

A Helpful Guide to

STARTING

&

GROWING A BUSINESS

In HABERSHAM COUNTY

Compiled and Provided by:



Revised: June 2010

Welcome Prospective Entrepreneur:

Our economic system is based upon free enterprise and the right of each person to take the chance, follow the dream and open a business. The information enclosed in this document has been compiled to answer many of the questions that arise when a person begins to think about opening a business.

Owning and operating a business is hard work. It takes dedication, patience, and an assortment of skills and money. The individuals who have worked to gather this information are supportive of your desire to follow your dream.

Take the time to read the material. Knowing how to handle the many details of going into business and knowing yourself is very instrumental in the success of your business. This information may lead to additional questions. Do not hesitate to find an answer, no matter what the question. There is help available to help find the answers. Please call the Chamber of Commerce office and our staff can help identify the best resource to assist you.

We ask your help in identifying additional topics that should be included in this guide. The more information we can provide, the better we can assist you and the others who will follow.

We commend you and look forward to working with you. Please give us a call if you have additional questions.

Best wishes,

*Judy Taylor, PhD
President
Habersham County Chamber of Commerce
(706)778-4654*

Table of Contents

Subject	Page
Welcome Prospective Entrepreneur -----	1
Table of Contents-----	2
What is an Entrepreneurship? -----	3
Is Entrepreneurship for you? -----	3
Self Biz Quiz-----	4-6
One Year Checklist for Entrepreneurs-----	7-9
The Business Plan-----	9-10
Feasibility & Marketing Strategy-----	10-11
Marketing your Business-----	12
Determining Cash Needed to Start a Business (Checklist) -----	13
Demographic Information-----	13
Procurement-----	13
Legal Aspects of Starting a Business-----	14-15
Licensing and Permits Information-----	15-16
Zoning-----	17
Building Construction & Renovation-----	17
Health Permits-----	17
Trade Name Registration-----	18-19
Taxes-----	19-21
Utilities-----	22
Labor & Safety Regulation Information-----	22-23
Employer Tax Responsibilities-----	23-24
Drug Free Workplace-----	24
Application, Hiring & Termination Process-----	25-26
Financing Information-----	26-27
Agribusiness-----	27
International Trade-----	27
Resource Directory-----	28-29
Glossary of Terms-----	30
State Issued Licenses-----	31-37

Notice: The contents of this publication are presented for information purposes only and should not be considered in any way legal or professional assistance. We encourage you to seek the advice and counsel of a licensed professional when dealing with legal and financial matters.

“While care has been taken to provide accurate, up to date information, the information presented has been collected from numerous sources and is subject to errors and changes and should be researched for updates and accuracy.

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 Habersham County Chamber of Commerce has designed this booklet to simplify transition into the role of an entrepreneur. The ABC'S of Starting a Business in Habersham County will make establishing your own business easier by giving you —one stop shopping || for the information you will need. The Habersham County Chamber of Commerce is determined to promote economic growth and development. We believe this begins with you. By giving you the proper tools, we can help build a strong economic foundation. We hope this booklet will be of assistance. In order to receive the maximum benefits of the information contained in this booklet, we suggest you treat this booklet as you would a workbook. Start at the beginning and work through to the end, making notes along the way. This book would not have been possible without the dedication of many individuals and the cooperation of many organizations. We would like to thank all those who contributed in any way.

IS ENTREPRENEURSHIP FOR YOU?

There is no way to eliminate all the risks associated with starting a small business. You can improve your chances of success with **good planning** and **preparation**. A good starting place is to evaluate your strengths and weaknesses as the owner and manager of a small business. Carefully consider each of the following questions.

- 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 pitfalls.
- 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.

SELF BIZ QUIZ

*Are you the type person who should open their own business?
Take this short quiz and see how your score adds up.*

MOTIVATION

Disagree Strongly Agree

1. I constantly see business opportunities or ideas with potential commercial value. 1 2 3 4 5 6 7 8 9 10
2. I like growing or building businesses or taking ideas and making something of them 1 2 3 4 5 6 7 8 9 10
3. I regularly come up with new ideas on doing things better or more efficiently 1 2 3 4 5 6 7 8 9 10
4. I am able to find solutions to challenges or problems 1 2 3 4 5 6 7 8 9 10
5. I am able to find the help, assistance or resources I need to be successful 1 2 3 4 5 6 7 8 9 10
6. I am a dynamic person providing vision, hope and energy to those with whom I work and partner 1 2 3 4 5 6 7 8 9 10
7. I am a hard working person. I do what it takes to succeed 1 2 3 4 5 6 7 8 9 10
8. I am able to adapt to changes & surprises quickly and successfully 1 2 3 4 5 6 7 8 9 10
9. I am able to successfully manage risk associated with creating and growing a business 1 2 3 4 5 6 7 8 9 10
10. I thrive on learning. I am constantly seeking new information that can help me with my business. 1 2 3 4 5 6 7 8 9 10
11. I am motivated by success and driven to do well 1 2 3 4 5 6 7 8 9 10
12. I believe in working with others who can help me make my dream a reality 1 2 3 4 5 6 7 8 9 10

CAPACITY RELATED TO BUSINESS SKILLS

Consider yourself and other members of your management team. Agree-Strongly Agree

- | | |
|---|----------------------|
| 13. Ability to assess market opportunities | 1 2 3 4 5 6 7 8 9 10 |
| 14. Ability to develop products or services | 1 2 3 4 5 6 7 8 9 10 |
| 15. Ability to provide products or services | 1 2 3 4 5 6 7 8 9 10 |
| 16. Marketing and communications capacity | 1 2 3 4 5 6 7 8 9 10 |
| 17. Fiscal management | 1 2 3 4 5 6 7 8 9 10 |
| 18. Ability to acquire financial capital | 1 2 3 4 5 6 7 8 9 10 |
| 19. Personnel or team, development & management | 1 2 3 4 5 6 7 8 9 10 |
| 20. Ability to develop and sustain partnerships | 1 2 3 4 5 6 7 8 9 10 |
| 21. Quality Control | 1 2 3 4 5 6 7 8 9 10 |

CAPACITY RELATED TO NETWORK AND PARTNER

- | | |
|--|----------------------|
| 22. I am comfortable seeking information from others | 1 2 3 4 5 6 7 8 9 10 |
| 23. I regularly network to gain information for my business | 1 2 3 4 5 6 7 8 9 10 |
| 24. I have extensive resource network I am constantly building | 1 2 3 4 5 6 7 8 9 10 |
| 25. I am comfortable with partnerships | 1 2 3 4 5 6 7 8 9 10 |
| 26. I have two or more partnerships associated with my business | 1 2 3 4 5 6 7 8 9 10 |
| 27. I have learned how to deal with the challenges of partnering | 1 2 3 4 5 6 7 8 9 10 |

