“The Entrepreneur’s Guide: Starting and Growing a Business in Pennsylvania” was prepared by the Pennsylvania Department of Community and Economic Development (DCED).

The information contained in this guide is subject to change. Every effort has been made to ensure the accuracy of this information at the time of publication. DCED is not responsible for deletions, omissions or errors. Comments and inquiries on the subject matter should be addressed to the DCED’s Pennsylvania Business One-Stop Shop at the Pennsylvania Department of Community and Economic Development, Commonwealth Keystone Building, 400 North Street, 4th Floor, Harrisburg, PA 17120-0225 or by calling 1.833.722.6778.
Dear Entrepreneur:

As a business owner, I know what it takes to build a successful company, and now I want to make it easier for people throughout Pennsylvania to start companies and create jobs.

I am pleased to introduce the *Entrepreneur's Guide: Starting and Growing a Business in Pennsylvania*. Developed by the Department of Community and Economic Development, the Entrepreneur's Guide is an excellent resource that provides detailed information, instructions and checklists for entrepreneurs to help build a successful business in Pennsylvania.

In order to create jobs and grow the economy, my administration is putting a strategic focus on setting the table for the private sector to create sustainable, high-paying jobs.

Pennsylvania boasts advantages including many growth industries, strong communities and an abundance of natural resources to support economic development.

The commonwealth's location affords it a competitive advantage to entrepreneurs, boasting six international airports, three major ports and a network of interstate highways and modern freight railroads. Beyond its location, Pennsylvania is also home to top-ranking educational institutions and a world-class workforce.

As Governor, but more importantly a former Pennsylvania business owner, I will continue to work with the Department of Community and Economic Development to support programs and services that create good jobs and strong businesses right here in Pennsylvania.

Sincerely,

Governor Tom Wolf
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How to Use the Guide

Which One are You?

First-Time Entrepreneur

Existing Business Owner

These symbols are used to denote which sections are more useful for new entrepreneurs and which ones contain information geared toward existing business owners. Sections not designated by either icon contain information that is relevant for both types of entrepreneurs.

How This Guide is Organized

The guide consists of five chapters that address the common questions that first-time entrepreneurs and existing business owners ask:

Chapter I  Preparing to Start a Business. This chapter discusses the evaluations, research and steps one should take before deciding to start a business.

Chapter II Legally Establishing a Business in Pennsylvania. This chapter discusses the steps to legally establishing a business in Pennsylvania such as obtaining a bank account and EIN.

Chapter III Managing and Growing a Business. This chapter discusses areas such as human resources, financial management and other issues that determine a well-managed business and help to keep a business growing.

Chapter IV Important Small Business Resources. This chapter has a list of important public and private organizations that can help your business thrive.

Chapter V Directory of State and Federal Agencies. This chapter has a list of contact information for important state and federal organizations.

Helpful Tips

Keep a look out for the tip icons for quick, useful information.
Introduction

Starting a business is an exciting adventure on which many Pennsylvanians embark every year.

Each entrepreneur is unique. No matter what level of business experience or expertise, the Entrepreneur’s Guide: Starting and Growing a Business in Pennsylvania will provide you with valuable information that will help with business startup and growth.

Taking your ideas and ingenuity to create something new is a rewarding and challenging endeavor, as is the undertaking of building a business that can grow and compete locally and globally. Pennsylvania is an excellent place for an entrepreneur to do all of this, and more.

Making Entrepreneurship Accessible
This guide is about more than just providing you with rules, regulations and telephone numbers — it is intended to make the entrepreneurial mechanics as accessible as possible for all Pennsylvanians.

As you read, you will be able to: draft a professional business plan, ensure your business is properly registered and licensed and prepare yourself for the challenges to grow and manage your business.

Guide Structure
The guide is designed to prepare you to start your business and walk you through the process you will undertake to determine when and how you will grow that business. You will find contact information for technical and business support organizations throughout the guide that will be able to assist you with a variety of business activities including financing, identifying new markets and developing professional growth strategies.

