



**Louisiana's  
Bayou Region**  
*Growth, prosperity ... a way of life.*

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South Louisiana Economic Council  
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# **Bayou Region Business Guide**

## **How to Create and Grow a New Business in the Bayou Region**



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*Growth, prosperity ... a way of life.*

September 2010

*Paid in part by Louisiana Economic Development*

# South Louisiana Economic Council's

## How to Create and Grow a New Business in the Bayou Region

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## INTRODUCTION & ACKNOWLEDGEMENTS

This guide has been developed to provide guidance on how to start a business in Louisiana, and, more specifically, in the Bayou Region including the parishes of Assumption, Lafourche, St. Mary, and Terrebonne. The guide provides numerous business, government and technical resources that should assist you when going through the process involved in getting started. It includes such resources as business planning, regulations, financing, taxation and many others.

Each section contains the resources needed in the Bayou Region, as well as state and federal sources. We've also included web sites addresses that can provide additional information. There are great resources to be found just by searching the Internet. Please use the Table of Contents to lead you in the direction you need to go.

This Guide was prepared by gathering information from the internet. We have included information we found to be most useful from these sources: the US Small Business Administration; SCORE; the Cummings-Forsyth County Chamber of Commerce, GA; the Baton Rouge Chamber of Commerce; Louisiana Works; and Louisiana Economic Development. We acknowledge and thank these organizations for their contribution to this report and this field of study.

If you should have any questions, please don't hesitate to contact SLEC at 985 448-4485.



Take charge of your business with SLEC's Fast Trac Program. FastTrac is a comprehensive program of hands-on directed learning that gives new entrepreneurs the insights needed for success.

For more information, please contact Jan Labat at (985) 493-2585

## GETTING STARTED

### What is an Entrepreneur?

- ✓ Someone who organizes and maintains a business venture
- ✓ Someone who takes on the risk and does what he/she wants in order to make a profit
- ✓ Someone who can coordinate the resources available to meet a need

How can you become an entrepreneur? How can you start your own business? The South Louisiana Economic Council (SLEC) has created this booklet to simplify transition into the role of an entrepreneur. The Bayou Region Business Guide will make establishing your own business easier by giving you "one-stop shopping" for the information you will need. SLEC is determined to promote economic growth and new business development. This Guide is another way SLEC can assist start-ups.

### Are You Ready?

Do you know who your customers will be and what sets you apart from your competition? Are you prepared to work for over a year without getting a day off? What is your personal credit history?

These are some of the many questions you need to be prepared to answer when deciding whether or not to start a new business. The best way to increase your chance of success is to find out as much as possible BEFORE you start your business. Investing the time to learn what is actually involved in running a business will help you increase your chances of success.

Talk to successful business owners and be sure you have a realistic understanding of the financial, time management, and organizational resources you'll need to be a successful business owner. And rather than focusing on the daunting figures of business failures, use your time to understand the very real demands of operating your own business.

In reviewing your motivation and readiness to start a business, you should evaluate issues including:

- ✓ What has motivated you to start your own business?
- ✓ What personal characteristics do you have that will help you as a business owner?
  - ✓ Are you a self-starter? It will be up to you - not someone else telling you to develop projects, organize your time, and follow through on details .
  - ✓ How well do you get along with different personalities? Business owners need to develop working relationships with a variety of people including customers, vendors, staff, bankers and professionals such as lawyers, accountants or consultants. Can you deal with a demanding client, an unreliable vendor or unreliable staff person?
  - ✓ How good are you at making decisions? Small business owners are required to make decisions constantly, often quickly, under pressure and independently .

- ✓ Do you have the physical and emotional stamina to run a business? Business ownership can be challenging, fun and exciting. But it's also a lot of work. Can you face 12-hour work days six or seven days a week if necessary?
- ✓ How well do you plan and organize? Research indicates that many business failures could have been avoided through better planning. Good organization of financials, inventory, schedules and production can help avoid many obstacles .
- ✓ Is your drive strong enough to maintain your motivation? Running a business can wear you down. Some business owners feel burned out by having to carry all the responsibility on their shoulders. Strong motivation can make the business succeed and will help you survive slowdowns as well as periods of burnout.
- ✓ How will the business affect your family? The first few years of business startup can be hard on family life. The strain of an unsupportive spouse may be hard to balance against the demands of starting a business. There also may be financial difficulties until the business becomes profitable, which could take months or years. You may have to adjust to a lower standard of living or put family assets at risk.
- ✓ What characteristics do you not possess that are important to the success of your business and how will you address this?
- ✓ Can you describe your product and why a customer would want it?
- ✓ What does the market look like for your product or service?
- ✓ Who will your customers be and how much information do you have about them?
- ✓ What competitors offer similar products?
- ✓ What experience do you have and what experience do you lack?
- ✓ What's your personal financial position?
- ✓ What are projected startup costs?
- ✓ What are projected revenues and sales?

An honest examination of these questions will give you a sense of how prepared you are to start a business. Certain skills and experience are critical to the success of a business. Knowing which skills you possess and which you will need to hire others to provide will be helpful in structuring a successful company.

*Source: Cumming-Forsyth Chamber of Commerce*

## **Checklist for Entrepreneurs**

Starting your own business takes serious consideration. Careful, advanced planning can ensure the success of your venture. Below is a suggested one-year plan.

### One Year Before Start - Up

- Refine your ideas in writing. Determine exactly where you want to go.
- Decide what business you want to start. Be specific in your business definition.
- Assess the impact on your family and personal life. How will this affect your relationships? Will your family support the use of finances and time?
- Begin research. You must determine if there is a need for your product. This research can be performed by students, professionals or even on your own.
- Build your personal skills by taking formal management/business courses.
- Contact the Small Business Development Center (SBDC) for assistance in writing a business plan and other business start up services.
- Contact the Louisiana Department of Labor for information on educational seminars on labor/safety issues.

### Six Months Before Start-Up

- Determine the focus of your business. What do you want to specialize in? It is easier to excel in one rather than multiple areas.
- Start writing your business plan.
- Define your target markets. Who is your intended clientele? Who should you aim your advertising towards?
- Research business and trade organizations. Most areas of business have agencies and organizations set up to facilitate business. Take advantage of what these groups have to offer.
- Start looking for the best location for your business. How much space will be required? Would your business be better suited downtown or in a rural part of the county? Is a store-front location needed or can you work from your home? Location can make or break a business. Conduct the search on your own or contact a real estate agent.

### Four Months Before Start- Up

- Name your business. Be careful in deciding on a name and be aware that someone may already be using the name.
- Have a few back-up ideas. You can check to see if a name is being used by contacting the Louisiana Secretary of State.

- Make a final selection on the business location. Make sure that the location you choose is within your budget and also fits into your business plan. Cheaper rent may cost you more in the long run. Remember: Location, location, location.
- Select outside advisors. This will be a very hectic time. It will be beneficial to have people you can call on to listen to your ideas, problems and plans and provide feedback. These people should be able to provide you with guidance and constructive criticism. They should be people experienced and knowledgeable in your area of business.
- Set up a network of mentors. Select people who can give you insight and ideas.
- Choose your business' legal form. Will you be a partnership, sole proprietorship or corporation? Legal form should be chosen very carefully as it can impact your business in many ways.
- Set up bookkeeping, accounting and office systems. How are you going to operate your office? If you are going to keep your own books, make sure your skills are adequate. Will you need to hire a bookkeeper/bookkeeping firm?
- Seek outside demographic information on your targeted customer base. Gather secondary information.
- Continue working on your business plan.

### Three Months Before Start-Up

- Determine your cash needs. How much money do you need for start-up? What will be your monthly variable and fixed costs? What is your break-even point? These are all questions that must be answered. You must estimate your cash flows.
- Review preliminary financial objectives. How much profit do you expect to make? Are you planning on making investments? What is your intended cash flow?
- Decide on your pricing strategy. After determining your variable and fixed costs, decide what your markup rate will be. You will also need to consider demand and competitive factors in setting your price.
- Forecast sales. The SBDC or others in your field can help you forecast accurately.
- Determine your company's employee needs. How many people do you need on your staff? This is important to decide as it effects your requirements for insurance, cash flow, etc.
- Project your cash flow. Write out an estimated statement of all revenues and expenditures. This statement should cover one calendar year. Also project your net cash flow for the entire year.
- Continue working on and refining your business plan.

### Two Months Before Start-Up

- Prepare your marketing plan. How are you going to market your product and how much will it cost? Are you going to use publicity? Are you going to use paid advertisement? You must decide how you will introduce your business to the public.
- Get your business license.
- Review non-financial objectives (public image, legal questions). How do you want the public to see your business?
- Are you a family establishment or geared more toward adults? What form is your business taking? Do you have all legal documents needed?
- Prepare a preliminary balance sheet.
- Secure necessary financing. Whether through a private lender or through other sources, you must obtain the necessary amount of start-up capital
- Secure insurance coverage if applicable.
- Determine advertising, promotion and public relations strategies.
- Order opening inventories. Talk to your suppliers for estimated opening needs.
- Complete improvements to your facility.
- Start your hiring process.
- Refine your business plan.