SUPPORT FROM FAMILY AND COMMUNITY

- | | |
|--|----------------------|
| 28. I am challenged and happy in my work building a business | 1 2 3 4 5 6 7 8 9 10 |
| 29. There is good balance between my work and personal life | 1 2 3 4 5 6 7 8 9 10 |
| 30. Family and friends are supportive and encourage me | 1 2 3 4 5 6 7 8 9 10 |
| 31. My community is supportive of me and my undertaking | 1 2 3 4 5 6 7 8 9 10 |
| 32. My community is actively helping me build my business | 1 2 3 4 5 6 7 8 9 10 |

Legend

Scoring:

0 to 25 points-Low Potential
26 to 50 points-Some Potential
51 to 75 points-Moderate Potential
76 to 100 points-High Potential

Source: Center for Rural Entrepreneurship

Score Self Biz Quiz

# Questions	Total Points	Value Factor	Points
1-2 =		X .25 =	
3-12 =		X .25 =	
13-21 =		X .25 =	
22-27 =		X .25 =	
28-32 =		X .25 =	

ONE YEAR CHECKLIST FOR ENTREPRENEURS

Starting your own business is not something to be rushed into. 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 North Georgia Technical School's Small Business Resource Center at 706-754-7700 or Piedmont College at 706-778-3000.
- Contact the Georgia Department of Labor for information on educational seminars on labor/safety issues. Their local number is 706-776-0811

SIX MONTHS BEFORE START-UP

- Determine the focus of your business. What do you want to specialize in? It is easier to excel at one area than at many.
- 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. Do you need little or lots of space? Would your business be better suited to a downtown location 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 Georgia Office of the
- Secretary of State. The website is www.sos.state.ga.us
- Make a final selection of 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, constructive criticism, and feedback. They should be people experienced and knowledgeable in business.
- Set up a network of mentors. Select people who can help you by giving 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. Contact the SBDC or others in your field to 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 go about introducing your business to the public.
- Get your business license. (See occupational tax)
- 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. Contact the SBDC for assistance.
- 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. (See Labor/Safety)
- 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. (See Labor/Safety)
- Refine your business plan.

ONE MONTH BEFORE START-UP

- Fine tune your cash flow budget
- Prepare for your grand opening. The Habersham County Chamber of Commerce can be of assistance in planning your events. 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. (See Labor/Safety)
- 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.
- Continuously 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 that.
- 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 possibly 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. You may need to call them again someday.
- 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'VE BEEN IN BUSINESS FOR A COUPLE OF WEEKS. If you do, you can make sure that you've worked the —bugs out and that all is running smoothly.

THE BUSINESS PLAN

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 helps 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 & 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 flexible document that should change as your business grows.

SOURCE: www.sba.gov

FEASIBILITY & 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 would 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:

1. Your experience
2. Experiences of people you know
3. Survey potential customers to determine their wants/needs. Observe similar businesses
4. Interview these business's owners
5. Interview suppliers, vendors, bankers

Secondary Data:

- Visit your public library
- Contact trade associations (i.e. trade shows and trade journals)
- Contact the SBDC, SGC, ECTC, GDECD, and the Habersham County Chamber of Commerce at 706-778-4654 or at www.habershamchamber.com
- Use various search engines on the Internet (i.e. Yahoo, Google, MSN)

Marketing Your Business

In order to properly market your product, you need to answer the following questions. This information can be used to help you develop your marketing plan. Contact the SBDC 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 Cash Needed to Start a Business

Expenses	Estimate of monthly expenses based on sales of X\$/yr.	Estimate of cash needs to start (Col 1X12-36 months)
Salary of owner/manager	\$	\$
All other salary/wages		
Rent (building /equipment)		
Advertising		
Office expense		
Supplies		
Telephone & facsimile		
Other utilities		
Insurance		
Taxes, including Social Sec.		
Maintenance/Repairs		
Legal/Professional Fees		
Loan Payments		
Miscellaneous		
Subtotal #1	\$	\$
	One Time Startup Costs	
Fixtures and Equipment	\$	
Decorating and Remodeling		
Installation of Fixtures/Equipment		
Starting Inventory		
Deposit for utilities		
Legal/ Professional Fees		
License and Permits		
Advertising and promotions for opening		
Other (make additional list if necessary)		
Subtotal #2	\$	
Subtotal #1 plus Subtotal #3=	\$	\$
TOTAL ESTIMATE OF CASH NEEDED FOR START-UP	\$	

*To determine these amounts, get estimates from suppliers, contractors, professionals, and /or government authorities to ensure accurate and educated estimates.

DEMOGRAPHIC INFORMATION

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

The following sites have useful demographic information:

www.habershamchamber.com/demographics

www.georgiafacts.net

www.dca.state.ga.us

www.fedstats.gov

www.factfinder.census.gov

www.quickfacts.census.gov

www.georgiastats.uqa.edu

www.bls.gov

PROCUREMENT

DOING BUSINESS WITH THE GOVERNMENT

Through the Governor's Small Business Center, learn how to become a registered vendor with the State of Georgia and its many agencies. Visit the Governor's Small Business Center website for more information, a list of current bid opportunities and to register online.

Governor's Small Business Center

www.georgia.org/Business/SmallBusiness/

The Georgia Department of Administrative Services

statepurchasing.doas.georgia.gov

From this site you can:

View Bid Opportunities

Register with the State as a Vendor

Subscribe for Bid Notification Services

Obtain a list of the various Statewide Contracts

Source: Governor's Small Business Center - www.doas.state.ga.US

LEGAL ASPECTS OF STARTING A BUSINESS

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 do the necessary paperwork and procedures yourself, but it makes sense to leave it up to the professionals. Also, contact the Small Business Development Center for more information.

THERE ARE FOUR BASIC FORMS THAT A NEW BUSINESS CAN TAKE:

- Sole Proprietorship
- Partnership (General or Limited)
- Corporation (C or S)
- Limited Liability Company (LLC)

A **sole proprietorship** is usually owned and operated by one person. Under the law, it is not actually 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 advisable 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, which must be approved by the state of Georgia through the Office of the Secretary of State. A corporation 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.

The C corporations have their own tax identification numbers and pay 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. (The distinctions 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.)

In order to incorporate your business, contact the Office of the Secretary of State. You will then reserve your corporation name. The incorporation process must be completed within 90 days. The Office of the Secretary of State will instruct you in the completion of all documents needed. You will be required to pay an incorporation fee every year by April 1.

The Office of the Secretary of State

315 West Tower
2 Martin Luther King Jr., Drive
Atlanta, Georgia 30334
(404)-656-2817
www.sos.georgia.gov

This incorporation process includes publishing your intent to incorporate in the local newspaper's legal publication. Newspapers do charge for this service. Contact The Northeast Georgian at 706-778-4215. An attorney can usually perform the necessary procedures for you for several hundred dollars. How much it will cost depends on the attorney and your business.