Questions
The Pennsylvania Department of Community and Economic Development’s (DCED) Pennsylvania Business One-Stop Shop is here to assist and answer questions. Visit dced.pa.gov to learn about DCED programs, follow us on Twitter @PADCEDnews for the latest DCED announcements, or contact us at 1.833.722.6778, Option 0.
Preparing to Start a Business
Four Keystones to Success

- Qualified Entrepreneur
- Profitable Business Idea
- Adequate Finances
- Thorough Business Plan
Qualified Entrepreneur: How to Assess Yourself

An important step in your entrepreneurial journey will be to evaluate who you are, what you want to be and how to bring the best of yourself into your new venture. As an entrepreneur, you are the face, the brain and the brawn behind your business. You and your ideas will drive the initial stages of the project.

What are my entrepreneurial skills?
The sum of your life experience has given you many qualities and skills that will be an asset to your new enterprise. It is important to evaluate the skills you have as you begin to develop your business concept in order to maximize your preparedness and effectiveness. While many studies and countless books have been written on what “the right stuff” is for entrepreneurship, the list below contains the most common characteristics and traits that are part of a successful entrepreneur’s background.

Entrepreneurial Skills Assessment
Take some time and honestly evaluate yourself by placing a check next to the traits you are confident you possess:

- **Problem-solving**: explores innovative ways to respond to opportunities
- **Goal-oriented**: envisions a desired outcome, as well as plans and implements the activities required to achieve it
- **Self-confidence**: believes in own ideas and abilities and conveys that belief to others
- **Risk-taking**: abandons status quo, explores options and pursues opportunities
- **Decision-making**: makes prudent choices even in a stressful environment
- **Organization**: keeps track of deadlines, critical paperwork, correspondence and tasks to be completed, as well as those already done
- **Persistence**: tenaciously pursues goals regardless of the energy and commitment required
- **Communication**: speaks, listens and writes effectively
- **Interpersonal skills**: inspires, motivates and understands the wants and needs of others
- **Leadership**: directs others effectively and empowers their performance

Continual Self-Improvement is Key
Chances are you left one or a few of the above traits unchecked. Even if you feel you adequately exhibit all of the traits above, it is important to remember that continual self-improvement is critical to your growth as a business owner and a hallmark of successful people.

Finding ways to improve is a good test of your abilities, whether by seeking out useful books and articles or enrolling in business education courses. Consider seeking advice from a mentor or other successful entrepreneurs in your community. The persistence and creativity you exhibit in improving your abilities will make you a better business owner and bring you closer to your goal.

Responsibilities of Entrepreneurship
As an entrepreneur, your skills and abilities will be tested as you take on managerial responsibilities. Although you can hire skilled employees, engage qualified consultants and develop a corporate advisory board, the ultimate responsibility for decision-making and determining the strengths and weaknesses of your business rests with you. The managerial responsibilities of entrepreneurship include financial planning, personnel, marketing and production — skills you will continue to refine alongside your personal abilities. When you find yourself confident in both your personal and managerial skills, you will have a solid foundation on which to begin building your business.
Profitable Idea: How to Assess Your Business Concept

As you continue to develop confidence in your personal and managerial skills, you also need to assess your business concept. Begin analyzing your concept by taking a moment and putting yourself in the shoes of a potential customer.

Do Your Research

Once you have identified what your potential customers will be looking for, you can begin to plot a path to reach that goal. Early-stage businesses see failure rates exceeding 50 percent because too often an individual will spend vast amounts of money and time on a concept they did not fully evaluate. Take time to test your concept and research similar businesses. Rely on your drive and ambition to work through discouraging moments. Review the list below and give yourself a check next to each statement as you identify how your business will address each topic.

