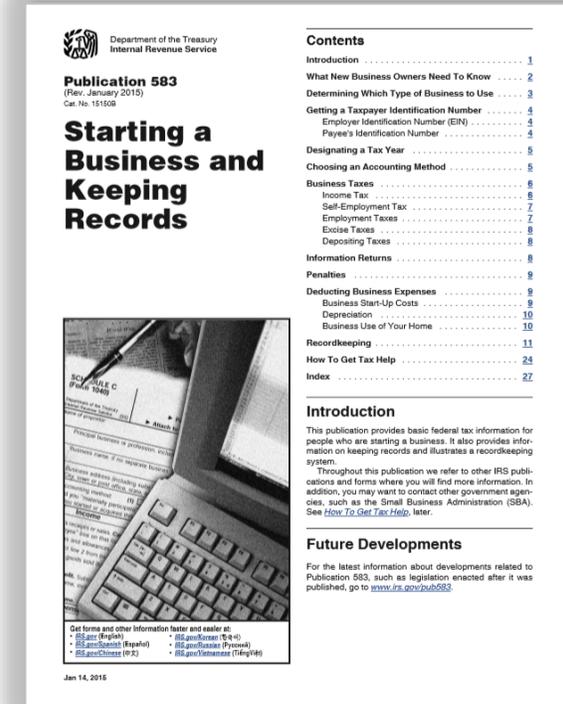
2019

[www.sba.gov/mn](http://www.sba.gov/mn)  
Resource Guide



2020

<https://mn.gov/deed/business>  
Business Guidebooks



[www.irs.gov](http://www.irs.gov)  
Publication 583

# Online Resources

## [www.sba.gov/learning](http://www.sba.gov/learning)

More than 80 free, self-paced online training courses to help small business owners explore and learn about the many aspects of business ownership.

## [www.irsvideos.gov/Business](http://www.irsvideos.gov/Business)

The IRS Video portal contains video and audio presentations on topics of interest to small businesses.

Starting a Business

Business Plan

Accounting

Legal Requirements

Financing

Business Income

Marketing

Sell to the Government

Attracting Investors

Export

Filing and Paying Taxes



# Calculate your business startup costs

## Identify your startup expense

Determine your business startup cost:

1. Create a formal report of your expected startup expenses.
2. Startup expenses are the initial things you need to buy/lease to start your business.
3. Get as detailed as possible. Don't just write "photography equipment." Write down the exact cameras, lighting equipment, lenses, shoulder bags, and every other thing (small and large) you'll need.
4. Do not neglect inexpensive items (office supplies, postage, ...)
5. Research your cost for each item and service – be realistic.

# Calculate your business startup costs

## Identify your startup expense

6. Add 3-6 months' worth of fixed costs. Fixed cost are recurring expenses that do not increase or decrease.
7. Add a financial cushion for emergency funds, unplanned expenses.
8. Tighten your budget. Review your list and mark your items as essential or non-essential. If possible, eliminate items that are non-essential or put them on hold for six months.
9. **Total your numbers - that's how much it will cost you to start your business.**

# Calculate your startup costs

[www.sba.gov](http://www.sba.gov)

[SBA Startup cost fillable PDF spreadsheet](#)

[www.score.org](http://www.score.org)

[SCORE Startup Expenses worksheet](#)

### Startup costs — Joe's Pizza Place

This worksheet is set up for a fictional business, Joe's Pizza Place. Use it to get started calculating the startup costs for your own business. Change expense categories or add new ones to fit your business. Enter one-time and monthly expenses in the appropriate columns. Your estimations should go into the Budget column, and the exact amount spent should go into the Actual column. Total funds required is the total estimated amount you need to start your company.

One-time expenses	Budget	Actual
<b>Rent</b>		
Security deposit	1200	
First month's rent	1200	
First month's utilities (including phone and Internet)	250	
<b>Improvement costs</b>		
Kitchen improvements	800	
Tables and furniture	1500	
Utensils, dishes, and kitchen and bar equipment	350	
<b>Inventory</b>		
Food	1250	
Beverage	700	
Alcohol	900	
<b>Miscellaneous</b>		
Licenses and permits	150	
Legal fees	300	
Signage	550	
Technology	300	
Software	400	
<b>Total funds required</b>	<b>9850</b>	<b>0</b>

Monthly expenses	Budget	Actual
<b>Rent</b>		
Monthly rent	1200	
Property insurance	300	
Utilities	250	
<b>Employees</b>		
Payroll	3000	
Payroll taxes	1250	
Health insurance	650	
<b>Professional services</b>		
Accounting	200	
Legal	250	
Consultants	200	
Other	50	
<b>Supplies</b>		
Office supplies	150	
Operating supplies	200	
<b>Marketing</b>		
Digital advertising	350	
Promotional materials	400	
<b>Miscellaneous</b>		
Liability insurance	400	
Repairs and maintenance	200	
Organizational dues	75	
<b>Total monthly expenses</b>	<b>9125</b>	<b>0</b>