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 some of the partnerships, corporations, and S corporation's best features. Similarly 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.

LICENSING AND PERMITS INFORMATION

Business License (also called an Occupational Tax)

If you plan to operate a business in the state of Georgia, you must obtain a city or county business license. You should discuss the details of your situation with the licensing department. The fee for a license is contingent on the location, type, and size of your business. Occupational taxes range from \$30 to \$60 or a percentage of estimated gross receipts. Additionally, most license offices will impose an administrative fee ranging from \$10 to \$30. Please keep in mind that these numbers are not concrete. They are completely dependent on what business you will be in and where your business will be located.

If your business will be located outside any city limits:

Habersham County Commissioners Office
555 Monroe Street
Clarksville, GA 30523
(706) 839-0200

If your business will be located within the Alto city limits:

City of Alto
Alto City Hall
Alto, GA 31554
(706) 778-8035

If your business will be located within the Baldwin city limits:

City of Baldwin
Baldwin City Hall
Baldwin, GA 30511
(706) 778-6341

If your business will be located within the Clarkesville city limits:

City of Clarkesville
Clarkesville City Hall
210 E. Water Street
Clarkesville, GA 30523
(706) 754-4216

If your business will be located within the Cornelia city limits:

City of Cornelia
Cornelia City Hall
Cornelia, GA 30531
(706)-778-8585

If your business will be located within the Demorest city limits:

City of Demorest
Demorest City Hall
Demorest, GA 30535
(706)-778-4202

If your business will be located within the Mt. Airy city limits:

City of Mt. Airy
Mt. Airy City Hall
Mt. Airy, GA 30563
(706) 778-6990

If your business will be located within the Tallulah Falls city limits:

City of Tallulah Falls
Tallulah Falls City Hall
Tallulah Falls, GA 30573
(706) 754-6040

ZONING

Once you have chosen a tentative location for your business, contact the zoning department to determine the permitted uses of that location. There might be special restrictions on that area. **DO NOT INVEST ANY MONEY IN A LOCATION UNTIL ZONING HAS BEEN THOROUGHLY RESEARCHED!!!**

The Planning Department (706) 839-0140, can help you determine if your location and type of business are in compliance with ordinances. You will be required to submit your business plans to the zoning office to determine if the business complies/can be adapted to comply with the following

:

- 1- Current zoning classification
- 2- Building setbacks
- 3- Off-street parking availability and service entrance requirements
- 4- Buffer yards or required screening
- 5- Lot area minimum
- 6- Sign regulations.

Sign permits are required for erecting and placing any mounted or free-standing signs. Applications are filed through the planning office. For specific information about signage, call the Planning Director at (706) 839-0140. If your plans do not/cannot meet these specifications, you can discuss options with the planning office. If you find the permitted land use classification of your potential location does not allow for your business, you may file an appeal with the Planning Department. An answer on this appeal can usually be expected 4-5 weeks after submission of your application packet.

BUILDING CONSTRUCTION & RENOVATION

A building permit must be obtained for both new construction and renovations of and additions to existing buildings. Before you may construct a new facility or renovate an existing one, you must have this permit. Once you have obtained a building permit, complied with the regulations pertaining to the area you are in, and construction is complete, your facility will be inspected. You will then apply for a Certificate of Occupancy. Without this certificate, it is illegal for your business to reside in the facility.

HEALTH PERMITS

If your business is to involve food processing, handling, storage, or distribution, you must obtain permits from the Habersham County Health Department, which handles the permits for the entire county and city. If you are unsure if your business needs a permit, contact the Health Department.

Habersham County Health Department
185 Scoggins Drive
Demorest, GA
Phone Number: 706-778-7156

TRADE NAME REGISTRATION

In the State of Georgia, every person, firm, or partnership that conducts business has two options regarding trade name registration: 1) the business name must include the last name of the individual owner of the business. 2) If using a fictitious name (one not including the last name of the individual owner), the fictitious name must be registered in the office of the clerk of the Superior Court of the county where the business is located. A corporation or limited liability company will not need to file this registration, as it will already be registered with the office of the Secretary of State. The fee for Trade name registration is approximately \$10.00.

The Clerk's office will provide any paperwork that needs to be completed. Similar to publishing your intent to incorporate a business, you must publish a notice of your Trade name registration in the local newspapers. You must also file the required affidavit.

Notice of the filing of the trade name registration must be published once a week for two weeks in the legal section of the publication. Prices range \$10 to \$40. In order to run your legal advertisement, contact: [The Northeast Georgian at \(706\) 778-4215.](#)

Failure to register a trade name will not nullify contracts signed by the unregistered entity.

The court, however, is authorized to assess court costs against the parties who have failed to register the trade name or partnership name at the time an action is filed. Thus the trade name registration prevents a company from having to pay all court costs in an action by or against a company. If you have a question as to whether your business needs to register a trade name, contact the Clerk's office.

To file your Trade name registration, contact:

Clerk of the Superior Court
Habersham County Courthouse
555 Monroe Street
Clarksville, GA 31533
(706) 839-0300

Federal Licensing

Most new small businesses most likely will not require any type of federal licensing to conduct business, unless you will be engaged in one of the following activities:

- Rendering investment advice
- Making alcohol products
- Making tobacco products
- Preparing meat products
- Making or dealing in firearms

You would need a Federal permits also to start large operations such as a television station, radio station, common carrier, or producer of drugs or biological products. The aforementioned businesses are all heavily governmentally regulated. For information on federal licensing for these types of businesses, contact:

The U.S. Department of Alcohol, Tobacco, and Firearms

2600 Century Parkway Suite 3430
Atlanta, Georgia 30345
(404) 679-5130

The U.S. Federal Drug Administration

60 8th Street
Atlanta, GA 30309
(404) 347-4265

The U. S. Federal Communications Commission

3575 Kroger Boulevard
Duluth, Georgia 30096

(888) 225-5322
State Licensing

Many licensing regulations should be considered when establishing a business or practicing certain regulated occupations in Georgia. Contact the Secretary of State's office for a listing of all occupations that require state licensing. You can find a complete

A list of occupations requiring state licenses in Appendix I (Section X). Before applying, you would be well advised to check the current licensing regulations through the office of the Secretary of State, the county and the city.

For information, contact:

Georgia Secretary of State
Licensing Boards Division
166 Pryor Street SW
Atlanta, GA 30303
(404) 656-3900
www.sps.state.ga.us

***The Office of the Secretary of State offers a timesaving booklet entitled Consolidated Registration Information for Businesses. This book is more familiarly known as the BLUE BOOK. This packet includes request forms for governmental departments and agencies that will be instrumental in starting your business. In addition this book contains important phone numbers, addresses, and Internet addresses of offices and departments essential to your business. See the Resource Directory (Section IX) for the list of forms included in this booklet.*

TAXES

STATE OF GEORGIA
Sales and Use Taxes

Every business that sells tangible personal property, such as merchandise, to customers is required to obtain a seller's permit. This is issued from the state sales tax agency.

