

# *How to Start a Small Business*

## ***So you want to go into business for yourself...***

The number of details to be considered in starting a new business is tremendous. This guide provides a directory of information sources and places to go for help.

## ***Questions to ask yourself before starting a business:***

1. Who is my customer?
2. Who is my competition?
3. Can I make money in this business?
4. How much money do I have to invest?
5. How much money do I need to start a business?

## ***What does the LSBDC do?***

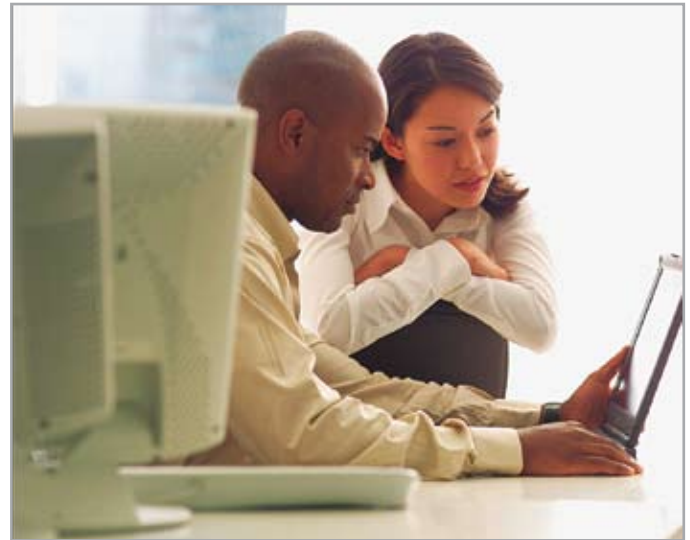
The Louisiana Small Business Development Center provides:

- Confidential, individual consulting at no cost to the business owner
- Entrepreneurial training seminars and workshops
- Online business resources

### *What else do I need to know?*

Other laws, such as Wage/Hour, Occupational Health and Safety, Immigration, and Americans with Disabilities Act may also apply to your business.

Louisiana Workforce Commission Employer Handbook (Business Owner's Manual) can be downloaded from [www.LAWORKS.net](http://www.LAWORKS.net).



## ***How do I get money to start my business?***

Most entrepreneurs seek commercial loans from banks. You should understand the bank's lending guidelines before applying for a loan.

- Consideration of the business idea, usually explained in a business plan
- Collateral
- Down payment (or equity in an ongoing business)
- Credit history and personal financial net worth
- Management ability
- Ability to repay the debt
- Condition of the economy and/or market area

## *Do I need licenses and permits?*

**GeauxBiz.com:** Receive a customized list of state and local licensing information. ([www.sos.louisiana.gov](http://www.sos.louisiana.gov))

**State Sales Tax:** Check with the Louisiana Department of Revenue to determine if you need to collect state sales tax and to get a state sales tax ID number. ([www.rev.state.la.us](http://www.rev.state.la.us))

**City/Parish Sales Tax:** Check with your parish Sales Tax office to get a sales tax ID number.

**Municipal:** If your business is inside municipal city limits, check with your local town government or clerk of court for required permits and licenses, which may include zoning, occupational, fire, electrical and plumbing.

**Food:** If your business involves food sales and/or preparation, check with your parish health unit for requirements.

## *What taxes will I have to pay?*

**Employee/Employer Taxes:** If you have employees, you will need to get a Federal Employer Identification Number (Form SS-4) from the Internal Revenue Service, and withhold payroll taxes (federal & state income taxes as well as social security and medicare taxes) from the wages of your employees. You will pay the employer's portion of social security and medicare tax. ([www.irs.gov](http://www.irs.gov))

**Self Employment Tax:** Business share of social security payment

**Unemployment Tax:** The Louisiana Department of Labor will determine if you are required to pay unemployment tax for your employees. ([www.laworks.net](http://www.laworks.net))

**Ad Valorem Property Tax:** Annual tax on land, buildings and personal moveable property, such as furniture, equipment, and inventory, with the amount determined by local tax assessors.