### One Month 'Before Start -Up

- Fine tune your cash flow budget.
- Prepare for your grand opening. Be creative but practical
- Set up your office, display areas, etc. Have everything exactly as you want it. The last few days before opening are not the time to do this. The look of your store or office sets the tone for your business. You should put thought and time into it.
- Review your final checklist.
- Hire your staff.
- Make sure everything works. It is better to find out that your equipment does not work in advance. In that case, you can make any necessary repairs and be ready to open your doors on time.
  
- Implement marketing, promotion and opening plans. This will be a good time to start advertising in local newspapers, radio and television if your budget permits. Remember:

Word of mouth is your most powerful publicity! It's also the least expensive. Spread the word.

### Start- Up And After

- Budget your time. As a new business owner your time will be precious. Schedule your time wisely. It is important to get the maximum out of time you have available. You might consider reading some time management materials or speaking with someone who you think manages time wisely.
- Continue to update your product/service. What is good about your product? Make it better. What doesn't work with your product? Eliminate the problem as much as possible. If people patronize your business for the original product, an improved product can only increase business.
- LISTEN to your customers, advisors and vendors. The customers are your cash flow. It is important to gather their opinions and put them to use. Their ideas can be helpful in updating your product. LISTEN to your advisors. You asked them to advise you for a reason. Let them guide you. LISTEN to your vendors. These vendors have been in the business much longer than you have. They can provide you with money-saving or moneymaking ideas.
- Check cash flow budget against actual performance.
- Maintain good communications with your bankers and vendors. By keeping the lines of communication open you are helping yourself. Should you need their help in the future, you will be more likely to receive it.
- Continue to improve the 5 C's of credit. (Character, Collateral, Capacity, Capital and Condition)
- Work with investors. Make sure you are in contact with them. Make sure that you understand the conditions of your repayment. When are payments due? Make sure you fulfill all obligations to investors. They may be of value in the future.
- Check cost of living budget. If you are drawing money from the company for living expenses, be sure to take only what is necessary. Stick tightly to your budget.
- CONSIDER DELAYING YOUR OFFICIAL GRAND OPENING/RIBBON CUTTING UNTIL YOU HAVE BEEN IN BUSINESS FOR A COUPLE OF WEEKS. If you do, you can make sure you've worked the "bugs" out and that the business is running smoothly.

*Source: Cumming-Forsyth Chamber of Commerce*

## **Business Plans**

A business plan precisely defines your business, identifies your goals and serves as your firm's resume. The basic components include a current and pro forma balance sheet, an income statement and a cash flow analysis. It helps you allocate resources properly, handle unforeseen complications and make good business decisions. Because it provides specific and organized information about your company and how you will repay borrowed money, a good business plan is a crucial part of any loan application. Additionally, it informs sales personnel, suppliers and others about your operations and goals.

The following outline of a typical business plan can serve as a guide. You can adapt it to your specific business. Breaking down the plan into several components may help make drafting it a more manageable task.

### **Introduction**

- Give a detailed description of the business and its goals.
- Discuss the ownership of the business and the legal structure.
- List the skills and experience you bring to the business.
- Discuss the advantages you and your business have over your competitors.

### **Marketing**

- Discuss the products/services offered.
- Identify the customer demand for your product/service.
- Identify your market, its size and locations.
- Explain how your product/service will be advertised and marketed.
- Explain the pricing strategy.

### **Financial Management**

- Explain your source and the amount of initial equity capital.
- Develop a monthly operating budget for the first year.
- Develop an expected return on investment and monthly cash flow for the first year.
- Provide projected income statements and balance sheets for a two year period.
- Discuss your breakeven point.
- Explain your personal balance sheet and method of compensation.
- Discuss who will maintain your accounting records and how they will be kept.

- Provide "what if" statements that address alternative approaches to any problem that may develop.

#### Operations

- Explain how the business will be managed on a day-to-day basis.
- Discuss hiring and personnel procedures.
- Discuss insurance, lease or rent agreements and issues pertinent to your business.
- Account for the equipment necessary to produce your products or services.
- Account for production and delivery of products and services.

#### Concluding Statement

- Summarize your business goals and objectives and express your commitment to the success of your business.
- Once you have completed your business plan, review it with a friend or business .
- When you feel comfortable with the content and structure make an appointment to review and discuss it with your lender. The business plan is a flexible document that should change as your business grows.

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

### **Feasibility and Marketing Strategy**

#### Is Your Business Idea Feasible?

Answer the following questions regarding your idea. Give complete, well thought out answers to these questions. If you are unsure about or answer no to any of the following questions, then you should rethink your idea.

- What type of business do you plan to start?
- What kind of product do you plan to offer?
- Will your product satisfy a need yet unfilled?
- Will your product have a competitive edge based on price, location, quality or selection?

#### Researching Your Markets

It is recommended that you research your potential market demand for your product or service. First, determine what questions you need answered. The following are ideas on where to find the information you need.

#### PRIMARY DATA:

- Your experience
- Experiences of people you know
- Survey potential customers to determine their wants/needs. Observe similar businesses
- Interview these business owners
- Interview suppliers, vendors and bankers

#### SECONDARY DATA:

- Visit your public library
- Contact trade associations (i.e. trade shows and trade journals)
- Contact the SBDC at SLEC.
- Use various search engines on the Internet (Yahoo, Google, MSN, Lycos, Ask, etc.)

#### Marketing Your Business

In order to properly market your product, you need to answer the following questions. This information can be used to help develop your marketing plan. Contact the SBDC or SCORE for more information on constructing this plan.

- Who are my customers? (This determines your target market)
- Where are they?
- How many are there? (This indicates your market size)
- What are their needs?
- Who are my competitors?
- How does my competition do it? (One method of marketing/dealing with competition is the end-run strategy. In this strategy you adopt your competitors' strategy with the intention of making it better.)
- How can I reach them? (The distribution of your product is very important. Where your product is located can affect how well it sells.)
- How much will they pay? (The pricing of your product is also very important. You must take into consideration what your competitors charge.)
- What are the market trends? (What are people buying? It is important to be aware of what market trends are. This relates back to knowing your customers' needs. Try to distinguish between trends and fads. What are the technological trends? (One obvious answer to this question is the Internet). Will you be using technology? How can it be used to help your business? Do you need to advertise on the Internet? Do you need a network of computers for your business? If you are in a business related to technology. It is imperative that you stay abreast of any changes.)

#### Determining the Cash Needed to Start a Business

To determine this amount, get estimates from suppliers, contractors, professionals and/or governmental authorities to ensure accurate amounts and procedures and complete the form found on the following page.

For access to a complete set of forms visit the Senior Core of Retired Executives (SCORE) web site at: <http://www.score.com>.

REOCCURRING EXPENSES	Estimate of monthly expenses based on sales of \$ _____ Projected per year	Estimate of cash needed to start (Col.2 X _____ months)
Salary of Owner/Manager		
All other salaries/wages		
Rent (building & equipment)		
Advertising		
Office Expense		
Telephone & Communications		
Internet		
Other Utilities		
Insurance		
Taxes & Social Security		
Maintenance & Repairs		
Legal/Professional Fees		
Loan Payments		
Miscellaneous		
SUBTOTAL		
ONE TIME START UP COSTS		
Fixtures & Equipment		
Decorating & Remodeling		
Installation of Fixtures/Equip.		
Starting Inventory		
Deposits for Utilities		
Legal/Professional Fees		
Licenses & Permits		
Advertising & Promotion for Opening		
Other		
TOTAL ESTIMATE OF CASH NEEDED FOR START UP		

## Demographic Information

A variety of free demographic information is available on the Internet, through the local chamber of commerce offices, or SLEC. This information breaks down population by different categories such as age, sex, race, income, spending patterns, and education. It can be used to help identify the number of people who may use your business or services and other market related data.

Begin by visiting the SLEC web site at: [www.bayouregion.com](http://www.bayouregion.com). Additional labor market information is available at these sites:

### Labor Market Information

For up-to-date marketing information, the Louisiana Department of Labor's Labor Market Information publications are a good source. These LMI publications and reports are available online at: [www.LAWorks.net](http://www.LAWorks.net).