(There are some businesses, however, that are exempt from this requirement.) Typically, a separate permit must be obtained for every business in which property subject to sales tax is sold. If selling to a retailer, wholesalers and manufacturers usually do not have to collect sales tax on the goods they sell. This, however, is contingent on whether the retailer has a valid seller's permit and can provide you with a —resale certificate.

Similarly, retailers are not required to pay sales tax on items you purchase for resale.

You may purchase blank resale certificates at office supply stores. If state law requires that your business collect sales and use tax, you must keep detailed records of your gross receipts from sales/rentals. These records must include all sales/rentals whether or not you believe them to be taxable.

Your records must also include evidence of all deductions you claim on sales/use tax returns. In addition you must record the total purchase price of all tangible personal property acquired for sale, lease, or consumption.

Sales tax forms must be filed monthly. The taxes must also be paid on a monthly basis.

You can contact the Georgia Department of Revenue to petition for special permission to pay/file quarterly.

Contact:

Georgia Department of Revenue
1800 Century Blvd. N.E.
Atlanta, GA 30345-3205
1-404-417-4477 or toll free at 1-877-602-8477

State Excise Taxes

In addition to federal excise tax, you may be responsible for collecting state excise tax as well. The categories are comparable to the federal categories. Alcoholic beverages, tobacco products, motor carriers, and trucks with more than two axles are included in the taxed categories. You should contact the Georgia Department of Revenue for complete information.

For information on state excise taxes, contact:

Georgia Department of Revenue
1800 Century Blvd. N.E.
Atlanta, GA 30345-3205
(404) 417-4477 or toll free at 1-877-602-8477

Estimated State Income Taxes

The State of Georgia also requires that you pay estimated state income taxes. The payment dates for estimated state tax are the same as those for federal payments (See Section K Federal Income Taxes above). The Form 500ES should be completed for sole proprietorships or partnerships. A 9% per year penalty can be imposed for failure to file an estimated return or failure to pay the correct amount of tax.

FEDERAL

Federal Excise Taxes

There are some forms of business on which the U.S. government requires additional taxation. This will be a tax that you are responsible for collecting. This tax does not come out of your pocket. Typically it is added to the sale price of your product or service. Form 720, Quarterly Federal Excise Tax Return is used to file most federal excise taxes. Federal excise taxes can be broken into nine general categories of products and services.

They are the following:

- Motor vehicle use tax (vehicles greater than 55,000 lbs. gross weight)
- Retailers tax (certain types of fuels)
- Retail excise tax on the sales of the following: Heavy trucks/trailers, tires and tubes, recreation equipment (e.g. fishing/hunting supplies), firearms and ammunition
- Air transportation tax (if you are transporting people by air, you have to collect this tax)
- Communications taxes (e.g. on telephone or teletype services)
- Wagering taxes
- Taxes on U.S. mined coal
- Environmental taxes (imposed on petroleum products, various chemicals, and hazardous wastes)
- Alcohol, firearms, ammunition, and tobacco taxes

Be sure to contact the IRS for complete information on federal excise taxes.

Internal Revenue Service
329 Oak Street
Gainesville, GA 30501
(770)536=2235

Federal Income Taxes

The amount and way you will pay federal income taxes will be dependent on the legal form in which your business is organized.

For a sole Proprietor or a member of a Partnership: In either of these arrangements you will be required to make estimated federal income tax payments and federal self employment tax payments in advance. These individual payments are due in four installments. These payment deadlines are April 15, June 15, September 15, and January 15 for one whose tax year is the calendar year. Any amount left unpaid will be due April 15th of the following year. The Form 1040-ES is used to file these taxes. 90% of your estimated tax must be paid during the course of the year.

For a corporation: The Corporation is responsible for paying estimated corporate taxes if it has taxable income. These taxes can be due as soon as the fourth month of the corporation's first tax year. The proper form for filing these taxes is the Form I 120-W.

You must deposit these payments in a bank licensed to accept federal tax payments. The corporation will be issued a coupon book. These coupons will carry the corporation's tax ID number and are to be used with all federal tax payment deposits.

All forms necessary to file any of the estimated taxes mentioned above are available at your local IRS office. A coupon book will be mailed to you upon receipt of your Form SS-4 (the form filed requesting a tax ID number).

For more information, contact:

Internal Revenue Service
329 Oak Street
Gainesville, GA 30501
(770) 536-2235

Employer Taxes

There are taxes that as an employer you are responsible for both withholding from employee wages as well as paying yourself. For more complete information on employer taxes, see Labor and Safety Regulation Information

Federal Tax Identification Numbers

Your federal tax identification number is the number used to file your taxes. It acts in a similar capacity to your social security number on your personal income taxes. In fact, if you are a sole proprietorship you will probably use your social security number.

In partnerships and corporations you will need a Federal Tax ID number. To determine whether you need a Tax 10 number, contact the Internal Revenue Service. There is a form in the BLUE BOOK (See Section G- State Licensing above) that you may fill out and mail in for more information.

Internal Revenue Service
329 Oak Street
Gainesville, GA 30501
(770) 536-2235

UTILITIES

Establishing Water, Sewer, and Garbage Service

To establish water, sewer, and garbage service in an existing or new location contact Utility Department in the city where your business will be located. You may be required to sign a service contract and pay a deposit. This deposit may be refundable at the closing of your final bill. The amount of your deposit is dependent on the size of your business and its estimated water use. To sign up for service you must present a copy of your lease agreement or closing statement and Drivers License or valid Georgia ID with SS#. While each provider in the county has specific policies and procedures, each system is similar. The minimum amount that you can expect to spend for a deposit is about \$50.00. Please do not rely on this estimated figure. Contact the appropriate office for a better idea of a specific amount.

Establishing Electrical Service

Habersham County has two providers of electrical service. They are Georgia Power, 1-888-655-5888 and Habersham EMC, 706-754-2114. Each has its own application process. Which provider you will use is dependent on where your business is located. To establish service you will need to provide the service address, the name of the person responsible for bill payment, and the name of your company. A deposit will be assessed for each business that begins service. The deposit amount for a business (unlike a residential deposit) varies from business to business and can run into hundreds of dollars. It will be necessary to discuss the steps to getting service with a customer service representative.

Establishing Telephone Service

Windstream provides telephone service for businesses in areas within Habersham County. To establish service with Windstream, contact a small business services representative at [1-800-501-1776](tel:1-800-501-1776). An order for service will be taken and a credit evaluation will be made. A deposit may be assessed. Whether establishing service in a new or existing facility, a small business services representative should be consulted.