Business Concept Assessment

☐ The product or service satisfies the needs of the prospective customer, not simply the desire of the business owner.
☐ The product or service has an identifiable advantage over competitive sources. The advantage is of significant relevance to the customer.
☐ The quality of the product can be maintained to a level that encourages customers to make repeat purchases.
☐ The necessary materials for initial setup, long-term production and delivery of the product or service are all readily available.
☐ The number of customers in the market is sufficient for your business and competitors.
☐ The product or service is compatible with existing beliefs, attitudes and buying habits of prospective customers.
☐ The benefits of the product or service are easily communicated to the target customers.
☐ The price of the product or service is within an affordable range for the intended customers.
☐ The most cost-efficient methods of targeted communication between the merchant and potential customers are identified.
☐ The projected sales potential, based on the number of customers and their average expenditure for the product, is sufficient to generate a profit after all expenses are paid.
☐ The sales generated will be sufficient during peak periods to support the business expenses for the entire year.
Comprehensive Business Plan

Like all entrepreneurs, you will need to do a great deal of research and planning before opening your business. A business plan is a document that clearly describes your vision, including all the details of your business operation.

A well-written business plan not only puts your business on a solid foundation, but is critical in your quest for funding. This will become your owner’s manual guiding your daily operations and activities.

Even if you decide not to write out a business plan, it will still help you to at least research and think through all the areas that are discussed in a plan (see "Business Plan Outline.")

Although a business plan is time-consuming, it is important to business success. Completing one allows you to apply your research to your decision-making and forces you to examine all decisions of management, marketing, personnel and finance in an objective and organized way.

Another important benefit of the planning process is that it will require you to project the amount of financing needed for the startup and the early-stages of your business.

A complete outline of the content of the plan is discussed in the next section: "Business Plan Outline." When you adequately cover all the outline elements, your business plan will answer these questions:

- **Who are you?** A personal resume outlining the education and experience that will allow you to start and manage your business successfully.

- **What are you going to do?** A description of your business concept, the products and services you will be providing, the market which you will serve, where you will be located, how much money you will invest and how much additional money you will need (if any).

- **Where are you going?** The short- and long-term goals you have set for your business.

- **How are you going to get there?** The strategies that will allow you to meet your financial responsibilities, compete with others in the marketplace, learn new management skills, communicate with your customers, etc.

Business planning is an ongoing activity. Both new and existing businesses will benefit from creating and updating their goals, plans and activities. Although plans differ in some content elements depending on whether the firm is a retail, manufacturing, distribution or service enterprise, the following outline should provide a solid framework for preparing your business plan.

Among other things, the business plan describes:

- the products and services you will sell
- your customers, the production, management and marketing activities needed to produce your offerings
- the projected profit or loss that will result from your efforts
Business Plan Outline

The following is an outline and discussion of the content of a business plan, including key areas of a business enterprise. Not every plan discusses every area or discusses them in the order listed. However, if you follow the order listed and discuss as many areas that you can, you should be able to prepare an acceptable business plan.

1. Title Page
   All contact and ownership information is included on the title page. Some entrepreneurs like to add a very brief business description, slogan or mission statement.
   - business name, address, telephone, e-mail and website
   - name of owner(s)

2. Table of Contents
   The table of contents should list all sections of the business plan and the appropriate page numbers. Graphs, diagrams and other visual representations should also be identified. Items included as exhibits at the end of the plan (example: owner resume) should be clearly identified so that the reader can reference them while reviewing the plan.

3. Mission Statement
   The mission statement should describe why your company exists in the marketplace. Many entrepreneurs find it useful to make the mission statement brief and general enough to allow potential growth of product lines and services. Consider the difference between describing yourself as a company in the “automobile” business and a company in the “transportation” business.

4. Executive Summary
   The executive summary is an overview of the content of your business plan meant to allow managers, strategic partners, investors or lending agencies to quickly grasp your concept and business direction. The executive summary should mention the most important information about your proposed business. You will find many uses for this summary as you move forward to promote your company, network in the business community and work with vendors of business products and services.
   - brief description of the company history
   - purpose of the plan
   - goals of the business
   - description of the products and services
   - customers
   - management team experience
   - amount required from lender*
   - other sources of funds/collateral*
   - method of repayment*
   (*) Items marked with an asterisk are added to the business plans being used to secure financing.