#### Labor Market Information

- LMI Bulletin
- Monthly Employment Statistics
- Schedule of LMI Release Dates

#### Employment & Wages Reports

- Annual Data
- Quarterly Data

#### Nonagricultural Wage & Salary Employment by SIC CODES (Benchmarked)

- Average Hour & Earnings
- Employment by Industry

#### Nonfarm Wage and Salary Employment by NAICS CODES (Benchmarked)

- Average Hour & Earnings
- Employment by Industry
- Ten Year Historical Series of Employment Converted to NAICS CODES (Compiled by the Bureau of Labor Statistics)

#### Civilian Labor Force Summary

- State and MSA
- Parish

#### Survey of Occupational Injuries and Illnesses (SOII)

Incidence Rates  
Case Counts

Census of Fatal Occupational Injuries (CFOI)  
Summary of State Fatalities by Calendar Year

#### Publications

Affirmative Action Data Book Career Paths  
Employment & Wages Annual Report  
Fatal & Nonfatal Occupational Injuries & Illnesses Job Vacancy Survey Results  
Louisiana Licensing Guide  
Occupational Codes Dictionary  
Order Form  
Publications Description

Additional Web Sites containing helpful information include:

Employment Data, current US and more  
<http://www.bls.gov/ces/news.htm>

Excellence in Sales  
<http://www.gitomer.com/>

Government Data, all kinds from all agencies  
[www.data.gov](http://www.data.gov)

Principals of Success  
<http://www.naphill.org/>

US Census Bureau, Business Dynamics Statistics  
[http://www.ces.census.gov/index.php/bds/bds\\_database\\_list](http://www.ces.census.gov/index.php/bds/bds_database_list)

US Census Bureau, 2010 Statistical Abstract details on everything!  
<http://www.census.gov/compendia/statab/cats/population.html>

US Department of Labor, Bureau of Labor Statistics  
<http://www.bls.gov/>

Wall Street Journal, Economic Chart Room  
[http://online.wsj.com/mdc/public/page/2\\_3024-ecocharts.html?mod=djemRTEh](http://online.wsj.com/mdc/public/page/2_3024-ecocharts.html?mod=djemRTEh)

Other sources of information that charge a fee include:

Claritas: [http://en-s.nielsen.com/content/nielsen/en\\_us/product\\_families/nielsen\\_claritas.html](http://en-s.nielsen.com/content/nielsen/en_us/product_families/nielsen_claritas.html)

Reference USA: <http://www.referenceusa.com/>

EMSI: <http://www.economicmodeling.com/>

#### **Determining the Right Legal Structure**

Deciding what form of legal entity your business will take is an important decision. This will have an impact on the future of your business including your protection under the law, and the rules and regulations (for example, federal and state taxes) that will apply to you.

It is recommended that before you enter into any of these four forms of business that you contact an attorney, CPA or other qualified individual. Speaking with someone informed about the legal entities of business will reduce the risk of mistakes in the business setup. You can probably file the necessary paperwork and procedures yourself, but working with a professional will make the process run more smoothly. The Small Business Development Center located at SLEC on the Nicholls State University campus can be useful as well.

There are four basic forms a new business can use:

- Sole Proprietorship
- Partnership (General or limited)
- Corporation (C or S)
- limited liability Company (LLC)

A sole proprietorship is most often owned and operated by one person. Under the law, it is not considered a legal entity. It is instead considered an extension of the person who owns the business. This individual has sole ownership of assets, but is also solely liable for the debts of the business.

A partnership can be formed in two ways:

- A general partnership is comprised of two or more individuals who join to start a business. Each person has proportional ownership of the business assets and proportional liability for business debts. Each person also has authority in running this business. A partnership agreement can be drawn up to alter each person's particular liability. However, despite this document, creditors may collect from each and every member of the partnership (this may include personal assets).
- A limited partnership is made up of one or more general partners as well as one or more limited partners. Limited partners contribute capital and share in profits/losses. These limited partners, however, take no part in the running of the business and are not held liable for the organization's debts.

Whether taking part in a general or limited partnership, it is recommended that you draw up a partnership agreement. This document will detail each partner's rights and their responsibilities. Partnerships are required to file both federal and state income tax. While the partnership is not typically taxed, each partner reflects charges for the partnership on his/her personal tax returns.

A corporation is an entity that must file federal, state and local taxes on its operations. One advantage to a corporation is the protection from liability afforded to shareholders. However, when an

organization is small, creditors may require personal guarantees of predominate owners. Another advantage to the corporation is the ease of raising capital through the sale of common or preferred stock. A disadvantage of the corporation is that the organization's income will essentially be taxed twice (once for the business and again on the shareholders personal income tax after collecting dividends). There are two types of corporations: "C" and "S".

- A "C" corporation has their own tax identification numbers and pays their own taxes.
- The "S" corporation is the opposite. It is not taxed as if it is a corporation at all. Instead it is taxed similarly to a partnership. Its gains and losses are reflected on the personal income tax of the shareholder. The S corporation does not provide protection from liability to its shareholders.

Note: \*\* The distinction between "S" and "C" corporations can be complicated. It is very important that you consult with someone who is knowledgeable on the subject before making a decision.

The limited liability company (LLC) is one that is owned by two or more persons known as members. It is a mixture of other forms of organization. This form combines features from partnerships, corporations and S corporations. Similar to a corporation, you must reserve a name and file the articles of incorporation. You and your fellow members should write an operating agreement to control the conduct of the business.

An LLC shields the personal assets of members as if they were shareholders in a corporation. It also eliminates double taxation. Because an LLC is a somewhat new organizational form, it is unclear how the partnership tax rules will apply. You may not be able to conduct inter-state trade as an LLC. Many state and foreign governments have not yet approved this form. In addition an LLC may not have a perpetual life. While this form of organization is gaining popularity, you must take great care in the establishment of an LLC to insure pass-through tax treatment.

In order to incorporate your business, contact the **Louisiana Secretary of State** at:

<http://www.sos.louisiana.gov/tabid/98/Default.aspx>.

You will then reserve your corporation name. The Secretary of State will instruct you in the completion of all documents necessary. You will be required to pay an incorporation fee every year.

An attorney, accountant or business services firm can usually perform the necessary procedures for you for several hundred dollars. How much it will cost depends on the attorney and your business.

## **Naming and Registering your New Company**

Another important step in getting your business ready for opening day involves securing your business name, registering your business with the appropriate authorities, and getting your tax identification numbers from the federal, state, and/or local government. It is important to take care of these issues early in the process, as you may need this information to secure permits, licenses, and potentially financing.

Naming your business requires more than creativity and good spelling skills.

After determining the name you'd like to use for your business, you should do a preliminary check of the name's availability through the [Secretary of State's Corporations Database](#).

You can check whether a name is currently being used in a matter of minutes. Preliminary checks may be made online or by calling 225.925.4704.

Corporations and LLCs need to secure their names through the Secretary of State's Office. This can be done at the time of incorporation or you may reserve a name for 60 days if you're not ready to incorporate. Reserving a name costs \$25.00 and requires the use of their form found on their web site.

Do not rely on a preliminary check of a name's availability. Formally reserve the name and wait for confirmation from the Secretary of State's Office before obtaining stationery, business cards, phone listings, bank accounts, etc.

Trade Names can be registered through your parish Clerk of Court.

Where you register your business depends on your business structure. Corporations, LLCs, and LLPs need to register at the Secretary of State's Office. Corporations will need to file Articles of Incorporation at the time of registration. Samples can be found at the Secretary of State's website, but professional assistance from an attorney is recommended for this process. Companies that are not incorporated, such as sole proprietorships, register at the Clerk of Court's office in the parish where the entity is doing business.

Any business that engages in any type of sales must also register with the [Louisiana Department of Revenue](#). You may contact them at [www.rev.state.la.us](http://www.rev.state.la.us), visit their office at 617 North 3rd Street, Baton Rouge, LA 70801, or call 225.219.7318.

### **Federal Registration**

You will need to contact the Internal Revenue Service for assistance with:

- Federal I.D. Number
- Federal Income Tax Withholding
- Federal Unemployment Insurance Tax

An Employer Identification Number (EIN) is also known as a Federal Tax Identification Number and is used to identify a business entity. Generally, businesses need an EIN. You may apply for an EIN in various ways and now you may apply online at: [www.irs.gov](http://www.irs.gov). This is a free service offered by the Internal Revenue Service. You may also download the form SS-4, Application for Employer Identification Number, and fax or mail it in. For questions about this process or to apply over the phone, you may call 800.829.4933 from 7:00am - 10:00pm local time, Monday through Friday. The local IRS Office is located at:

Internal Revenue Service  
2600 City Place Court  
Suite 375  
Baton Rouge, LA 70808  
225.343.8625

### **State Registration**

All new businesses must contact the [Louisiana Department of Revenue](http://www.louisiana.gov) for the following:

- Sales Tax Registration
- State I.D. Number
- State Income Tax Withholding

Forms and instructions for securing a State Tax ID Number can be found in the Forms section of this website at: <http://www.rev.state.la.us/>.

Louisiana Department of Revenue and Taxation  
617 North 3rd Street  
Baton Rouge, LA 70801  
225.219.7356 Sales Tax  
225.219.0102 Income Tax

### **Local Registration**

To apply for a local sales tax identification number, you need to contact your Parish Sales Tax Division.

## **Licenses, Permits, Code Compliance and Utility Requirements**

### Occupational or Business License

Any business that operates out of a facility (as opposed to out of your home or vehicle) needs to have an occupational or business license. The license is renewed on a yearly basis and can be obtained from your municipal or parish government.

You will need to submit that form along with the necessary fee once you've completed it.