LABOR & SAFETY REGULATION INFORMATION

Educating Yourself on Labor/Safety Issues

The Georgia Department of Labor is available to provide consultation to new businesses in the state. The local and state departments offer educational seminars and presentations throughout the year. These classes cover a wide range of labor-related topics such as labor laws, labor issues, prevailing wages, unemployment insurance, benefits, and employment services. It would be advisable to contact the local Georgia Department of Labor (GDOL) office regarding these classes. These seminars are intended to provide you with all the information you need to prepare you for the employment aspects of running a business. You should begin these classes up to one year before your intended start-up. At these seminars you will be provided with a section of the instructional workbook. After attending a certain number of these seminars, you will have the entire workbook. The Georgia Department of labor can help walk you through all of your employment and labor problems.

Georgia Department of Labor

215 Hodges Street
Cornelia, Georgia 30531
(706) 776-0811

OSHA

The issuing and enforcing of occupational and safety health regulations is handled by the United States Department of Labor. The Occupational Safety and Health Administration (OSHA) is the federal agency which administers these policies. The requirements put forth by OSHA include posting notices to employees and maintaining accurate records of employee injuries. OSHA will provide you with information on all requirements as well as related publications. OSHA policies and regulations must be posted in the workspace where all employees may see. In addition to OSHA the US government also supports the Employment Standards Administration, Mine Safety and Health Administration, Veterans Employment and Training Service and the Pension and Welfare Benefits Administration. Each of these departments is designed to protect both the employer and employee. Similar to OSHA, each issues and enforces a unique set of requirements and regulations.

Occupational Safety and Health Administration

U.S. Department of Labor
1375 Peachtree Street N.E.
Suite 587
Atlanta, Georgia
(404) 374-3573
www.osha.gov

EMPLOYER TAX RESPONSIBILITIES

Income Taxes

Businesses with employees must pay employer taxes and withhold employee taxes for both the State and Federal governments. These should be deposited in any Federal Reserve Bank. You will be given a coupon book to accompany your deposits. These deposits are required monthly or quarterly. The Georgia and US Departments of Revenue will determine your time of payment. You will be required to withhold Social Security and Medicare taxes. In addition to this withholding, the employer must pay a matching amount. You should consult the current year tax calendar for present percentages.

Georgia Department of Labor and Revenue - Gainesville office

329 Oak Street
Gainesville, GA 30501
(770) 536-2235

Georgia Department of Labor Atlanta Office

148 International Blvd. NE
Suite 265
Sussex Place
Atlanta, Georgia 30303-1751
(404) 656-6000

Unemployment Insurance Taxes

Federal Unemployment Insurance Tax is the employer's responsibility. This is not withheld from employee wages. Consult the Employer's Tax Guide for more information on the various taxes that you will be required to pay. The Employer's Tax Guide is a booklet designed to help you with all aspects of taxation. Contact the Georgia and US Departments of Labor and Revenue to receive the Employer's Tax Guide and other relevant information. See contact information below.

If you are a sole proprietor, you are not required to pay withholding. You are however required to pay self-employment tax. Contact the Internal Revenue Service for complete details.

Workers' Compensation Insurance

Workers' Compensation insurance is required of any business with more than three employees. The rates vary with the business type and the risk level. For more information, contact the State Board of Workers' Compensation.

State Board of Workers' Compensation

(404) 656-3875 www.state.ga.us/sbwc

DRUG FREE WORKPLACE

WorkWise – Headquarters for DOT Compliance

The Occupational Health Department of Habersham County Medical Center stays current on all Motor Carrier Compliance issues. We do 24/7 DOT drug/alcohol testing (including random programs) and have just become certified to teach the **required "Reasonable Suspicion"** training. Call 706-754-3113, ext. 2810 for more information.

Your business may be eligible for 7.5% discount on your Workers' Compensation Insurance premiums. This is possible through the DRUGS DON'T WORK PROGRAM. Contact the Georgia Chamber of Commerce website listed below for more information on this program.

Our local hospital, **Habersham County Medical Center** takes the Ga. Drug Free Workplace 7.5% incentive a step further by sitting down with employers and walking them through the steps to become certified. We also provide the required education, drug screening programs and monthly newsletters to our WorkWise employers. Call: 706-754-3113, ext. 2810 or 1116 for more information.

WorkWise, a 24/7 occupational health service for area employers consists of a network of physicians who participate in the program, two primary care clinics, a 24/7 laboratory and Emergency Room that understands the immediate needs of employers. We also troubleshoot drug/alcohol screenings, physicals and work injury treatment to insure employers get their results quickly. Bills for occupational health services are also monitored to insure employers receive correct billing for services they received.

WorkWise provides programs on-site which cut down on the time employees are away from their worksite: Flu shots, TB tests, First Aid/CPR and blood borne pathogen training. We also do on-site random substance abuse testing.

The HCMC Rehabilitation experienced staff including a certified hand therapist provides the following programs: upper extremity rehab, stroke rehab, arthritis rehab, neuromuscular rehab, pediatric rehab, work injury prevention and return to work programs. All very essential to employers who are eager to enhance their workplace safety initiatives and decrease their experience in on the job injuries.

Drugs Don't Work

Georgia Chamber of Commerce

Atlanta, Georgia

www.gachamber.com/affiliates/drugs

U.S. Department of Labor

1375 Peachtree Street NE, Suite 587

Atlanta, Georgia 30367

(404) 347-3573

<http://www.dol.gov>

Georgia Department of Revenue

Post Office Box 38027
Atlanta, Georgia 30374-0001
(404) 656-4071

APPLICATION, HIRING, & TERMINATION PROCESS

There are basic ground rules to hiring and firing employees. There are legal requirements to acquiring or terminating employees. If handled incorrectly, personnel issues can result in legal problems. These legal problems can be large enough to shut your business. It is important to make sure all your bases are covered. In addition to the do's and don'ts listed below, contact the Georgia Department of Labor for more on correct hiring and firing policies.

Application and Hiring

DON'T:

- *Ask obvious questions.* Do not ask questions regarding sex, age, race, etc. or anything related to these areas. These are sensitive areas and cannot be used as discriminating factors. Some applicants may believe that all gathered information is used. It is for this reason that you should not ask these questions. It is best to avoid these topics so as to eliminate all possibility of legal problems.
- *Write on the job application form.* Any notes taken during interviews should be made on photocopies or other paper. This allows you to preserve the original application without marring it for your permanent records.

DO:

- *Limit you interview questions to job duties.* There is no reason to ask questions that do not apply to the responsibilities of the position. You may ask if an applicant has any barriers to completing the duties. Do not ask questions like "Do you have children?" or — "Are you married?" Small talk is acceptable if the interviewer is careful. Do not venture into conversation that might produce seemingly discriminatory information.
- *Make sure all company procedures follow employment statutes.* Have your advisors or attorney review your system for application, hiring, and termination before you begin hiring and periodically thereafter.
- **EDUCATE YOURSELF!!!!** The best way to prevent problems is to be familiar with the law. When you are in doubt about any issue concerning labor or safety, contact the Georgia Department of Labor. See the Resource Directory for contact information.