5. Introduction/Overview
   This section typically consists of a few paragraphs introducing your business/business idea and yourself. This usually means presenting what the business is and naming the key people involved in the startup and ownership. Also mention how your business is structured (LLC, Sole Partnership, etc.).

6. Products and Suppliers
   This section should list and discuss the products and services you are selling and the pricing of those products and services. When pricing your product, you must consider competition and customer expectations, as well as all expenses. It is not uncommon for businesses to:
   - believe they can sell at the lowest price
   - misunderstand the importance of establishing price policies at levels other than the end user level
   - overlook the relationship between pricing and other elements of marketing
   You should also discuss where you are getting your products from or the raw materials to make them, listing your key suppliers and information on those suppliers.

7. Industry Specifics
   This section discusses the business environment in which you will be operating. Entrepreneurs often wish to gloss over this section because the factors are considered external to the company and uncontrollable. Gathering this information is important because it can help you determine limitations or opportunities impacting your profit. You may even discover information that changes the type of business you are starting, or the ways in which you expand operations. Be sure to study both positive and negative factors.
   Information to research and discuss includes:
   - national/regional economic growth or decline
   - industry outlook
   - projected opportunities
   - regulatory environment
   - technological influences
8. **Target Market/Customer Base**

In this section, you should describe the most likely customers for your product or service. Who are they? Where are they? When and why will they buy from you? An error in the determination of your target market(s) will not only adversely affect all other sections of your business plan; it will increase your advertising and promotion expense. For some businesses, it is the difference between success and failure.

Often your entire market of purchasers can be divided into segments, or groups of purchasers with common needs. Segmenting your market allows you to define and describe buyers’ needs and habits as completely as possible. Accurate information about the size of your market and expected market share helps you predict potential income.

Information that should be discussed includes:

- characteristics of the target market:
  - demographic profile (age, income, sex, education)
  - business customer (industry, size, purchaser)
  - geographic parameters
- size of the market/expected market share
- market segmentation
- customer buying habits (seasonality, quantity, average expenditure)

To be thorough, you must also describe the target market between you and the end user of your offerings. For example, if you are a manufacturer, you may need a retailer or distributor. Without the retailer or distributor purchasing your product, the end user will never have the opportunity to purchase.

9. **Competition**

This section should examine the competitors and their products and services and discuss how your offerings are unique. If you are tempted to dismiss competition, ask yourself how your potential customer currently solves the same problem your offerings are intended to solve. What are the customers’ choices when spending their financial resources? It can be helpful to develop a matrix that lists all your major competitors, their products, services, prices, methods of promotion and location. By incorporating your own marketing information on the matrix, you can identify your firm’s strengths and weaknesses.

10. **Marketing**

This section describes all activities involved in selling. Marketing does not involve just advertising and promotion activities. Although these communication elements are extremely important, they are ineffective if you have not chosen products and services wanted and needed by your potential customers. The marketing plan should include a complete description of all offerings. Names, colors, assortments and other details are important to customer choice. If you have multiple products for multiple target markets, this is the section where those distinctions must be made.

You should also be able to describe your customer service policies, as small businesses often have an opportunity to differentiate themselves from larger firms by offering flexible, courteous, customer-centered services.

The location element of business planning once focused on a physical business site, customer access to that site and transportation (logistics) related to the site. With advancements in technology, both startup and existing businesses must examine whether the location for interface with customers is a physical location, the internet, or both. A website can be used to simply promote a business and its offerings, or it can be the actual marketplace where sales are completed. Website development, performance, delivery systems and payment activities are now a necessary part of the marketing plan.

Few businesses exist without advertising expense. The choices of strategy and media are many, but the choice to eliminate advertising says the entrepreneur cannot afford to communicate with customers. A lack of communication is directly related to a lack of customer spending, and a lack of customer spending critically impairs the business’s survival. Since advertising and other elements of promotion are legitimate business expenses, they must be incorporated in the price of the products and services.