<b>Total funds required</b>	<b>18975</b>
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**Notes on Preparation**  
 Note: You may want to print this information to use as reference later. To delete these instructions, click the border of this text box and then press the DELETE key.  
 Nearly everyone who has ever started a business has underestimated the costs, and then faced the danger of running with inadequate capital reserves. The key to avoiding this pitfall is to adopt a rigorous approach to your research and planning. Our Startup Expenses worksheet will lead you through the process.  
**EXPENSES** - Begin by estimating expenses. What will it cost you to get your business up and running? The key to accuracy here is attention to detail. For each category of expense, draw up a list of everything you will need to purchase. This will include both tangible assets (for example, equipment, inventory) and services (for example, remodeling, insurance). Then determine where you might purchase these goods or services. Research more than one vendor, i.e., comparison shop. Do not look at price alone; terms of payment, delivery, reliability, and service are also important.  
**CONTINGENCIES** - Add a reserve for contingencies. Be sure to explain in your narrative how you decided on the amount you are putting into this reserve.  
**WORKING CAPITAL** - You cannot open with an empty bank account. You need a cash cushion to meet expenses while the business gets going. Eventually you should do a 12-month cash flow projection. This is where you will work out your estimate of working capital needs. For now, either leave this line blank or put in your best rough guess. After you have done your cash flow, you can come back and enter the carefully researched figure.  
**SOURCES** - Now that you have estimated how much capital will be needed to start, you should turn your attention to the top part of this worksheet. Enter the amounts you will put in yourself, how much will be injected by partners or investors, and how much will be supplied by borrowing.  
**COLLATERAL** - If you will be using this plan to support a bank loan request, use the section near the bottom to show what assets are offered as collateral to secure the loan, and give your estimate of the value of these items. Be prepared to offer some proof of your estimates of collateral values.



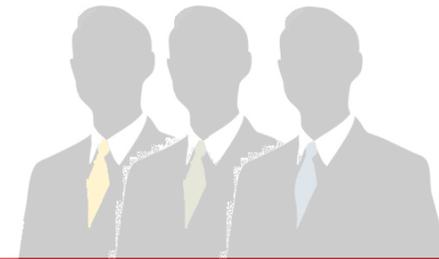
# Make Your Business Legal



# Determine Your Legal Business Structure

According to the IRS,  
there are five legally recognized business forms.

1. Sole Proprietorship
2. Partnership
3. C-corporation,
4. Limited Liability Company (LLC)
5. S-corporation

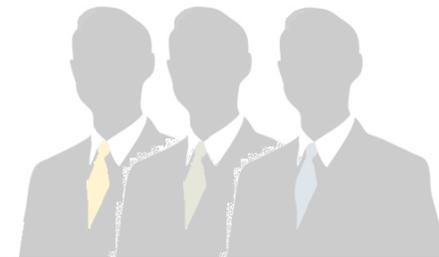


# Determine Your Legal Business Structure

Your business structure legally affects how you file your taxes to your personal liability if something goes wrong.

If you own the business entirely by yourself and a partner and plan to be responsible for all debts and obligations, you can register as a:

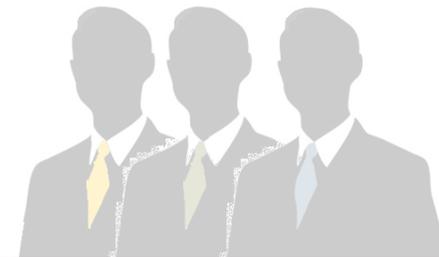
- 1. Sole Proprietorship**
- 2. Partnership:** General Partnerships and Limited Partnerships



# Determine Your Legal Business Structure

If you want to separate your personal liability from your company's liability. You may want to consider forming one of several types of corporations:

- 3. Limited Liability Company (LLC):** owners are protected from personal liability, simple
- 4. C-Corporation:** owners are protected from personal liability, double taxation
- 5. S Corporation:** A tax election made with the IRS after the corporation is formed – IRS Form 2553.