TERMINATION

DO's:

- *Review company policies.* If you have not yet developed company policies regarding application, hiring, and termination, call the GDOL. Make a checklist of your procedures. Make sure that you have followed the rules in the firing process. If you have not completed your checklist, **YOU SHOULD NOT TERMINATE THE EMPLOYEE YET.** Take care to finish all steps in the process to alleviate any questions and possible legal repercussions.
- *Have a stated code of expected employee behavior.* Many employers face problems due to unclear expectations of conduct. It is easier to prove reasons for termination if such a code is in place. This documentation will be helpful if you are faced with paying restitution because it will show that you had sufficient cause to terminate the employee.
- *Conduct an exit interview.* This allows you to tie up any loose ends. Final paychecks can be issued, and company property (e.g. keys, paperwork, and files) can be returned. Ask the employee what he/she liked or disliked about your company. Ask for feedback on aspects of your company of which

this person has knowledge. This person might be a bit more forthcoming with problems or constructive criticisms than someone who still works there.

- *Keep termination of an employee between you (management) and the employee.* The fired employee will appreciate your discretion in this matter. Termination should not be discussed with other employees. Privacy can help you avoid harsh feelings and legal repercussions.
- *Have employees sign a release.* If you are offering the fired employee severance pay or anything else of value, have him/her sign a release of liability to the company. This may protect you in case of legal action.

Where to Find Your Labor Force

There are many resources through which one can find employees. The first things that typically come to mind are the classified advertisements in local newspapers. You can place ads in these publications for week long and even month long periods. Contact the publication you wish to use for more specific information. The Georgia Department of Labor is an agency that can assist you in finding employees. For more information on how the GDOL can help you, call (706) 776-0811.

FINANCING INFORMATION

When starting a business, one important consideration is where to obtain capital to back your venture. Most start-up businesses require a capital contribution by the Entrepreneur, usually 20%. The remaining financing may be available from local banks or may require private investors. There are several Small Business Administration loan programs available to businesses, all of which require bank participation. These loan programs, however, are not guaranteed. They are all subject to change based on the SBA's current budget.

- **SBA Low Doc.** The Low Documentation Loan (LowDoc) Program is a simplified version of the 7(a) loan for businesses with strong credit histories seeking less than \$150,000. It combines a [streamlined](#) application process (for many loan requests, the application is only one page long) with the elimination of several [bureaucratic](#) steps to improve response time to requests. Any small business that posted average annual sales over the previous three years of \$5 million or less and employs 100 or few individuals (including all owners, partners, and principals) is eligible to apply for a Low Documentation Loan. Eligible expenditures are for land and building, machinery and equipment, inventory and working capital.
- **SBA Guaranteed Loan Program 7(A).** This program provides long term financing to small businesses through guaranteeing up to 75% of the percentage of the bank's loan to the business. The proceeds of the loans need to be used for fixed asset purchases, working capital, or the refinance of existing debts for owner-occupied business. The minimum loan size is \$150,000 and the maximum, under the program is \$2,000,000. Loans above \$2,000,000 will be looked at using the SBA's "piggy back" loan program. The maximum loan amount under the "piggy back" program is \$3,500,000.
- **SBA 504 Loan Program.** This program provides fixed-rate financing that provides funds for small businesses' major assets. The funds are produced by Certified Development Companies with the assistance of private lenders and the SBA. Proceeds of the SBA 504 loan program is limited. It can only be used to finance the purchase of land that is to be used for the business' operations. Costs of upgrading, construction, or renovation of building facilities, landscaping, parking lots, and other utilities are also covered. On the other hand, the fund is cannot be used to finance working capital or inventory, loan refinancing, and repayment or consolidation of debts.

Small firms that meets the size standard set on the SBA guideline qualify for the SBA 504 loan program. A company that has a maximum net worth of \$8.5 million and a net income not exceeding \$3 million minus taxes within the two preceding years, can avail the fund. Meanwhile, businesses operating in speculation or investment in rental real estate cannot benefit from the said program

Job creation is a requirement of the program. While each of these programs has specific requirements for eligibility, there are certain standards that must be met for all loan programs. A loan applicant must be of good character; show the ability to operate a small business successfully, and have a reasonable amount of his/her own resources to invest to withstand possible losses. In addition, the following will likely be required:

- Credit Report
- Collateral adequate to secure the debt. List of collateral and its value
- Appraisals required on real property used as collateral
- Personal guarantees required of those persons (or companies with 20% ownership)
- Secondary collateral may be required
- Personal financial statements & financial statements of business (if applicable)

How to Apply

You must first seek financing from a bank or other private source. If that is available at reasonable terms, the SBA cannot make the loan. Take your business plan to your banker and discuss your financial requirements with him/her. His/her involvement is essential.

AGRIBUSINESS

Agribusiness makes up a large part of the economy of Habersham County. This field of business also encounters special restrictions and opportunities. For more information on agribusiness ventures, contact your Habersham County Extension Service. The Extension Service is a part of the University of Georgia College of Agriculture and Environmental Sciences, and provides research-based information and technical guidance to farmers and landowners about farming. The Extension Service has information on crop and livestock enterprise budgets and license/permits requirements of the Georgia Department of Agriculture and the Environmental Protection Agency. The Farm Service Agency (FSA) of the United States Department of Agriculture is located in Valdosta. The FSA has farm conservation assistance programs. Please see the Resource Directory for contact information.

INTERNATIONAL TRADE

International trade can be difficult, but also can provide tremendous opportunities. Most start-up businesses will not be participating in international trade. However, if you choose to export or import goods, the following contacts may provide you with valuable information. The United States Export Assistance Center can provide you access to all federal exporting resources. Valdosta Technical Institute may also be of assistance with its Georgia International Trade Data Network. See the Resource Directory for contact information.

United States Export Assistance Center

Marquis Two Tower- Suite 200
285 Peachtree Center Avenue NE
Atlanta, Georgia 30303-1229
(404) 657-1900

Georgia Dept. of Economic Development

International Trade Services
75 Fifth St. NW, Suite 1200
Atlanta, Georgia 30308
(404) 962 4000
www.georgia.org

RESOURCE DIRECTORY

When starting a business it is important to have a diverse base of information sources. One way to insure success is through education. The more you know about your field, the better off your business will be. The following is a list of potential resources for information.

HABERSHAM COUNTY:

Drugs Don't Work Program: Administered locally by the Habersham County Medical Center

North Georgia Technical College: Located on Highway 197, Clarkesville, Georgia.
Phone Number (706) 754-7700

Georgia Department of Labor: Cornelia Office- Located at 215 Hodges Street, Cornelia, Ga, Phone Number (706) 776-0811

Habersham County Government Offices: Located at 555 Monroe Street, Clarkesville, GA Phone Number (706) 839-0200. This main line can connect you to any of the various offices that might be of help to you.