To summarize, this section should discuss most, if not all, of the following:

- sales goals
- description of all products and services
- pricing objectives/methods
  - wholesale and retail
  - discounts and special allowances
  - price sheets
  - seasonality in pricing
  - credit terms
- location
  - where products/services will be sold
  - website
  - analysis of advantages/disadvantages
  - plant/store atmosphere
  - transportation
- promotion activities
  - advertising
  - marketing materials
  - public relations
  - publicity
  - trade or business shows
11. Facility and Location
The location(s) and facilities of the business should be discussed, including the following:

- lease or purchase
- size and floor plan
- zoning, local regulations, taxes
- renovation/expansion plans
- location and any significant features or advantages of the location

12. Production and Operations
Lack of production and operations planning causes entrepreneurs to underestimate startup, maintenance and growth expenses. The decisions in this section consider the “physical” health of the business. If the business is started at home, the entrepreneur should set criteria such as income, number of employees or product expansion that will necessitate moving to a business site. Decisions made in this section affect the extent of company indebtedness, as well as the collateral of the business when it seeks out loans or investments. Use the “Operating Costs Worksheet” to help understand your costs.

Issues that should be addressed in this section include:

- equipment
  - machines/tools owned/needed
  - lease or purchase
  - maintenance procedures and costs
  - vehicles
  - telecommunications and data
- production process and costs
- suppliers/credit terms
- transportation, shipping access and equipment
- scheduling for completion of research and development

13. Management and Human Resources
The people in any business are an important and expensive resource. Before developing this section of the plan, the entrepreneur must identify how the business will grow and what workforce skills will be needed for that growth. If additional locations are planned, new managers will need to be hired or trained. If growth comes from development of new products, researchers and engineers may be needed. If growth will result from selling intensively to a small number of clients who buy on multiple occasions, employees that are capable of developing good relationships and delivering excellent customer service are needed.

The obvious expense of human resources is salary and benefits. Less obvious is the cost of recruitment, selection and training when turnover occurs. This section should also discuss any significant state and federal regulations governing employer and employee relationships, especially if such regulation particularly targets the activity of the business, such as licensing or safety requirements.

Issues that should be addressed in this section include:

- key managers
  - responsibilities
  - training
  - reporting procedures
- personnel
  - number of full- and part-time employees
  - special skills/education required/continuing education
  - job descriptions and evaluation methods
  - benefits
  - wages, commissions, bonus plans
  - use of subcontracted personnel
  - policies
- organizational chart
- lists of stockholders and board members
- amount of authorized stock and issued stock
- professional assistance (attorney, accountant, banker, insurance representative, etc.)

14. Lawyer, Accountant, Other Professionals
In this section, you should list, if known, the names and roles of those who will be advising the business, including lawyers, accountants, bookkeepers, consultants and other professionals. You should also give a brief description of any significant experience, accomplishments, recognition etc. of each professional.

It should be noted that many businesses start without having any outside professionals involved. However, for almost all entrepreneurs, it is important to at least talk to and designate a bookkeeper or accountant, if only for doing taxes and payroll (if employees are involved), before launching a business.

15. Insurance
By definition, entrepreneurs are risk-takers. They launch a new enterprise in a competitive environment with less than adequate capital and work more hours in the day than their corporate employee counterparts.

Once the decision has been made to become an entrepreneur, risk management becomes a part of the job description. As a firm grows, the wise entrepreneur develops a risk management program with advice from an attorney, accountant and insurance agent.
Young firms are vulnerable and protection comes from evaluating and prioritizing risks and insuring against them. You can start by making a list of the perils your business faces. Identify which are most catastrophic, such as loss of life, damage to property, employee or customer injury resulting from a faulty piece of equipment or product. Take action to protect your business against these catastrophes first. Risks differ depending on your industry and specific offerings, and gaps in coverage can occur as the business grows. Your risk management program should be evaluated annually.