# How Do You Choose The Structure That's Right For You?

Important factors that should guide your decision:

1. Complexity and expense
2. Liability of business owner
3. Distribution of profits and losses
4. Taxation
5. Management control and decision making
6. Financing and operation
7. Transferability of ownership

# www.legalcorps.org



The screenshot shows the LegalCORPS website. The header includes the logo, contact information (Phone: 612-206-0780, e-mail: info@legalcorps.org), and a 'DONATE TO LEGALCORPS' button with a 'Donate' link. The navigation menu includes 'ABOUT LEGALCORPS', 'NONPROFIT ORGANIZATIONS', 'SMALL BUSINESSES', 'INVENTORS', 'VOLUNTEERS', and 'NEWS AND EVENTS'. The 'SMALL BUSINESSES' page is active, featuring a sidebar with 'Ways We Can Help' (Brief Advice Clinics, Full-Representation Assistance, Application for Small Business) and 'Small Businesses'. The main content area has the heading 'Small Businesses' and text explaining that LegalCORPS provides assistance with transactional business matters for low-income owners.

LegalCORPS  
Connecting volunteer lawyers with  
small businesses and nonprofits

Phone: 612-206-0780  
e-mail: info@legalcorps.org

DONATE TO  
LEGALCORPS  
Donate

ABOUT LEGALCORPS   NONPROFIT ORGANIZATIONS   **SMALL BUSINESSES**   INVENTORS   VOLUNTEERS   NEWS AND EVENTS

SMALL BUSINESSES ▾

Ways We Can Help  
Brief Advice Clinics  
Full-Representation Assistance  
Application for Small Business

Small Businesses

## Small Businesses

For low-income owners of small businesses (or those who want to form a business), LegalCORPS volunteer attorneys can provide the sound legal advice that is *essential* for success in business and preventing costly troubles that can ruin an enterprise.

LegalCORPS provides assistance with transactional business matters. It does *not* provide

For low-income owners of small businesses (or those who want to form a business), LegalCORPS volunteer attorneys can provide the sound legal advice that is *essential* for success in business and preventing costly troubles that can ruin an enterprise.

# Register your business name to protect it

There are four different ways to register your business name.

- Entity name protects you at state level
- DBA doesn't give legal protection, but might be required
- Trademark protects you at a federal level
- Domain name protects your business website address



Entity name



Trademark



DBA



Domain name

# Check the availability of your business name

Secretary of State: (651) 296-2803 or access the search box below

<https://mblsportal.sos.state.mn.us/Business/Search>

The screenshot shows the 'Business & Liens' section of the Minnesota Secretary of State's website. At the top, there is a navigation bar with a 'MENU' icon, the text 'OFFICE OF THE MINNESOTA SECRETARY OF STATE STEVE SIMON', and a search box. Below this is a blue navigation bar with various service links: 'Business Filings Online', 'UCC / Tax Liens Online', 'CNS Liens Online', 'Online Subscriptions', 'UCC, CNS & Tax Liens Help', 'UCC, Tax & CNS Forms & Fees', 'Start a Business', 'Business Help', and 'Business Forms & Fees'. A red arrow points to the 'Create an Account' button in the top right corner. The main content area features a 'Search Business Filings' section with a search box, a 'Business Name' tab, and a 'Search' button. Below the search box are filters for 'Search Scope' (Begins With, Contains), 'Filing Status' (Active, Inactive), and 'Include Prior Names' (Exclude, Include). A red arrow points to the search box. At the bottom of the search section, there is a link to 'File a New Business or Nonprofit'.

Create an Account

Search Business Name

## BUSINESS FORMS & FEES

[Business Filing & Certification Fee Schedule](#)[General Business Filing Forms](#)[Assumed Name/DBA](#)[Minnesota Business Corporation Forms](#)[Minnesota Non-Profit Corporation Forms](#)[Foreign Corporation, Nonprofit or Cooperative Forms](#)[Minnesota Limited Liability Company Forms](#)[Foreign Limited Liability Company Forms](#)[Minnesota Limited Liability Partnership Forms](#)[Foreign Limited Liability Partnership Forms](#)[Minnesota Limited Partnership Forms](#)[Foreign Limited Partnership Forms](#)[Trademark & Service Mark Forms](#)[Minnesota Cooperative Forms](#)[Name Reservation](#)

[Business & Liens](#) > [Business Forms & Fees](#)

## BUSINESS FORMS & FEES

Here you can find all the forms and fees needed for filing and searching business registrations. There are different forms used for each business type.

All filings submitted by mail will be returned back to the address listed on the check unless you provide specific instructions to be mailed to a different address or provide a returned envelope. You may enclose a prepaid FedEx, USPS Priority Mail or UPS label which will speed up the return of the document being delivered back to you (this is not required).

**Select from the list on the left (or beneath on mobile devices) to go to the appropriate form for your business type.**

Go here for [Business Filing & Certification Fee Schedule](#).

**Remember - Many of these functions are available online.**

- Go here for [instructions on how to use our online business systems](#).
- Go here to [file and search our business registrations](#).