Once your application is processed, an Occupational License Certificate will be mailed to you to be posted in your place of business.

### Permits and Inspection

Each city and/or parish will have individual regulations on what permits are necessary for new businesses and your facility will determine what type of inspections are required. All business owners must contact their municipal or parish permit and inspection authorities to inquire about necessary permits and inspections.

Some additional entities that you may need to consider contacting include:

- State Fire Marshall's Office if the occupancy of your building changed, you are building a new building, or substantially renovating an existing building.
- Parish Health Unit if you are selling food, beverages, and/or alcohol.
- Alcohol and Tobacco Control if you are serving alcohol and/or tobacco.

### Regulation

Several occupations are regulated by a Licensing board that maintains professional standards for that particular occupation, including certified public accountants, athletic trainers, cosmetologists, nurses, plumbers, and many others. To find out whether or not you are required to have a particular license to operate in your field, you can review the Louisiana Workforce Commission Licensing Guide at:

<http://www.laworks.net/Downloads/LMI/licensingguide.pdf>

### **Workforce Compliance and Labor Relations**

A number of workforce compliance and labor relation policies and programs may impact the way you operate your business. Contact the Small Business Development Center at SLEC to for guidance. Some basic employment laws include:

- **Minimum Wage:** For federal information, contact (504) 589-6171. For state information, contact (504) 589-6171
- **Affirmative Action and Equal Employment Opportunity:** For public information posters and information, contact (800) 669-4000.
- **Occupational Safety and Health (OSHA) of 1970**  
The Occupational Safety and Health Act (OSHA) of 1970 can require small businesses to add to, or alter their equipment, facilities or methods of operation to comply with the act. For more information, contact: Department of Labor, OSHA Bluebonnet Center Boulevard, Suite 201 Baton Rouge, LA 70809. (225) 389-0474
- **Wage-Hour Law**  
This law sets the minimum wage and hours standards for employers under the Federal Labor Standards Act. For more information, contact: Department of Labor Employment Standards Administration, Wage and Hour Division 701 Loyola Avenue, Room 13028, New Orleans, LA 70113, (504) 589-6171
- **Americans with Disabilities Act**  
This law may affect your business operation in the areas of employment and public accommodation. For more information and specifics of the law, contact: Equal Employment Opportunity Commission 701 Loyola Avenue, Suite 600, New Orleans, LA 70113. (504) 589-2329

### **Taxes and Employer Tax Responsibilities**

Louisiana has a "pro-business" tax climate which offers credits and refunds for new and expanding businesses creating jobs for area residents. In addition, there is no state property tax structure and state unemployment insurance rates have actually dropped over the last several years. Below are some more specifics concerning taxes.

#### **Sales Tax**

A sales tax is collected by the State of Louisiana, from the individual parishes and incorporated communities on retail purchases made by consumers.

#### **Individual Income Tax**

Louisiana individual income tax is one of the lowest in the nation. There are no local occupation or income taxes in the state. State rates vary depending on marital status, income level, exemptions and deductions.

#### **Corporate Income Tax**

Louisiana corporate income taxes range from four to eight percent of the net taxable income. However, the "effective" rate of taxation is somewhat less because federal income taxes are deductible in

computing net taxable income- 4% up to \$25K 5% over \$25K, 6% over \$50K, 7% over \$100K, and 8% over \$200K.

#### Corporate Franchise Tax

State corporate franchise tax is levied at the rate of \$1.50 per \$1,000 on the first \$300K of capital stock, surplus, undivided profits, and borrowed capital employed in Louisiana. The rate of \$3.00 per \$1,000 after the first \$300K. The minimum tax is \$10.00 per year. Waiver of the corporate franchise tax is allowable under incentive programs.

#### Property Tax

As stated above, there are no state property taxes in Louisiana. However, there may be local property taxes assessed. Manufacturing facilities that qualify for Louisiana's industrial tax exemption enjoy freedom from property taxes on facilities and equipment for a period of up to ten years. In addition, private residences are assessed at ten percent of fair market value. But the Louisiana Constitution provides that no property tax will be charged on the first \$75K of fair market value of an owner-occupied home.

#### **Business Insurance**

As a business owner getting started or growing, it's important to think about what types of business insurance you will need. You want to be sure that some outside event doesn't close your business down or keep you and your employees from being paid.

Can you still be paid if a fire causes your business to shut down temporarily? What if a customer claims that the work you did for them caused them harm or was not what you agreed to? Is there a way to recover your losses if a freezer broke and you lost all your perishable merchandise? What if a customer comes in and slips in your store?

These are some of the many questions a qualified insurance broker or agent can discuss with you to craft the policy that will best protect you, your business, and your employees. The exact package that best meets your needs will depend upon your particular business, but commercial general liability insurance is usually a "must have" for any business.

Whether it's business property and income insurance, commercial liability insurance, commercial auto insurance, bonding or umbrella insurance, it's important to secure the coverage that best protects your business BEFORE you need it.

To find insurance agents in your area, you can visit the website of the Louisiana Department of Insurance.

#### Employee Insurance

Depending on the type and nature of your business, there are many insurance options for both your company and your employees. You will need to be familiar with the following if operating a business in Louisiana. Louisiana's Department of Insurance can answer your questions about insurance liability in the state. Many frequently asked questions forms and publications are posted on the department's website at [www.lidi.state.la.us](http://www.lidi.state.la.us)

#### Workers' Compensation Insurance

For most types of employment, Workers' Compensation insurance is required by law. This policy covers employees for their compensation in the event of job-related injury or death. The policy covers all workers who are legally employed. The premium for Workers' Compensation is based on the entire payroll. For new businesses, the payroll for a year is estimated. For more information contact: Louisiana Department of Labor Office of Workers' Compensation P.O. Box 94040, Baton Rouge, LA 70804. (225)342-7555 or (800)824-4592

#### Unemployment Insurance

Unemployment Insurance (UI) is a program designed to provide temporary financial assistance to workers who are unemployed through no fault of their own and who meet the requirements of the Louisiana Employment security Law UI benefits are paid as a matter of past employment and legal entitlement and are not based on need. In Louisiana, employers pay all of the costs of UI through a payroll tax or reimbursable program. Employees do not pay any part of their wages to finance the UI program. Every employing unit operating in Louisiana is required to complete and submit an application for an official determination of liability or non-liability based on its operations under the Louisiana Employment Security Law.

Unemployment Taxes are due no later than the last day of the month immediately following the end of each quarter. Late taxes are assessed an additional penalty and interest. UI Call Center 866.783.5567

### Financing Information

It is important to explore all of your financing options before making a decision about which option is best for you. Several sources of financing to consider are:

- **Personal Savings:** The primary source of capital for most new businesses comes from savings and other personal resources. While credit cards are often used to finance business needs, there are usually better options available, as the interest rates on credit cards can be very high.

- **Friends and Relatives:** Many entrepreneurs look to private sources such as friends and family when starting out in a business venture. Often, money is loaned interest-free or at a low interest rate, which can be beneficial when getting started. It is important, however, to put the terms of the loans in writing to avoid any misunderstandings that could harm your personal relationships.
- **Banks and Credit Unions:** The most common sources of funding, banks and credit unions, will provide a loan if you can show that your business proposal is sound. For startup companies, however, the burden of proof is much higher than for an existing business looking for a loan to expand current operations. Conservative projections and careful attention to the assumptions that underlie these projections are critical to increasing chances of startup funding.
- **Angel Investors and Venture Capital firms:** These individuals and firms help expanding companies grow in exchange for equity or partial ownership of the company.

There are particular programs targeted to help startup businesses secure financing by reducing the risk to traditional lenders who make loans to small businesses. These programs, run by the Small Business Administration (SBA) (SBA Low Doc.; SBA 7(a); and SBA 504) on the federal level and Louisiana Economic Development Corporation (LEDC) on the state level, do not make any direct loans to business owners. Yet, as a business owner, you should be sure your lender is aware of these programs that aim to make lending to small businesses more attractive to improve your chances of securing funds. Again, both the SBA and LEDC's programs are administered through traditional lenders such as banks.

#### **Small Business Innovation Research Program (SBIR)**

One other financing program to consider is the Small Business Innovation Research Program (SBIR) . The SBIR program, established in 1982, provides an exceptional opportunity for any innovator who is capable of conducting high quality research and development. The SBIR program is a competitive grant program for small business concerns to engage in research and development that has the potential for commercialization. Phase I awards are up to \$100,000 and Phase II awards are up to \$750,000. Proposal guidelines are issued by the federal agencies. Phase I duration is approximately six months and Phase II duration may not exceed two years.

Securing the funding necessary to start and grow your business is one of the biggest challenges to launching a successful startup. Careful planning and an understanding of the financial options available to you will improve your chances of securing financing.

Preparation is critical. No one just walks into a bank with a great idea and walks out with a loan. Research, planning, and preparation are key to making the best impression you can when you finally meet with your lender.