- product liability
- personal/business liability
- business interruption
- vehicle
- disability
- workers’ compensation
- unemployment
- fire
- theft

16. Financial Forecast and Assumptions
Books and software packages can be purchased with formatted worksheets to produce the documents you need for your financial plan. The numbers used for each expense should be as accurate as possible based on current research. Identify any fluctuations that can be predicted such as increases in raw materials or lease and utility costs. Estimate the month and year when additional employees will be hired and what they will be paid. A break-even analysis helps you understand at what point the business becomes profitable and allows you to set goals realistically. Without a financial plan, you will find it nearly impossible to interest lenders or investors in helping you start and grow, because you have no facts to back up your enthusiasm and commitment to your venture. Use the “Startup Costs Worksheet” to help assess your costs.

- startup costs (all one-time expenses such as equipment, deposits, fees, etc.). See “Startup Costs Worksheet”
- operating costs (ongoing expenses for lease, insurance, utilities, etc.). See “Operating Costs Worksheet”
- sources and uses of funds*
- balance sheets
- projected cash flow
- profit and loss forecast or statement
- break-even analysis
- existing business (historical statements for three years)*
- personal financial statement of owner(s)*
- assumptions used in preparation of financial projections

17. Exhibits
The following are items and documents that should be included in the business plan:

- managers’ resumes
- advertisements, news articles and other promotional documents
- contracts, leases and filing documents (Fictitious Name, Employer Identification Number, Articles of Incorporation)
- letters of support/interest from prospective customers/buyers/clients
- pictures of the product or service
- marketing research
- patents, trademarks, copyrights, license agreements
- income tax returns (three years)*
- invoices or estimates for facility or equipment purchases*

(*) Items marked with an asterisk are added to the business plans being used to secure financing.

Sample business plans and financial forecasts and assumptions can be viewed or downloaded from www.pasbdc.org
## STARTUP COSTS

<table>
<thead>
<tr>
<th>Cost Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deposit, office or building lease</td>
<td>$_______  (Facility/location expense)</td>
</tr>
<tr>
<td>Decorating/remodeling/build-out</td>
<td>$_______  (Changes in facility required for business operation)</td>
</tr>
<tr>
<td>Furniture/fixtures</td>
<td>$_______</td>
</tr>
<tr>
<td>Equipment</td>
<td>$_______  (Production, office machines, security, etc.)</td>
</tr>
<tr>
<td>Installation</td>
<td>$_______  (Fixtures, equipment)</td>
</tr>
<tr>
<td>Telecommunications/data</td>
<td>$_______</td>
</tr>
<tr>
<td>Utilities</td>
<td>$_______  (Installation and deposits)</td>
</tr>
<tr>
<td>Initial inventory</td>
<td>$_______  (Stock, supplies for manufacturing)</td>
</tr>
<tr>
<td>Office supplies</td>
<td>$_______</td>
</tr>
<tr>
<td>Advertising and promotion</td>
<td>$_______  (Business cards, stationery, brochures, grand opening)</td>
</tr>
<tr>
<td>Signs</td>
<td>$_______  (Vehicle, interior and exterior for facility)</td>
</tr>
<tr>
<td>Licenses, permits and fees</td>
<td>$_______</td>
</tr>
<tr>
<td>Insurance</td>
<td>$_______</td>
</tr>
<tr>
<td>Legal/professional services</td>
<td>$_______</td>
</tr>
<tr>
<td>Working capital</td>
<td>$_______  (Cash reserve for early months of business before sales are sufficient to pay bills)</td>
</tr>
<tr>
<td></td>
<td>$_______</td>
</tr>
<tr>
<td></td>
<td>$_______</td>
</tr>
<tr>
<td></td>
<td>$_______</td>
</tr>
<tr>
<td>Total Startup Costs</td>
<td>$_______</td>
</tr>
</tbody>
</table>
Operating Costs Worksheet

Once your business is started, operating costs are expenses (other than the cost to purchase or make the products or services you sell) that are regular and repeating expenses, whether they repeat monthly, bimonthly or annually.

It is necessary to estimate all of your operating costs so that you are realistic about the revenue your firm will need. This worksheet includes some basic considerations. Completing it will help you develop cash flow projections.