# Register the Business - Things to lookout for!

## Assumed Name | DBA:

- Filing: Assumed Name | Certificate of Assumed Name (\$50 online and in-person, \$30 if submitted by mail)
- An annual renewal is required to be filed by December 31. There is no fee for filing the annual renewal.  
What happens if you don't renew: <https://www.revisor.mn.gov/statutes/cite/333.055>

## LLC:

- Filing: Minnesota Limited Liability Company | Articles of Organization (\$155 online and in-person, \$135 if submitted by mail)
- The company name MUST include the words Limited Liability Company or abbreviation LLC.
- Name and address of a registered agent. A register agent is a person or company who agrees to accept legal mail on your behalf.
- An annual renewal is required to be filed by December 31 of this year. There is no fee for filing the annual renewal.  
What happens if you don't renew: <https://www.revisor.mn.gov/statutes/2019/cite/322C.0705>

## C-Corp:

- Filing: Minnesota Business Corporation | Articles of Incorporation (\$155 online and in-person, \$135 if submitted by mail)
- Corporations MUST choose one of the following words or abbreviation as part of the name of the business: “Incorporated”; “Corporation”; “Limited”; or “Company”. Note: The word “company” cannot be immediately preceded by “and” or “&”.
- The aggregate number of shares the corporation has authority to issue. Must be authorized to issue at least one share.
- An annual renewal is required to be filed by December 31 of this year. There is no fee for filing the annual renewal.  
What happens if you don't renew: <https://www.revisor.mn.gov/statutes/cite/302A.821>

# When To Register Your Business In Another State

- ✓ Does your LLC or corporation have a physical presence in the state (i.e. office, restaurant, or retail store)?
- ✓ Do you often conduct in-person meetings with clients in the state?
- ✓ Does a significant portion of your company's revenue come from the state?
- ✓ Do any of your employees work in the state? Do you pay state payroll taxes?
- ✓ Did you apply for a business license in the state?

# Obtain An Employer Identification Number (EIN)

Apply for an Employer Identification Number (EIN)

The EIN is a unique nine-digit number used by the IRS to identify a business entity.

It's used to file your business's tax return and pay your employees.

It will never expire and will never be reissued to another business.



<https://www.irs.gov/businesses>

FREE

# Do You Need An EIN?

**You will need an EIN if you answer "Yes" to any of the following questions.**

1. Do you have employees?
2. Do you operate your business as a corporation or a partnership?
3. Do you file any of these tax returns: Employment, Excise, or Alcohol, Tobacco and Firearms?  
(See a list of goods for which excise tax is apply: Form 720, Quarterly Federal Excise Tax Return )
4. Do you withhold taxes on income, other than wages, paid to a non-resident alien?
5. Do you have a Keogh plan?
6. Are you involved with any of the following types of organizations?
  - a) Trusts, except certain grantor-owned revocable trusts, IRAs, Exempt Organization Business Income Tax Returns
  - b) Estates
  - c) Real estate mortgage investment conduits
  - d) Non-profit organizations
  - e) Farmers' cooperatives
  - f) Plan administrators

# <https://www.irs.gov/businesses>

The screenshot shows the IRS website's 'Tax Information For Businesses' page. At the top, there is the IRS logo, a search bar, and navigation links for 'Help', 'News', 'Language', 'Charities & Nonprofits', and 'Tax Pros'. Below this is a menu with 'File', 'Pay', 'Refunds', 'Credits & Deductions', and 'Forms & Instructions'. The main heading is 'Tax Information For Businesses' with a breadcrumb trail 'Home > File > Businesses'. A red arrow points from the URL above to the 'Employer ID Number (EIN)' button. The page is organized into several sections: 'Individuals', 'International Taxpayers', 'Businesses and Self-Employed' (with sub-links for Small Business and Self-Employed, Large Business, and Corporations), and 'Government Entities'. The 'Businesses and Self-Employed' section contains four main buttons: 'Employer ID Number (EIN)', 'Employment Tax', 'Estimated Tax', and 'Foreign Account Tax Compliance Act (FATCA)'. Below these are three columns of content: 'Prepare Your Taxes' (with links for Business Tax Credits, Deduct Expenses, Employment Taxes, Excise Taxes, and Gift Taxes), 'File or Pay Your Taxes' (with links for Estimated Taxes, Order Forms Online, and Electronic Federal Tax Payment System (EFTPS)), and 'Run Your Business' (with links for Start a Business, Operate a Business, and Close a Business). At the bottom, there is a 'Business Types' section with links and descriptions for Sole Proprietorship, Partnership, Corporation, and S Corporation.