To ensure you are successful in financing your startup business, you need to understand:

#### What lenders consider

Your bank is in business to make money and keeping that in mind will help you understand what your lender is looking for when deciding whether or not to make a loan. The bank must consider the 5 "C's" of Credit each time it makes a loan.

**Capacity** to repay is the most critical of the five factors. The prospective lender will want to know exactly how you intend to repay the loan. The lender will consider the cash flow from the business, the timing of the repayment, and the probability of successful repayment of the loan. Payment history on existing credit relationships - personal and commercial - is considered an indicator of future payment performance. Prospective lenders also will want to know about your contingent sources of repayment.

**Capital** is the money you personally have invested in the business and is an indication of how much you will lose should the business fail. Prospective lenders and investors will expect you to contribute your own assets and to undertake personal financial risk to establish the business before asking them to commit any funding. If you have a significant personal investment in the business you are more likely to do everything in your power to make the business successful.

**Collateral** or guarantees are additional forms of security you can provide the lender. If the business cannot repay its loan, the bank wants to know there is a second source of repayment. Assets such as equipment, buildings, accounts receivable, and in some cases, inventory, are considered possible sources of repayment if they are sold by the bank for cash. Both business and personal assets can be sources of collateral for a loan. A guarantee, on the other hand, is just that - someone else signs a guarantee document promising to repay the loan if you can't. Some lenders may require such a guarantee in addition to collateral as security for a loan.

**Conditions** focus on the intended purpose of the loan. Will the money be used for working capital, additional equipment, or inventory? The lender will also consider the local economic climate and conditions both within your industry and in other industries that could affect your business.

**Character** is the personal impression you make on the potential lender or investor. The lender decides subjectively, whether or not you are sufficiently trustworthy to repay the loan or generate a return on funds invested in your company. Your educational background and experience in business and in your industry will be reviewed. The quality of your references and the background and experience of your employees will also be considered.

*Source: United States Small Business Association, [www.sba.gov](http://www.sba.gov)*

### Loan package components (outline)

Different lenders may require or prefer various pieces of information when reviewing loan proposals, so it is always best to call ahead and inquire about each bank's application and review process to be sure that you put together a loan proposal that meets their expectations. Generally, a loan proposal will include the following information:

#### I. Cover

- Name of business
- Your name and contact information
- Date
- Name of lending institution ("Prepared for xxxx")

#### II. Executive Summary

- Brief description of your business
- How the proposed loan will be used
- How the loan will be paid back

#### III. Business Description

- Brief overview of company history
- Description of products
- Strengths and accomplishments

#### IV. Industry / Market Analysis

- Research on the industry
- Analysis of competition
- Target consumer base
- Sales and marketing plan

#### V. Top Management Profiles

- Summary of experience, qualifications, and credentials of top management
- Resumes
- Professional and financial references

#### VI. Financials

- Projected Balance Sheet
- Projected Cash Flow
- Projected Profit and Loss
- 12-month Sales Forecast
- Personal Financial Statements
- Tax Returns
- Credit Reports (Equifax, Experian, and TransUnion are the three major credit bureaus and each has a process for requesting and obtaining a copy of your credit report.)

#### VII. Summary of Loan Package

- Reiterate exactly how much you need and what you will do with it
- Summarize reasons why you should get the loan

#### VIII. Appendices

- Letters of reference, letters of intent, supplier agreements, etc.

*Source: Baton Rouge Area Chamber of Commerce*

## Protecting Your Ideas

If your business idea is built around a particular piece of intellectual property, you may need to consider acquiring a patent or trademark. The best option is to seek legal counsel from an intellectual property attorney and most law firms in the region have attorneys who specialize in this field.

According to the United States Patent and Trademark Office (USPTO) ([www.uspto.gov](http://www.uspto.gov)), a patent is a property right granted by the Government of the United States of America to an inventor "to exclude others from making, using, offering for sale, or selling the invention throughout the United States or importing the invention into the United States" for a limited time in exchange for public disclosure of the invention when the patent is granted. A patent may be applied for only in the name(s) of the actual inventor(s).

Only certain things can be patented - utility patents are provided for a new, non-obvious, and useful:

- Process
- Machine
- Article of manufacture
- Composition of matter
- Improvement of any of the above

A trademark is a word, phrase, symbol or design, or a combination of words, phrases, symbols or designs, that identifies and distinguishes the source of the goods of one party from those of others.

A service mark is the same as a trademark, except that it identifies and distinguishes the source of a service rather than a product.

Trademarks, copyrights, and patents do not all protect the same thing. A copyright protects an original artistic or literary work; a patent protects an invention.

For more information on Protecting Your Ideas, you may consult an Intellectual Property Attorney or visit the Inventor's Resource section of the U.S. Patent and Trademark Office website.

## **GROWING YOUR BUSINESS**

No matter how long you've been in business, there are things you can do to ensure that your business is competing successfully in the marketplace. Are you taking advantage of incentive programs that could fund training for your existing employees? Have you looked to see what new competitors have entered the market in the last few years? Are you interested in information about how you can do business with federal or state agencies? Or are you looking for assistance expanding into international markets? These are some of the many issues involved in growing your business, including:

- Marketing
- Incentives and Assistance
- Certifications
- Procurement (Government Contracts)
- International Trade
- Laws and Taxes
- Closing Your Business

### Marketing

According to the American Marketing Association, marketing is "an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders."

Marketing is an important organizing tool for any successful business. There are four basic aspects of marketing, often called the four Ps:

- Product: The item or service you sell.
- Price: The amount you charge for your product or service.
- Promote: The ways you inform your market as to who, what, and where you are.
- Provide: The channels you use to take the product to the customer.

To make the most of their marketing efforts, many companies looking to grow or expand will create a marketing plan. The marketing plan allows a business to focus on specific objectives and strategies for improving their market position. A well-thought-out plan will address the following issues:

- What business objectives do you expect to achieve?
- What products/services do you sell?
- Who are your customers?
- Who is your competition, what are their strongest points, and their weakest points?
- Why should a customer buy your product or service rather than your competitors'?
- How will you communicate your product or service to your customers?
- Who will do what, when?
- How are you going to measure your progress so you can learn from the experience?

For additional information, see the Market Analysis section of this report.

*Source: Baton Rouge Area Chamber of Commerce*

## Incentives and Assistance

There are many federal and state incentives that have been developed to support the growth and development of Louisiana companies. Whether they provide loan guarantees to make it easier for startup companies to secure financing, fund training for your small business employees, or invest in infrastructure needed to recruit companies from other states, these programs are designed to financially support the growth of businesses in our state.

### State of Louisiana

#### Louisiana FastStart™

Provides workforce recruitment, screening and training to new and expanding Louisiana companies at no cost.

#### Digital Media Incentive

Provides a 25% tax credit for qualified production expenditures in Louisiana and a 35% tax credit for Louisiana resident labor expenditures.

#### Economic Development Award Program

Provides funding for site and/or infrastructure improvements for projects creating new jobs.

#### Enterprise Zone

Provides a \$2,500 tax credit for each certified net new job created; and either a 4% sales/use tax rebate on capital expenditures or income and franchise tax credits up to 1.5% of investment.

#### Industrial Tax Exemption

Provides a 100% property tax abatement for up to 10 years on materials used in new manufacturing.

#### Live Performance Tax Credit

Provides a tax credit up to 25% on qualified production or infrastructure development expenditures, with additional tax credits available for payroll and transportation expenditures.

#### Mentor-Protégé Tax Credit

Provides up to \$50,000 in tax credits for Louisiana-based contractors who provide competitive technical assistance to protégé construction firms.

#### Modernization Tax Credit

Provides a 5% refundable state tax credit for manufacturers modernizing or upgrading existing facilities in Louisiana.

#### Motion Picture Industry Development Tax Credit

A transferable tax credit of 30% for qualified motion picture production expenditures and an additional 5% tax credit for Louisiana resident labor expenditures.

Quality Jobs

Provides up to 6% rebate on annual payroll expenses for up to 10 years; and either a 4% sales/use tax rebate on capital expenditures or an investment tax credit equal to 1.5% of qualifying expenses.

Research & Development Tax Credit

Provides a tax credit up to 40% to existing businesses with operating facilities in Louisiana to establish or continue research and development activities within the state.

Restoration Tax Abatement

Provides a five-year 100% property tax abatement for the rehabilitation of an existing structure.

Sound Recording Investor Tax Credit

Provides a 25% refundable tax credit for qualified production expenditures on state-certified sound recording projects.

Technology Commercialization Credit and Jobs Program

Provides a 40% refundable tax credit for companies that invest in the commercialization of Louisiana technology and a 6% payroll rebate for the creation new, direct jobs.

Federal

Gulf Opportunity Zone

Provides tax incentives for business development in parishes most affected by hurricanes Katrina and Rita, including 50% bonus depreciation and tax exempt bonds.

New Markets Tax Credit

Investors in qualified projects can obtain a federal income tax credit of 5% to 6% of the amount invested for each year the investment is held, for up to seven years.