In the column adjacent to the operating expenses, make notes of those that increase or decrease in particular months.

<table>
<thead>
<tr>
<th>OPERATING COSTS</th>
<th>Monthly Expense</th>
<th>Possible Variations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent/Mortgage Payment</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Equipment Lease</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Maintenance and Repairs</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Advertising</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Office Supplies</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Delivery</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Postage</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Vehicle Expenses</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Legal/Professional Fees</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Insurance(s)</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Telecommunications/Data</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Other Utilities</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Travel</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Dues/Memberships</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Materials</td>
<td>$_____________</td>
<td>__________________________</td>
</tr>
<tr>
<td>Payroll</td>
<td>$_____________</td>
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</tr>
<tr>
<td>Payroll Taxes</td>
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<td></td>
<td>$_____________</td>
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</tr>
</tbody>
</table>

Total Monthly Expenses $_____________
How to Choose a Site for Your Business

Choosing the right location for your business will require you to consider a number of factors. The type of business you have will often be the primary factor in the type of location you choose.

Another important factor to consider is how you want to present your business to your community and customers. Do you want a main street storefront? Do you require extra space for storing finished products? Does the location need to be near your targeted customers or satisfy specific logistical needs? Can your business operate as a web presence without the need for a physical structure for customer interactions? These are just some of the questions you may find yourself asking when looking at potential locations.

Ultimately, you may decide that you can start your business at your home. This is an inexpensive and convenient option for many entrepreneurs. If you decide to work from home, you will want to balance the efficiencies of being at home with your need to project the business image that you desire. The location of your business can affect more than just your operations and finances — it can also be an asset for your marketing plans and growth strategy. As you explore potential locations for your business, investigate the zoning, traffic, parking, signage and building regulations in each prospective location’s municipality.

Checklist for Business Location Analysis

If home is not the best place for your business, the checklist that follows will help you weigh the benefits of potential locations. Begin by reviewing the list and crossing out the factors that are not important to your business. Next, add any new factors that apply to your business. Finally, identify multiple potential locations and consider each of the following factors:

- Appropriate zoning for the type of business
- Cost of land, building, facilities
- Building codes
- Cost of utilities (installation)
- Availability and cost of utilities (monthly estimate)
- Cost of monthly lease or mortgage payment
- Cost of renovation or leasehold improvements
- Availability and cost of security system
- Availability of police and fire protection
- Availability of the types of employees needed by firm
- Availability of transportation for customers and employees
- Occupancy permit requirements
- Access for customers with disabilities
- Tax structures and payment methods of local and regional government
- Proximity/distance from competition
Small Business Incubators

Description and Advantages
Small business incubators are facilities where young businesses can start and grow. Some incubators offer businesses the opportunity to lease space at a lower-than-market rate. Most facilities provide tenants with free or low-cost business counseling and training and shared office equipment and services. These educational opportunities and services help reduce costs and increase profits.

After the startup firm is nurtured for the first few years, it is expected to “graduate” or leave the incubator to move into a business location in the community. Graduation normally occurs in 3–5 years. Incubators may specialize in the types of firms they can assist, i.e., manufacturing, technology, life sciences, distribution.

In summary, the following are common advantages of locating in an incubator:

- reasonable lease rates for startup firms
- shared financial, management and other services
- established entrance and exit policies
- access to capital and other startup resources

Ben Franklin Technology Partners (BFTP) is a program initiative that operates incubators and collaborates with other privately and publicly operated incubators throughout Pennsylvania, serving the fields of bioscience, technology, and innovation. For more information contact the DCED Pennsylvania Business One-Stop Shop at 1.833.722.6778, Option 0 or business.pa.gov.
Adequate Finances: Funding Your Business

A leading cause of small business failure is inadequate startup capital. Before you begin your new venture, you must realistically project not only your startup costs for such things as equipment, renovations and promotion, but also your cash flow requirements for the early-stages of operation.