# Obtain a Sales tax / Use tax ID

A Minnesota Tax ID Number is a seven-digit number used to report and pay Minnesota business taxes.

Before you make any taxable sales in Minnesota, you must register for a Minnesota Tax ID Number and a Sales and Use Tax account.

Use tax applies if you buy tangible personal property and services outside the state and use it within Minnesota.

<https://www.revenue.state.mn.us/businesses>

Get ready before applying:

- Download form ABR, Application for Business Registration.
- Learn more: [Minnesota Sales and Use Tax Business Guide](#)

# Do You Need a Minnesota Tax ID Number?

1. Make taxable sales or leases in Minnesota
2. Perform taxable services in Minnesota
3. Withhold Minnesota Income taxes from employees' wages
4. Make estimated business tax payments
5. File a Minnesota corporation franchise, S corporation or partnership tax return
6. File fiduciary income tax returns as an estate, trust, or personal representative
7. File or pay MinnesotaCare taxes or special taxes, such as alcohol, tobacco or insurance premium taxes
8. Have use tax to report (for businesses, see Sales Tax Fact Sheet 146; for individuals, see Sales Tax Fact Sheet 156)
9. Have solid waste management (SWM) taxes to report for sales and use tax offline

**mn DEPARTMENT OF REVENUE**  
**Application for Business Registration**  
You can register online at [www.revenue.state.mn.us](http://www.revenue.state.mn.us). If you choose to file this paper application, fully complete pages needed to register for a specific tax type. Incomplete applications may be delayed. Read the instructions before.

1 Federal tax ID number (nine digits). See instructions, page 3  
2 Current or prior Minnesota tax ID number(s), if any (seven digits) .....  
Should this number be canceled?  
 No  Yes, cancel effective \_\_\_\_\_

3 Reason for applying:  
 new business  
 change of legal organization  
 updating an existing account  
 purchased existing business (see instructions, page 2, "Successor Liability"); prior Minnesota tax ID number: \_\_\_\_\_ Former owner's name: \_\_\_\_\_  
 for informational purposes, such as a vendor or business receiving grants or any type of payment from a state agency (complete pages 1 and 2 only)

4 Full legal name of the business (sole proprietors: fill in last name, first name, middle initial)

5 Business trade name (doing business as). If you have one  
6 Complete address of business location (Do not use P.O. box) County \_\_\_\_\_  
City \_\_\_\_\_ State \_\_\_\_\_ Zip code \_\_\_\_\_  
7 Mailing address (if different from above)  
8 Daytime phone  
9 Email address

10 Type of legal organization:  
 Sole proprietor  
 Partnership:  
 General partnership, or  
 Limited liability partnership (LLP), or  
 Limited partnership (LP)  
 S corporation

11a Types of taxes you expect or are required to pay and business taxes — Check all that apply and complete it:  
 Sales and use tax (see pages 3, 4, and 5)   
 Use tax only   
 Withholding tax (see page 6)   
Income, franchise or unrelated business income taxes:  
 S corporation   
 Partnership   
You must provide additional information for ea  
Continue with line 11b on page 2.

(Rev. 2/14)

**Minnesota Application for Business Registration Instruction Booklet**  
(Revised September 2018)

**Inside this booklet**  
Instructions for registering your business for:  
■ Sales and use tax, including local taxes  
■ Withholding tax  
■ Alcohol taxes  
■ Cigarette and tobacco taxes  
■ Lawful gambling taxes  
■ Insurance taxes  
■ Petroleum taxes  
■ Other special taxes  
■ Energy production taxes  
■ Income, franchise and unrelated business income taxes  
■ MinnesotaCare taxes  
Information in this booklet is available in other formats upon request.  
Pub No. 980370

**How to register**  
Online: [www.revenue.state.mn.us](http://www.revenue.state.mn.us)  
Phone: 651-282-5225 or 1-800-657-3605  
8:00 a.m. – 4:00 p.m. Monday through Friday  
Fax: 651-556-5155  
Mail: Minnesota Revenue Business Registration  
Mail Station 4410  
St. Paul, MN 55146-4410

You can find tax forms and information, pay electronically, and—for some tax types—file electronically at:  
[www.revenue.state.mn.us](http://www.revenue.state.mn.us).