Procurement (Government Contracts)

For procurement assistance, you may visit the Louisiana Procurement and Contract Network, which has information about open bids from state agencies in Louisiana. For federal contracts, contact:

For more hands-on assistance, you may contact the Procurement Technical Assistance Center, which was established to generate employment and improve the general economy of Louisiana by assisting business firms in obtaining and performing under the U.S. Department of Defense, other federal agencies, state, and local government contracts. Through PTAC, trained procurement counselors can help you determine if you can successfully compete in the government marketplace by evaluating your capabilities and identifying potential buying agencies for your products and services. Counselors provide an overview of the government contracting process and will help you identify government small business programs where your company may qualify. Your company will be entered into an electronic bid matching database. Contact SLEC for more information.

Another program that offers procurement assistance is the The Hudson Initiative aims to offer Louisiana-based small businesses more access to contracting and procurement of goods and services with state agencies. Race and gender neutral, this goal-oriented program encourages state agencies and contractors who receive state contracts to use certified Small Entrepreneurships. Contact Louisiana Economic Development.

### International Trade

Exporting is essential to the health of the U.S. economy. Exports support over 11 million jobs in the United States, which pay 15% more than the U.S. average, and international sales have contributed to nearly 30% of domestic economic growth in recent years. However, this success is not limited to large corporations; the number of American businesses sending their goods and services overseas has tripled since 1990, with a full two-thirds of that boom coming from companies with fewer than 20 employees. It's become a necessity for any business to export and those that don't are 9% more likely to fail in any given year than comparable firms that do. LED's the International Services division provides services to Louisiana and its companies by assisting businesses with all aspects of international trade and supporting ports and airports in their efforts to increase the volume handled by their facilities. Contact SLEC for more information.

### Closing a Business

If you've ever given any serious thought to exiting your business, now is the time to start. Exiting is a multi-step process that can take from weeks to years depending on the size of the organization and the reasons for exiting.

When it comes to planning, how you exit your business is just as important as how you start it. The goal is to maximize the value of your company before converting it to cash and minimize the amount of time consumed.

Getting out of business is a process. The length of time required to complete the process is directly related to the complexity of the business and the circumstances underlying this decision to get out of business. It can range from one week for a home-based sole proprietorship to several years for a corporation forced into involuntary bankruptcy. Disputes and litigation add another dimension to the timeframe.

The getting out of business process typically includes the following steps:

- Reach Agreement and Obtain Authorization from Owners to Dissolve Your Business Entity. Agreement and authorization to dissolve a business must be established under some acceptable, governing set of rules, such as the bylaws or partnership agreement. It is best to settle disputes quickly and document any terms and conditions that apply.

- Designate a leader & organize a Team. Authority and roles should be clarified. The owner may be the only team member for a home-based business. For a large entity, however, the team may consist of the executive management team and important functional managers whose expertise is not represented: finance, human resources, legal. This group should be as small as possible for efficiency and large enough to include the expertise required to cover the basic planning issues.
- Engage Professionals & Consultants as Team Members. For most small businesses, this group consists of the firm's legal counsel, CPA, and a business broker or valuation expert. Professional expertise and advice in these areas will contribute to a smooth process and improve the outcome. Perform a thorough review of business and identify problem areas. Establish and maintain a problem list to focus on. Determine the condition of the firm's records. Review transactions. Problems extend the timeframe and cost money.
- Prepare a List of Assets and Perform a Physical Inventory. The inventory is very important input to several activities. It is used to establish the value of the business, make decisions, and manage disposition of assets and it becomes the basis for tax calculations and tax returns.
- Perform a valuation of the business. It is difficult to make prudent decisions without knowing the market value of the business and its assets.
- Prepare a Detailed Plan and Assign Responsibilities.
- Develop a Schedule for Implementation. A schedule provides the ability to measure progress, estimate completion of critical steps, and project the end of the process. The schedule is also extremely useful for managing cash flow during this uncertain time.
- Release Announcements & Notices. This step is about timing and legal notice. At some point, interested parties must know what is happening: market, competitors, customers, vendors and suppliers, professional service providers, consultants, trade groups, employees, media, creditors, and contractors. The notice should designate an official point of contact for questions or inquiries.
- Implement the Plan. This is where momentum and activity builds. Things happen very quickly. Without the planning steps, an important degree of control is lost. When that happens, net value is usually decreased in some substantial way.
- Conclude or Transfer Contract Obligations. This process may require approval from contracting parties and involve negotiation of final terms. Office, car, and equipment leases need to be reviewed, addressed, and terminated. The timing of termination dates for insurance contracts and benefit plans are very important to all involved.
- Close Operations. The timing of this step is important. There is a time when manufacturing or production must cease, retail sales must end, and human resources are pared down. Each affects cash flow and net value dramatically. Security and maintenance services may be an important consideration from this point on.
- Dispose of and Transfer Assets. This is an important tax event. Insurance coverage can be reduced or eliminated. Settle accounts payable and debt obligations.

- Prepare Final Financial Statements & Tax Returns. Final financial statements for the business are important to establish the tax implications for assets, gains, and losses conveyed to the owners or other involved parties.
- File Articles of Dissolution. State licensing departments require a formal filing to terminate the legal and tax status of the business. Examples are articles of dissolution, certificates of withdrawal, and cancellation certificates. This process also results in a review of tax liabilities and issuance of a tax clearance notice or certificate. Be sure to file with the Secretary of State's Office, and seek legal advice if necessary to dissolve correctly. Until proper dissolution forms are filed, you will continue to be billed for franchise tax by the Department of Revenue.
- Prepare and Issue Special Filings, Notices, Informational Returns, and Taxes. To develop a checklist, retrace your steps taken during startup. Generally, some action is required with all federal and state registration, taxing, and licensing agencies contacted to start the business. Final submittal of payroll, unemployment, industrial insurance, and other business tax returns must indicate that the business status is closed or changed.
- Receive Tax Clearance Notice. File in financial records.
- Close Bank Account.
- Store Business Records. These records should be kept for at least seven years.

*Source: Planning Your Exit, By Michael J. Franz and Baton Rouge Area Chamber of Commerce*

## **GLOSSARY OF TERMS**

## RESOURCE DIRECTORY

### Business & Economic Organizations

#### Area Chambers of Commerce

Assumption Area Chamber of Commerce  
4751 Highway 1  
Napoleonville, LA 70390  
Phone (985) 369-2816 • [www.assumptionchamber.org](http://www.assumptionchamber.org)

The objective and purpose of the Assumption Area Chamber of Commerce shall be to advance, promote, and improve the civic, commercial, industrial, agricultural, trade, educational, and general interests of the Parish of Assumption. Its members shall be committed to providing the positive attitude necessary for the future growth of our area and, through its programs and activities, will seek to enhance the quality of life found within the region.

Houma-Terrebonne Chamber of Commerce  
6133 Highway 311  
Houma, LA 70360  
Phone (985) 876-5600 • [www.houmachamber.com](http://www.houmachamber.com)

The Houma-Terrebonne Chamber of Commerce is a member-driven, volunteer organization dedicated to improving the quality of life by building a strong economy through promotion of services to members, partnerships and alliances, legislative advocacy, economic development, and programs of action and value to sustain a prosperous and vibrant community.

The Chamber of Lafourche & The Bayou Region  
107 West 26th Street  
LaRose, LA 70373  
Phone (985) 693-6700 • [www.lafourchechamber.com](http://www.lafourchechamber.com)

The Chamber of Lafourche and the Bayou Region is a membership driven, nonprofit organization of businesses and professionals who work together to strengthen the business climate and the quality of life. Our mission is to provide leadership and direction in the advancement of economic growth and prosperity; to represent common interest of business, industry and the professions in the development of sound public policy which promotes a better unification of the business and professional communities and a better quality of life for the total community.

Thibodaux Chamber of Commerce  
318 East Bayou Road  
Thibodaux, LA 70301  
Phone (985) 446-1187 • [www.thibodauxchamber.com](http://www.thibodauxchamber.com)

The mission of the Thibodaux Chamber of Commerce is to provide leadership in the promotion of economic and community development, and to represent common interests of business, industry and the professions for development implementation of effective public policy in order to promote a better quality of life for the community of Thibodaux.

St. Mary Parish Chamber of Commerce  
P.O. Box 2606  
Morgan City, LA 70381 Phone (985) 384-3830

P.O. Box 38 Franklin, LA 70538  
Phone (337) 828-0257 • [www.stmarychamberofcommerce.com](http://www.stmarychamberofcommerce.com)

The St. Mary Chamber of Commerce is a private, non-profit organization of businesses and professionals who are concerned enough to voluntarily invest in and work for the improvement of our community. The St. Mary Chamber serves as a catalyst to organize and direct the energies of those who believe that a community worth living in is a community worth investing in to make it a better place for all. The mission of the St. Mary Chamber is to assist, inspire and engage our members as we unify, strengthen and develop St. Mary Parish.