Small Business Development Center: Offers a wide range of free business consulting services for potential business owners including assistance in starting a business, obtaining financing, and developing marketing and managerial plans. Located at the North Ga. Technical School. Phone Number (706) 754-7700 ask for the SBDC

Habersham County Chamber of Commerce: Promotes economic growth in the county through a variety of programs and services. Can serve as your connection to the existing economic and political community. Located at 668 Clarkesville Street, Cornelia, GA 30531. Phone Number (706) 778-4654. www.habershamchamber.com

Habersham County Library: Main Office located at E.Green Street, Clarkesville, GA., Phone number 706-754-4413 with a branch office in Cornelia at 301 Main Street, phone number 706-778-2635

OTHER RESOURCES

Better Business Bureau: This agency's regional office is based in Athens.
Located at 246 West Hancock Avenue, Athens, Georgia 30601. Phone number: (706) 549-9955

Georgia Department of Agriculture and Farm Service Agency: Located in the Federal Building at 416 N. Patterson Street, Valdosta, GA. Phone Number (229) 242-0575

Georgia Secretary of State's Office: This office is determined to ensure the success of small business in the state. A variety of information can be obtained through this office including the BLUE BOOK *(SEE RESOURCE DIRECORY). Located at 211 State Capitol, Atlanta, Georgia 30331 Phone Number: (404) 656-2881
Internet Address: www.sos.state.ga.us

Internal Revenue Service: Located in the 329 Oak Street, Gainesville, GA 30501 - (770) 536=2235

Minority Business Development Agency Regional Office: Located at 401 W. Peachtree Street Room 1715, Atlanta, Georgia 30308. Phone Number (404) 730-3300

Small Business Administration: Regional Office Phone Number (404) 347- 4999 District Office Phone Number (404) 347-2441

Internet address: www.sbaonline.sba.gov

Georgia Mountain Regional Commission: Promotes economic development throughout the region including Habersham County. The GMRC works in conjunction with private lenders to provide financing for small businesses. Located at 1310 W. Ridge Road, Gainesville, GA 30501. Phone Number is 770-538-2626

US Department of Labor: This office can provide you with information on OSHA. Atlanta Office-Located at 1375 Peachtree Street N.E. Suite 587
Phone Number (404) 347-3573

University of Georgia Cooperative Extension Service: Located at 709 E. Ward St Phone Number (912) 384-1402

OTHER WEB BASED RESOURCES FOR ENTREPRENEURS

1. CCH- Business Owner's Toolkit Website: www.toolkit.cch.com
2. Kauffman Foundations Resources for Entrepreneurs www.entreworld.org
3. PriceWaterhouseCooper- Vision to Reality www.pwcglobal.com
4. The Wall Street Journal Center for Entrepreneurs www.startup.wsj.com
5. Microsoft Small Business Solutions www.bcentral.com

The Office of the Secretary of State's BLUE BOOK provides postage paid response cards so you may access the following forms or agencies:

- Business Incorporation Forms
- Professional and Occupational Licensing Forms
- State Tax Application
- Internal Revenue Service Forms
- U.S. Small Business Administration
- UGA Small Business Development Centers
- Georgia Tech Services for Business and Technology
- Governor's Office of Consumer Affairs
- U.S. General Services Administration
- Georgia Department of Labor
- U.S. Department of Labor
- Georgia Department of Consumer Affairs- Office of Business and Economic Assistance
- U.S. Export Assistance Center
- Georgia Department of Insurance
- Georgia Department of Agriculture
- Also available through this booklet are various books and publications on starting a business and entrepreneurship.

GLOSSARY OF TERMS

Assets - Resources, owned or controlled by a company, that have future benefits. These benefits must be quantifiable in monetary terms.

Balance Sheet - A list of a company's assets, liabilities, and owner's equity at a particular point in time.

Break Even - The unit volume where total revenue equals total cost; there is neither profit nor loss.

Capacity - The amount of goods or work that can be produced by a company given its level of equipment, labor, and facilities.

Capital - The funds necessary to establish or operate a business.

Cash Flow - The movement of money into and out of a company; actual income received and actual payments made out.

Cash Flow Statement - A presentation of the cash inflows and outflows for a particular period of time. These flows are grouped into major categories of cash from operations, cash investing activities, and cash-financing activities.

Collateral - Assets pledged in return for loans.

Conventional Financing - Financing from established lenders, such as banks, rather than from investors; debt financing.

Debt Financing - Raising money for a business by borrowing, often in the form of bank loans. (See Conventional Financing above)

Debt Service - Money being paid out on a loan; the amount necessary to keep a loan from going into default.

Disbursements - Money paid out.

ECTC — East Central Technical College with campuses in Douglas and Fitzgerald.

Equity - Shares of stock in a company; ownership interest in a company.

Expenses - Outflows of resources to generate revenues.

Fixed Costs - Those costs that are not responsive to changes in volume over the relevant range of time.

GDOL — Georgia Department of Labor.

Income Statement - A matching of a company's accomplishments (i.e. sales) with effort (expenses from operations) during a particular period of time. (Revenues -Expenses = Net Income)

Leasehold Improvements - The changes made to a rented store, office or plant, to suit the tenant and make the location more appropriate for the conduct of the tenant's business.

Letter of Intent - A letter or other document by a customer indicating the customer's intention to buy from a company.

Liabilities - Commitments to payout assets (typically cash) to or render services for creditors.

Licensing - The granting or permission by one company to another to use its products, trademark, or name in a limited, particular manner.

Liquidity - The ability to turn assets into cash quickly and easily.

Market Share - The percentage of the total available customer base captured by a company.

Net Worth - The total ownership interest in a company, represented by the excess of the total amount of assets minus the total amount of liabilities.

Partnership - A legal relationship of two or more individuals to run a company.

Profit Margin - The amount of money earned after the cost of goods or all operating expenses are deducted; usually expressed in percentage terms.

Pro Forma Statements - A financial statements detailing management's predictions.

Receipts - Funds coming into the company; the actual money paid to the company for its products or services; not necessarily the same as a company's actual receipts.

SBA — Small Business Administration

SBDC — Small Business Development Center

SGC — South Georgia College in Douglas

Sole Proprietorship - Company owned and managed by one person.

Variable Costs - Those costs that are directly responsive to changes in volume over the relevant range of time.

Venture Capitalists - Individuals or firms who invest money in new enterprises.

Working Capital - The cash available to the company for the ongoing operations of the business.