**mn DEPARTMENT OF REVENUE**

**mn** DEPARTMENT OF REVENUE

Search

Individuals **Businesses** Tax Professionals Governments Policy & Research Fraud

## Businesses

**Top Tasks** [-]

- [Log in to e-Services](#)
- [Calculate Sales Tax Rate](#)
- [Make a Payment](#)
- [Find a form](#)
- [Register for a Minnesota Tax ID Number](#)
- [Starting a Business](#)

**Business Center** [+]

**Business Taxes and Fees** [+]

**Online Services and Resources** [+]

**Contact Info**

**EMAIL**  
Contact form

**PHONE**  
651-282-5225

**HOURS** [+]

**ADDRESS** [+]

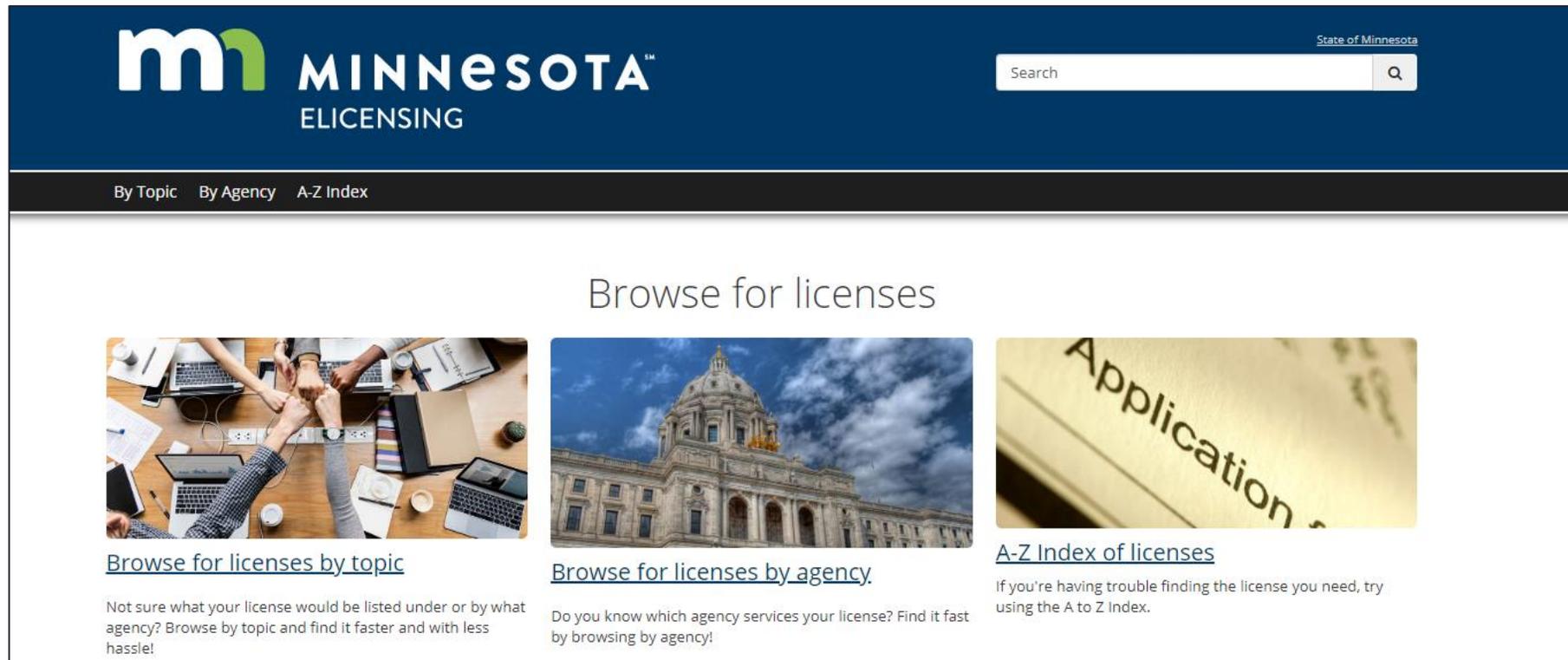
**Related Content**

- Collection Information
- Annual Tax Statistics
- Revenue Notices

# Licenses and Permits

Browse for your license: <http://mn.gov/elicense/>

Check with your local city or town where the business will be located



The screenshot shows the Minnesota Elicensing website. At the top left is the logo for the State of Minnesota with the text "MINNESOTA ELICENSING". To the right is a search bar with the text "Search" and a magnifying glass icon. Below the logo and search bar are navigation links: "By Topic", "By Agency", and "A-Z Index". The main content area is titled "Browse for licenses" and features three columns of information:

- Column 1:** An image of hands pointing at a laptop screen. Below it is the link "[Browse for licenses by topic](#)". The text below reads: "Not sure what your license would be listed under or by what agency? Browse by topic and find it faster and with less hassle!"
- Column 2:** An image of the Minnesota State Capitol building. Below it is the link "[Browse for licenses by agency](#)". The text below reads: "Do you know which agency services your license? Find it fast by browsing by agency!"
- Column 3:** An image of a document with the word "Application" visible. Below it is the link "[A-Z Index of licenses](#)". The text below reads: "If you're having trouble finding the license you need, try using the A to Z Index."