### **Economic Development Organizations/Districts**

Louisiana Department of Economic Development  
P.O. Box 94185  
Baton Rouge, LA 70804 1051 North Third Street Baton Rouge, LA 70802  
Phone (225) 342-5402 • Fax (225) 342-0142 • [www.led.state.la.us](http://www.led.state.la.us)

Industrial Property Tax Exemption exempts new manufacturing facilities and expansions from state, parish and local property taxes for up to ten years. It can be particularly important to a capital-intensive industry. Quality Jobs Programs grant qualifying businesses engaged in manufacturing or other basic industries a refundable tax credit based on state benefits derived from annual gross payroll. Inventory Tax Credit provides a 100% credit against state corporate income and franchise taxes for inventory taxes paid to political subdivisions. Economic Development Awards provide for infrastructure improvements to publicly owned facilities like roads, public warehousing and manufacturing spaces that are to be used for specific economic development projects. Workforce Development Training Program provides customized pre-employment and workforce upgrade training to existing and prospective businesses. Foreign Trade Zones make it possible to import materials and components into the U.S. without paying duties until they enter the U.S. market. Goods shipped directly out of the country from one of these six FTZs are duty-free.

South Louisiana Economic Council (SLEC)  
P.O. Box 2048-NSU  
Thibodaux, Louisiana 70310  
Phone (985) 448-4485 • Fax (985) 448-4486 • [www.slec.org](http://www.slec.org)

Companies within the Bayou Region have access to an incredible depth of services and support for their businesses. Support ranges from advisory services to loan programs to training support and more. These

resources are available to grow, sustain or start a business in the Bayou Region. SLEC is one of the State's eight regional Economic Development Organizations (EDO's) and covers the parishes of Assumption, Lafourche, St. Mary and Terrebonne. Contact SLEC for more information.

Lafourche Parish Council, Office of Grants and Economic Development  
P.O. Drawer 5548  
Thibodaux, LA 70302  
Phone (985) 446-8427 Ext. 241 • [www.lafourchegov.org](http://www.lafourchegov.org); [CaillouetGM@lafourchegov.org](mailto:CaillouetGM@lafourchegov.org)

The Lafourche Parish Council, through the Office of Grants and Economic Development, facilitates, coordinates, and stimulates progressive economic development in the Parish. This encompasses strengthening and expanding existing economic enterprises and recruiting new economic enterprises into the Parish. The office provides information regarding business incentives as well as parish demographics and labor statistics.

St. Mary Parish Office of Economic Development  
5th Floor Courthouse Building  
Franklin, LA 70538  
Phone: (337) 828-4100, Ext. 340 • Fax: (337) 828-4092' E-mail: [ffink@parish.st-mary.la.us](mailto:ffink@parish.st-mary.la.us)

St. Mary Parish Government through the Economic Development Office facilitates, coordinates and stimulates progressive economic development in the Parish. This encompasses strengthening and expanding existing economic enterprises and recruiting new economic enterprises into the Parish. The office provides information regarding business incentives as well as parish demographics and labor statistics.

Terrebonne Economic Development Authority (TEDA)  
496 Corporate Drive  
Houma, Louisiana 70361 Toll Free 866.469.5974, Local 985.873.6890, Fax 985.873.6815 [www.tpeda.org](http://www.tpeda.org)

An independent organization contracted to perform economic development functions for the Terrebonne Parish Consolidated Government. TEDA provides a full range of services for businesses located within Terrebonne Parish.

South Central Planning & Development Commission  
5058 West Main Street  
Houma, LA 70360  
Phone (985) 851-2900 • [www.scpdc.org](http://www.scpdc.org)

SCPDC operates a Revolving Loan Fund designed to link small businesses to financing solutions. The RLF is funded through a grant from the U. S. Economic Development Administration (EDA), a division of the U. S. Department of Commerce. The program is designed to fill the gaps in financing not provided by conventional means. By offering a fixed rate substantially lower than available commercial rates, the RLF lowers the blended interest rate for a total loan package. The program is designed to assist expanding and new businesses. The RLF offers lending amounts between \$25,000 and \$250,000. The SCPDC also is the administrator for EDA which provides grants for infrastructure development, local capacity building

and business development to help communities alleviate conditions of substantial unemployment and underemployment in economically distressed areas. SCPDC is one of the State's Planning and Development Districts and covers the parishes of Assumption, Lafourche, St. Charles, St. James, St. John the Baptist, and Terrebonne.

## **Parish Specific Relocation Contacts**

### Assumption Parish

#### Utilities

##### Electricity

Entergy 1-800-ENTERGY (1-800-622-6537)

##### Garbage

Waste Management... 1-800-548-8597

##### Gas

Trans LA 1-800-852-2424

Pierre Part Natural Gas 1-888-826-8777

##### Telephone

Bell South (Business) 1-866-620-6000

Bell South (Residence) 1-888-757-6500

EATEL (Business) 1-800-223-4200

EATEL (Residence) 1-800-621-4211

##### Water

Assumption Parish Water Dist #1 (985) 369-6156

Assessor's Office (985) 369-6385

Chamber of Commerce, (985) 369-2816

#### City Hall

Napoleonville (985) 369-6365

Clerk of Court (985) 269-6653

County Agent (985) 369-6386

#### Economic Development

South LA Economic Council (985) 448-4487

#### Law Enforcement

Sheriff's Office (985) 369-7281

#### Parish Libraries

Main Branch (985) 369-7070

Pierre Part Branch (985) 252-4220

Labadieville Branch (985) 526-7055

Police Jury (985) 369-7435

Registrar of Voters (985) 369-7347

School Board (985) 252-6321

U.S. Post Office

Napoleonville (985) 369-7182  
Paincourtville (985) 269-2735  
Labadieville (985) 526-8556  
Pierre Part (985) 252-0683  
Belle Rose (225) 473-7366

### Lafourche Parish

#### Utilities

##### Electricity

Entergy 1-800-ENTERGY (1-800-622-6537)  
SLECA. 1-800-256-8826

##### Garbage

Waste Management 1-800-548-8597  
SWDI 1-800~693-4866

##### Gas

City of Thibodaux (985) 446-7274  
Atmos Energy (985) 868-5171  
South Coast Gas (985) 872-0376  
LA Gas (985) 594-2790

##### Telephone

Bell South (Business) 1-866-620-6000  
Bell South (Residence) 1-888-757-6500  
Lafourche Telephone Company (985) 693-6229  
Infinity Communications 1-888-639-8885  
Lightning Communications (985) 876-6612  
Momentum 1-877-271-1580

##### Water

Lafourche 1-800-344-1580  
Thibodaux (985) 446-7274  
Lockport (985) 532-3117  
Golden Meadow (985) 475-5212

#### Airports

Greater Lafourche Port Commission /  
Leonard Miller Jr. Airport... (985) 475-6701

#### Assessor's Office

Thibodaux (985) 447-7242  
Galliano (985) 632-6933

#### Chamber of Commerce

Lafourche & The Bayou Region (985) 693-6700  
Thibodaux (985) 446-1187

#### City Hall / Mayor's Office

Golden Meadow (985) 475-5163  
Lockport (985) 532-3117  
Thibodaux (985) 446-7218

Clerk of Court  
Thibodaux (985) 447-4847  
Galliano (985) 632-8111  
Lockport (985) 532-7361

County Agent (985) 446-1316

Economic Development/Grants  
Lafourche Parish (985) 446-8427  
Thibodaux (985) 446-7606  
Greater Lafourche Port Commission (Port Fourchon) (985) 632-6701  
South LA Economic Council (985) 448-4487

Emergency Preparedness (985) 446-8437

Health Unit  
Thibodaux (985) 447-0921  
Galliano (985) 632-5567

Law Enforcement  
Bayou Blue (985) 868-2255  
Galliano (985) 798-2255  
Lockport (985) 532-2255  
Sheriff's Department.. (985) 448-2111  
Thibodaux Police (985) 446-5021  
ALL EMERGENCIES 911

Occupational License  
Lafourche Parish (985) 446-8427  
Thibodaux (985) 446-7221

Parish Council (985) 446-8427

Parish Libraries  
Thibodaux Headquarters (985) 446-1163  
Thibodaux Main Branch (985) 447-4119  
Golden Meadow (985) 475-5660  
Galliano (985) 632-7140  
Larose (985) 693-3336  
Lockport (985) 532-3158  
Raceland (985) 537-6875

Permits (985) 537-7603

Planning /Zoning (985) 537-7603

Public Works (985) 537-7603

School Board (985) 446~6756

U.S. Post Office  
Cut Off 1-800-257-8777

Galliano (985) 632-2701  
Golden Meadow: 1-800-257 ~8777  
Larose (985) 693-7270  
Lockport 1-800-257-8777  
Raceland 1-800-257-8777  
Thibodaux (985) 446-8599

### St. Mary Parish

#### Utilities

##### Electricity

Baldwin, Bayou Vista, Berwick, Centerville, Franklin, Patterson  
CLECO 1-800-622-6537