STATE ISSUED LICENSES

State Board of Accountancy
 Certified Public Accountant
 Registered Public Accountant
 Foreign Accountant
 Accounting Firms

State Boards of Architects

Architects
 Interior Designers

Georgia Athlete Agent Commission
 Athlete Agents
 Board of Athletic Trainers
 Athletic Trainers

Georgia Auctioneer Commission

Auctioneers
Auctioneer Corporations
Non-resident auctioneers
Non-resident corporations

State Board of Barbers

Master Barbers
Teachers
Apprentice
Schools
Shops

State Board of Chiropractic Examiners

Chiropractors

Construction Industry Licensing

Boards Conditioned Air Contractors
Electrical Contractors
Low Voltage Contractors
Master Plumbers
Journeyman Plumbers
Utility Contractors
Utility Manager
Utility Foreman

State Board of Cosmetology

Master Cosmetology
Teachers
Instructor Trainee
Esthetician
Apprentice
Schools
Shops
Manicurists

Composite Board of Professional Counselors, Social Workers and Marriage Therapists

Professional Counselor
Associate Professional Counselor
Master Social Worker
Clinical Social Worker
Marriage and Family Therapist
Assoc. Marriage and Family Therapist

Georgia Board of Dentistry

Dentists
Dental Hygienists

Board of Examiners of

Licensed Dieticians

Dieticians

State Board of Professional Engineers and Land Surveyors

Professional Engineer
Engineer-in-Training
Land Surveyor
Land Surveyor-In-Training

State Board of Registration For Foresters

Foresters

State Board of Funeral Service

Funeral Director
Embalmer
Establishment
Apprenticeship

State Board of Registration for Professional Geologists

Professional Geologist

State Board of Hearing Aid Dealers/Dispensers

Hearing Aid Dealer Hearing Aid Dispenser

State Board of Landscape Architects

Landscape Architects

State Board for the Certification of Librarians

Librarian

Composite State Board of Medical Examiners

Acupuncture
Paramedic
Cardiac Technician Teacher
Institutional & Provisional Physician (MD & DO)
Osteopath Respiratory Therapist

State Board of Nursing Homes

Administrators
Nursing Home
Administrator in Training

Occupational Therapy

Occupational Therapist
Occupational Therapist Assistant

State Board of Dispensing Opticians
Opticians

State Board of Examiners in Optometry
Optometrists

State Board of Pharmacy

Pharmacists Intern
Retail Pharmacy
Hospital pharmacy
Wholesaler Manufacturer
Research Approvals
Pharmacy Schools
Nuclear Pharmacists
Pharmacy Clinics
Nuclear Pharmacies
Prison Clinic Pharmacies

State Board of Physical Therapy

Physical Therapists
Physical Therapy Assistants

State Board of Podiatry Examiners

Podiatrists

Board of Examiners of Licensed Practical Nurses

Licensed Practical Nurses

Board of Private Detectives and Security Agents

Private Detectives
Employees
Private Security Guards
Private Detective Businesses
Private Security Businesses
Weapon Permits
Training Instructors
Classroom Firearms

State Board of Examiners Of Psychologists

Psychologists

Georgia Board of Nurses

Registered Nurses
Licensed Undergraduate Nurses
Advanced Practice

State Board of Examiners for Speech Language Pathology and Audiology

Speech Language Pathologists
Audiologists
Speech Language Pathology Aide
Paid Clinical Experience

Fellow

State Board of Registration of Used Motor Vehicle Dealers and Used Motor Vehicle Parts Dealers

Used Motor Vehicle Dealers
Used Motor Vehicle Parts Dealers
Used Motor Vehicle Dismantlers
Salvage Yard Dealers Rebuilders
Salvage Pool Operators

State Board of Veterinary Medicine

Veterinarians
Faculty Licensee
Animal Technicians

State Board of Water and Wastewater Treatment Plant and Operator and Laboratory Analysis

Public Water Supply System
Operator (Class I, II, III, IV)
Biological Wastewater Treatment System
Operator (Class I, II, III, IV)
Industrial Wastewater Treatment System
Operator
Water or Wastewater Lab. Operator
Wastewater Collection System Operator

State Board of Accountancy

Certified Public Accountant
Registered Public Accountant
Foreign Accountant
Accounting Firms

State Boards of Architects

Architects
Interior Designers

Georgia Athlete Agent Commission

Athlete Agents

Board of Athletic Trainers

Athletic Trainers

Georgia Auctioneer Commission

Auctioneers
Auctioneer Corporations
Non-resident auctioneers
Non-resident corporations

State Board of Barbers

Master Barbers
Teachers
Apprentice
Schools
Shops

State Board of Chiropractic Examiners

Chiropractors

Construction Industry Licensing

Boards Conditioned Air Contractors
Electrical Contractors
Low Voltage Contractors
Master Plumbers
Journeyman Plumbers
Utility Contractors
Utility Manager
Utility Foreman

State Board of Cosmetology

Master Cosmetology
Teachers
Instructor Trainee
Esthetician
Apprentice
Schools
Shops
Manicurists

Composite Board of Professional Counselors, Social Workers and

Marriage Therapists

Professional Counselor
Associate Professional Counselor
Master Social Worker
Clinical Social Worker
Marriage and Family Therapist
Assoc. Marriage and Family Therapist

Georgia Board of Dentistry

Dentists
Dental Hygienists

Board of Examiners of Licensed - Dieticians

Dieticians

State Board of Professional Engineers and Land Surveyors Professional Engineer

Engineer-in-Training
Land Surveyor
Land Surveyor-In-Training

State Board of Registration for Foresters

Foresters

State Board of Funeral Service

Funeral Director
Embalmer
Establishment
Apprenticeship

State Board of Registration for Professional Geologists

Professional Geologist

State Board of Hearing Aid Dealers and Dispensers

Hearing Aid Dealer
Hearing Aid
Dispenser

State Board of Landscape Architects

Landscape Architects

State Board for the Certification of Librarians

Librarians

Composite State Board of Medical Examiners

Acupuncture
Paramedic
Cardiac Technician Teacher
Institutional & Provisional
Physician (MD & DO)
Osteopath Respiratory Therapist

State Board of Nursing Homes Administrators Nursing Home

Administrator
Nursing Home
Administrator In-Training

Occupational Therapy Occupational Therapist

Occupational Therapist
Assistant

State Board of Dispensing Opticians

Opticians

State Board of Examiners in Optometry

Optometrists

State Board of Pharmacy

Pharmacist's intern
Retail Pharmacy
Hospital Pharmacy
Wholesaler Manufacturer
Research Approvals
Pharmacy Schools
Nuclear Pharmacists

Pharmacy Clinics
Nuclear Pharmacies
Prison Clinic Pharmacies

State Board of Physical Therapy

Physical Therapists
Physical Therapy Assistants

State Board of Podiatry Examiners

Podiatrists

Board of Examiners of Licensed Practical Nurses

Licensed Practical Nurses