# Zoning

Make sure that your business is not in violation of local ordinances.

Many Minnesota towns, cities and counties have made some or all their local laws available online.

<https://mn.gov/law-library/research-links/ordinances.jsp>

The screenshot displays the Minnesota State Law Library website. At the top left is the Minnesota State Law Library logo. To the right are links for 'Calendar' and 'Catalog Search', and a search box labeled 'Search Website'. Below the logo is a navigation menu with 'Legal Topics', 'Research Links', 'Services', 'About Us', and 'Ask A Librarian'. A 'How do I find?' button is also present. The breadcrumb trail reads 'Home > Research Links > Ordinances'. On the left, a 'Research Links' sidebar lists various resources, with 'Ordinances' highlighted. The main content area is titled 'Ordinances' and contains a paragraph explaining that the page lists local laws available online, with instructions on how to find them. Below the text is an alphabetical index from A to Z. The letters 'A', 'Afton', 'Aitkin', 'Aitkin County', 'Albany', and 'Albert Lea' are visible under the 'A' category.

# Build Your BAIL Team

## **B**anker

- Financing
- Accept credit card payments
- Business bank account

## **A**ccountant

- Comply and submit taxes
- Create and maintain financial statements
- Oversee payroll

## **I**nsurance

- Property insurance: covers loss of property due to fire and other perils.
- Liability insurance: protect from the risks of liabilities imposed by lawsuits and similar claims.
- Workers' compensation
- Interruption insurance: cover business losses and expenses due to catastrophic events.

## **L**awyer

- Understand legal documents
- Prepare and reviews partnership agreement or operating agreement
- Review contracts (suppliers, landlords, service providers, customers...)



# Employees vs Contractors

- ✓ **Behavioral Control** - The degree to which you exercise control over your worker. Do you train the worker, direct their tasks, set specific hours, and dictate how the work should be completed...?
- ✓ **Financial Control** – Do you buy their supplies, tools, do you pay a salary or by the job. Are they free to seek out business opportunities...?
- ✓ **Relationship** – Is there a contract, is the person there permanent, do you provide sick and vacation days...?