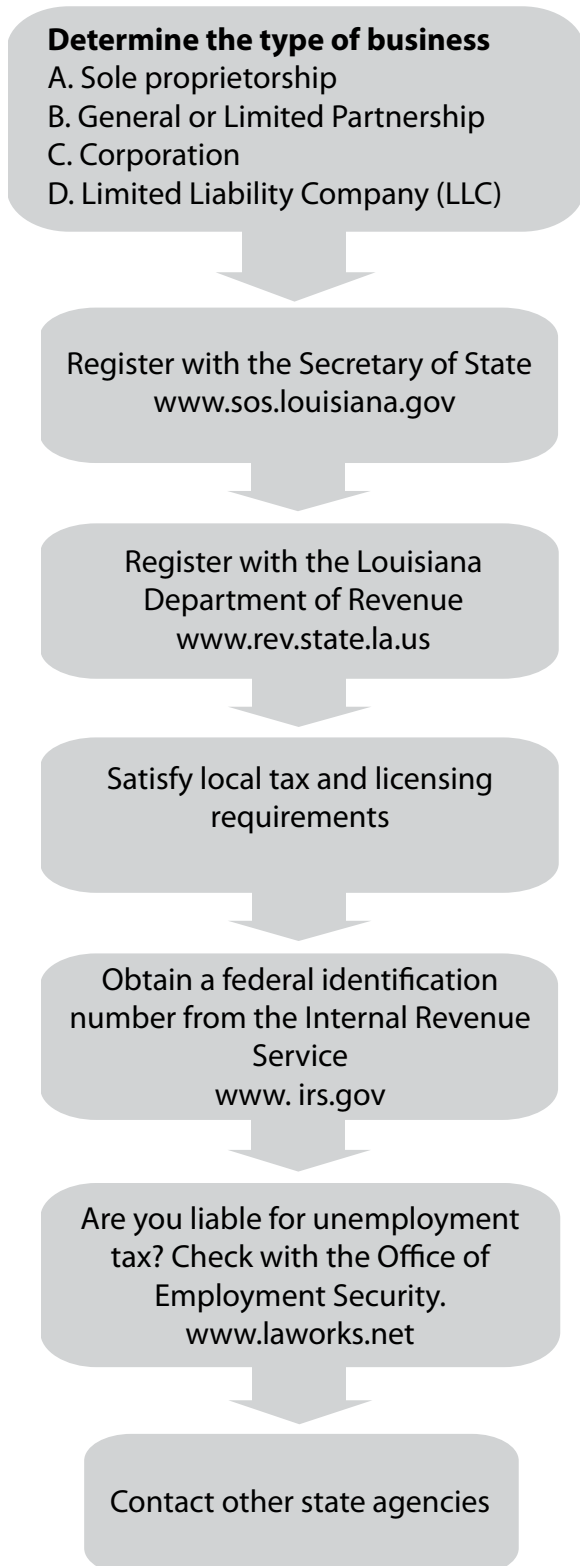
## *What kind of insurance should I have?*

**Business:** Business owners must consider protection for their investment and for situations that may arise involving customers. Insurance coverage and costs can vary widely, depending upon the type of business. Check with an insurance professional about your business.

**Workers' Compensation:** All employers operating in Louisiana are required to provide Louisiana Workers' Compensation coverage to their employees. This is true even in cases where the employee only works on temporary assignments, situations where the employer does not withhold federal or state taxes, and even in situations where the employer pays the employee in cash. Check with an insurance professional about your business.

**Louisiana Department of Insurance**  
**(800) 259-5300**  
**[www.idi.state.la.us](http://www.idi.state.la.us)**

## Registration Process for the New Business Operating in Louisiana:



## Where can I get help?

### LSBDC

1-866-782-4159, [www.lsbdc.org](http://www.lsbdc.org)

### U.S. Small Business Administration

Information about SBA financial programs available  
[www.sba.gov](http://www.sba.gov)

### IRS Office

(check website to find local office) [www.irs.gov](http://www.irs.gov)

### Louisiana Department of Economic Development (LED)

1051 North Third Street, Baton Rouge, LA 70804-9185  
(225) 342-3000 / (800)450-8115 [www.louisianaforward.com](http://www.louisianaforward.com)

## LSBDC Offices

### State Office – [www.lsbdc.org](http://www.lsbdc.org)

Mary Lynn Wilkerson, State Director  
Violet L. Liner, CPA, Associate State Director  
Tony Martinez, Associate State Director  
Phone (318) 342-5506, FAX (318) 342-5510  
E-Mail [lsbdc@lsbdc.org](mailto:lsbdc@lsbdc.org)

### Greater New Orleans Region

Phone (504) 831-3730, FAX (504) 831-3735  
E-Mail [lsbdc.gnor@lsbdc.org](mailto:lsbdc.gnor@lsbdc.org)

### Louisiana State University in Shreveport

Phone (318) 797-5144, FAX (318) 797-5166  
E-Mail [lsbdc.lsu@lsbdc.org](mailto:lsbdc.lsu@lsbdc.org)

### McNeese State University

Phone (337) 475-5529, FAX (337) 475-5528  
E-Mail [lsbdc.msu@lsbdc.org](mailto:lsbdc.msu@lsbdc.org)

### Northwestern State University

Phone (318) 484-2123, FAX (318) 484-2126  
E-Mail [lsbdc.nsu@lsbdc.org](mailto:lsbdc.nsu@lsbdc.org)

### Southeastern Louisiana University

Phone (985) 549-3831, FAX (985) 549-2127  
E-Mail [lsbdc.slu@lsbdc.org](mailto:lsbdc.slu@lsbdc.org)

### Southern University, Baton Rouge

Phone (225) 922-0998, FAX (225) 922-0024  
E-Mail [lsbdc.subr@lsbdc.org](mailto:lsbdc.subr@lsbdc.org)

### Technology Center at Louisiana State University

Phone (225) 578-4842, FAX (225) 578-3975  
E-Mail [lsbdctc.lsu@lsbdc.org](mailto:lsbdctc.lsu@lsbdc.org)

### University of Louisiana at Lafayette

Phone (337) 262-5344, FAX (337) 262-1223  
E-Mail [lsbdc.ull@lsbdc.org](mailto:lsbdc.ull@lsbdc.org)

### University of Louisiana at Monroe

Phone (318) 342-1224, FAX (318) 342-3085  
E-Mail [lsbdc.ulm@lsbdc.org](mailto:lsbdc.ulm@lsbdc.org)