Amelia, Stephenville  
(SLECA) (985) 631-3605

Morgan City (985) 385-1770

##### Gas

##### Amelia

TransLA Gas 1-800-252-3323

##### Bayou Vista, Patterson

City of Patterson (985) 395-5205

##### Berwick (985) 384-8858

##### Centerville

Reliant Energy Svcs (337) 836-5609

##### Franklin

Reliant Energy Entex (337) 828-5042

##### Morgan City

City of Morgan City (985) 385-1770

##### Telephone

Bell South Business 1-866-620-6000

Bell South Residential 1-888-757-6500

##### Water

Amelia (985) 631-2907

Bayou Vista (985) 395-2747

Berwick (985) 384-8858

Centerville (337) 836-5609

Franklin (337) 828-6312

Morgan City (985) 385-1770

Patterson (985) 395-5205

Stephenville (985) 385-1770

#### Airports

Harry P. Williams Memorial Airport .. (985) 395-4501

Assessor's Office (337) 828-4100  
Chamber of Commerce (985) 384-3830  
City Hall / Mayor's Office  
    Baldwin (337) 923-7523  
    Berwick (985) 384-8858  
    Franklin (337) 828-3631  
    Morgan City (985) 385-1770  
    Patterson (985) 395~5205  
Clerk of Court (337) 828-4100  
County Agent (337) 828-4100  
Economic Development  
    Parish Office of Economic Development (337) 828-4100  
    Morgan City Harbor and Terminal District (985) 384-0850  
    Port of West St. Mary (337) 828-3410  
    South LA Economic Council (985) 448-4487  
Health Unit (985) 380-2441  
Law Enforcement  
    Amelia '(985) 384-1622  
    Baldwin (337) 923-4845  
    Bayou Vista (985) 384-1622  
    Berwick (985) 384-7710  
    Centerville (337) 828-1960  
    Franklin (337) 828-1716  
    Morgan City (337) 384-2310  
    Patterson (985) 395-5205  
    Stephensville 1-800-738-3071  
    Sheriff's Department (337) 828-1960  
    ALL EMERGENCIES 911  
Occupational Licensure (337) 828-4100  
Parish Council (337) 828-4100  
Parish Libraries  
    Amelia (985) 631-2262  
    Baldwin (337) 923-6205  
    Bayou Vista (985) 399-9866  
    Berwick. (985) 385-2943  
    Morgan City (985) 380-4646  
    Patterson (985) 395-2777  
Permits (337) 828-4100  
Planning / Zoning (337) 828-4100  
Public Works (337) 828-4100  
School Board (337) 836-9661  
U.S. Post Office

Amelia (985) 631-0281  
Baldwin (337) 923-7714  
Bayou Vista (985) 395-3640  
Berwick (985) 384-7077  
Centerville (337) 836-9981  
Franklin (337) 828-3643  
Morgan City (985) 384-0277  
Patterson (985) 395-3230

## Terrebonne Parish

### Utilities

Customer Connection & Billing: (985) 873-6460  
Deposits for Utilities (985) 873-6467

### Water

Cons. Waterworks Dist 1,2,3 (985) 879-2495

### Electricity

Entergy 1-800-622-6537  
SLECA 1-800-256-8826  
Terrebonne Parish (985) 873-6750

### Natural Gas

South Coast Gas Co (985) 446-1384  
Trans LA Gas Co 1-800-252-3323  
Louisiana Gas Service (985) 594-2790  
Terrebonne Parish (985) 873-6750

### Law Enforcement

Sheriff's Office (985) 876-2500  
Houma Police Department (985) 868-5500  
Louisiana State Police (985) 857-3680

### Airports

Houma-Terrebonne (985) 872-4646  
New Orleans International (504) 476-0831

Clerk of Court (985) 868-5660

County Agent (985) 873-6495

### Economic Development

Dept of Planning & Community Development (985) 873-6798  
South LA Economic Council (985) 448-4487  
Terrebonne Economic Development Authority (985) 873-6890  
Terrebonne Port Commission (985) 873-6512

Health Unit (985) 857-3601

School Board (985) 876-7400

#### Licenses

Occupational License (985) 873-6466

Library (985) 876-5861

#### Taxes

Assessor's Office (985) 876-6620

Terrebonne Parish Consolidated Government

General Information (985) 868-5050

U. S. Post Office 1 800-275-8777

Zoning (985) 873-6567

#### Other Regional Government Offices

Louisiana Economic Development Bayou Region (985) 395-5913 [perry@lged.state.la.us](mailto:perry@lged.state.la.us)

Louisiana Department of Labor Regional Office (985) 857-3732 [www.laworks.net](http://www.laworks.net)

LAT Workforce Investment Board Inc. (985) 580-7249

Louisiana Department of Revenue (985) 447-0976 Phone [www.rev.state.la.us](http://www.rev.state.la.us)

Louisiana Department of Environmental Quality Bayou Lafourche Regional Office (985) 532-6206 [www.deq.state.la.us](http://www.deq.state.la.us)

#### Business and Technical Assistance

Nicholls State University Small Business Development Center (985) 448-4242

[www.nich.edu/sbdc](http://www.nich.edu/sbdc)

South Louisiana Economic Council (985) 448-4485 [www.bayouregion.com](http://www.bayouregion.com)

South Central Planning & Development Commission (985) 851-2900 [www.scpd.org](http://www.scpd.org)

Service Corps of Retired Executives (SCORE) Baton Rouge Chapter (225) 381-7130

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

Louisiana Cooperative Extension Service (225) 388-4141 [www.agctr.lsu.edu](http://www.agctr.lsu.edu)

#### Education

Nicholls State University (877) NICHOLLS [www.nich.edu](http://www.nich.edu)

Louisiana Community and Technical College System (225) 219-8700 [www.lctcs.state.la.us](http://www.lctcs.state.la.us)

Louisiana Technical College L.E. Fletcher Campus (985) 857-3655 [www.lefletcher.com](http://www.lefletcher.com)

LAMPI Extension (985) 857-3658

Louisiana Technical College Lafourche Campus (985) 447-0924

#### Other Useful Web Sites

American Chamber of Commerce Executives [www.acce.org](http://www.acce.org)

American Society of Agricultural Engineers [www.asae.org](http://www.asae.org)

Barometer Surveys [www.barometersurveys.com](http://www.barometersurveys.com)

Briefings Publishing Group [www.briefings.com](http://www.briefings.com)

Business Central [www.businesscentral.com](http://www.businesscentral.com)

BusinessLINC - Learning Investment Network [www.business-linc.org](http://www.business-linc.org)

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South Louisiana Economic Council, Thibodaux, Louisiana (985) 448-4485 [bayouregion.com](http://bayouregion.com) 44

Catalog of Federal Domestic Assistance [www.cfda.gov](http://www.cfda.gov)  
Chamber Biz [www.chamberbiz.com](http://www.chamberbiz.com)  
Commission on Intellectual Property Rights [www.iprcommission.org](http://www.iprcommission.org)  
Council for A Better Louisiana [www.cabl.org](http://www.cabl.org)  
Development Report Card for the States [www.drc.cfed.org](http://www.drc.cfed.org)  
Entrepreneur [www.entrepreneur.com](http://www.entrepreneur.com)  
Federal Money Retriever [www.fedmoney.com](http://www.fedmoney.com)  
Government Accounting Office [www.gao.gov](http://www.gao.gov)  
Go Small Business [www.gosmallbiz.com](http://www.gosmallbiz.com)  
Industry Week [www.industryweek.com](http://www.industryweek.com)  
Information from the Governor's Office [www.gov.state.la.us](http://www.gov.state.la.us)  
International Economic Development Council [www.iedonline.org](http://www.iedonline.org)  
IRS / US Treasury [www.irs.gov](http://www.irs.gov)  
Louisiana Association of Business & Industry [www.labi.org](http://www.labi.org)  
Louisiana Department of Education [www.doe.state.la.us](http://www.doe.state.la.us)  
Louisiana Economic Development Council [www.lded.state.la.us](http://www.lded.state.la.us)  
Louisiana Secretary of State, Commercial Div. [www.sec.state.la.us/fss](http://www.sec.state.la.us/fss)  
Louisiana Tourism [www.latour.lsu.edu](http://www.latour.lsu.edu)  
Louisiana Works Department of Labor [www.LAWorks.net](http://www.LAWorks.net)  
National Federation of Independent Business [www.nfib.com](http://www.nfib.com)  
National Commission on Entrepreneurship [www.ncoe.org](http://www.ncoe.org)  
Policom Corporation Economic Analysis [www.policom.com](http://www.policom.com)  
Public Affairs Research Council [www.la-par.org](http://www.la-par.org)  
Small Business Matters Newsletter [www.gainonline.net](http://www.gainonline.net)  
Small Business Survival [www.sbc.org](http://www.sbc.org)  
Taxes & Accounting Sites Directory [www.taxsites.com](http://www.taxsites.com)  
US Conference of Mayors [www.usmayors.org](http://www.usmayors.org)  
US Small Business Administration [www.sba.gov](http://www.sba.gov)  
White House News [www.whitehouse.gov](http://www.whitehouse.gov)