**MN Revenue Office:** [Classifying a Worker](#)

**UIMN:** [Employers Record Keeping and Audits](#)

**IRS:** [Independent Contractor \(Self-Employed\) or Employee?](#)

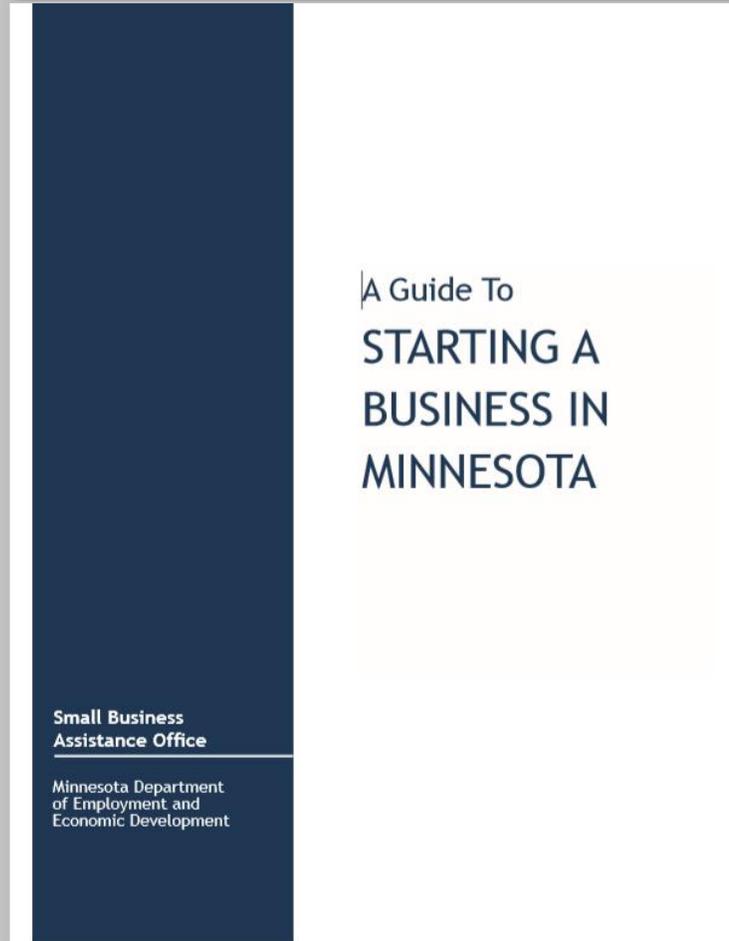


# Hiring Employees

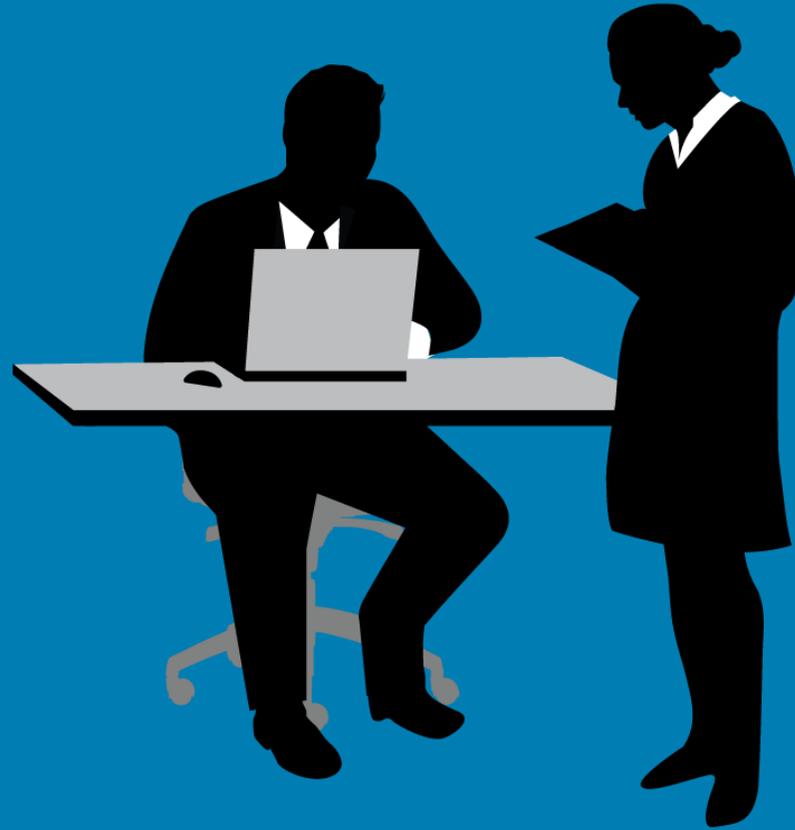
## A Guide To STARTING A BUSINESS IN MINNESOTA

### Hiring Checklist

Pages 213 - 223



# Write a Business Plan



# Top 5 Reason To Write A Business Plan

## 1. The Process

Working through each element ensure nothing is forgotten

## 2. Viable Business

The only way to find out whether your business is viable is to work out details of cost and sales

## 3. Areas of Expertise

Clarifies whether outside help is needed – for instance, a bookkeeper or marketing services

## 4. Competition

Getting to know the competition is the only way to give a business an edge.

## 5. Funding

A good business plan improves chances of getting a loan

# Business Plan

Your roadmap for success!

It will help you:

- Get organized
- Allocate resources
- Focus on key points
- Prepare for problems and opportunities
- Communicate needs

Should be written by  
**YOU!**

## Types of Business Plan

- Traditional Business Plan
- Lean Startup Plan

## Purpose

- Start-Up Business Plans
- Internal Business Plans
- Financial Request
- Strategic Business Plans
- Operations Business Plans
- Growth Business Plans

## Audience

- You (owner)
- Partner(s)
- Lender
- Investor

## Main Components

- Executive Summary
- Business Description
- Management and Personnel
- Service and/or Product
- Market Analysis
- Marketing and Sales Strategy
- Financial Plan
- Appendix

# Three Key Financial Statements

**Profit and Loss** The Profit and Loss Statement shows the revenues and expenses of your business over a given period of time – usually one year.

**Cash Flow** The cash flow statement records the actual movement of all the cash in the company - cash inflows and cash outflows over a defined period.

**Balance Sheet** Gives a snapshot of a company's financial situation. The balance between assets, liabilities and owner's equity at a particular point in time.

# Help

**Resource Partners**  
**SCORE, SBDC, WBC...**

## **Samples of Business Plans**

**<https://www.sba.gov/business-guide/plan-your-business/write-your-business-plan>**

**[http://www.bplans.com/sample\\_business\\_plans.php](http://www.bplans.com/sample_business_plans.php)**

Maribel Reigstad  
[maribel.reigstad@sba.gov](mailto:maribel.reigstad@sba.gov)  
Tel: (612) 370-2321



**SBA Minnesota District Office**  
[Minneapolis.mn@sba.gov](mailto:Minneapolis.mn@sba.gov)  
Tel: (612) 370-2324  
[www.sba.gov/mn](http://www.sba.gov/mn)



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