It often takes time to build sales levels, yet rent, utilities and other costs are immediate. During this time, when bills are often arriving faster than the customers, cash reserves can help the business survive. Necessary funding for the startup and operation of a business is available in three forms:

- debt capital through borrowed funds
- equity capital (funds generated through the sale of stock or by the investment of the owner)
- friends, family and personal assets

Many businesses start with capital invested by the owner or the owner’s family. Should you decide that your own resources are insufficient, the traditional sources of financing are: banks, local, state and federal agencies, angel investors, and venture capital firms.

Debt Financing (Loans)

The vast majority of loans are made through banks. As mentioned previously, government-sponsored loan programs — such as SBA loans — are still administered by banks and require contacting and applying through them.

In many cases, the most fundamental document you will need for a loan application is a business plan (previously discussed), because it shows the lender your ability to research and envision the establishment and operation of the firm. In the previous section of this guide, the business plan outline contains several items marked with an asterisk (*). These items are essential additions for a business plan being used with a loan application. In addition to the plan, lenders consider several factors in evaluating a business loan:

- management experience: your background compared to the skills required for your chosen business
- repayment ability: your realistic projection of business income allows you to maintain loan payments
- collateral: your pledge of assets toward business stability and loan repayment
- credit: your historic and current record of repayment of obligations

Obtaining a loan requires preparation and credit worthiness, but a bit of sales ability can help. You will be competing with many other business owners, and knowing what the lender needs when requesting a loan is just as important as knowing what a customer needs when selling your product. Many lenders want assurance that:

- You have something at risk in starting and operating this business. (Do not ask them to go out on a limb to back you if you are not out on the limb yourself. You must have resources committed to your own venture to secure the support of others.)
- Your proposal is a sound one based on the 5 C’s of credit: capacity, capital, collateral, character, and condition (industry).

The terms on repayment of a bank loan may vary, and there is room for negotiation between lender and borrower. For debt financing, state-sponsored programs can be found on dced.pa.gov/loans, while federal-sponsored programs can be found on sba.gov/loans.

Equity Financing (Securities)

Raising capital through securities (the sale of stock) is complex and highly regulated — if you wish to pursue it, you should seek legal advice first. If you would like more information, contact the Pennsylvania Department of Banking and Securities at 717.787.1854 or 1.800.722.2657. You may also visit dobs.pa.gov.
Legally Establishing a Business in Pennsylvania
Four Keystones to Legally Establishing a Business in PA

- Business Name
- Business Structure
- Laws, Licenses and Regulations
- Taxes, Employer Obligations, EIN and Bank Account
Checklist for Legally Establishing a Business in PA

The following checklist outlines the steps to legally establishing a business in Pennsylvania.

Business Name

☐ Determine a name for your business that is not already in use.

☐ Determine whether your name is considered a fictitious name and if you need to file a PA fictitious name statement. You will need to know what your business structure is, so you may need to jump to the next section and come back after deciding your business structure.

☐ Register fictitious name, if applicable.

Business Structure

☐ Determine under what business structure you will operate your business. The most common choices are:
  • Sole Proprietorship
  • General Partnership
  • Limited Partnership (LP)
  • Limited Liability Partnership (LLP)
  • Limited Liability Company (LLC)
  • Corporation, including S Corporation

Laws, Licenses and Regulations

☐ Check with the local municipality (city, borough or township) concerning taxes, zoning requirements, any required local licenses and permits and any other regulations and requirements.

Taxes, Employer Obligations, EIN and Bank Account

☐ Determine what local, state and federal taxes your business needs to pay, register for or collect, such as sales tax.

☐ If your business will employ one or more people, complete local, state and federal employer obligations, including employment taxes, withholdings and contributions, such as unemployment compensation and social security.

☐ Obtain Employer Identification Number (EIN).

☐ Open a bank account for your business.
Business Name

Determine Name
Check the Pennsylvania Department of State database of Pennsylvania businesses to see if the business name you wish to use is available. You can search that database to see if other businesses already have registered the name you want to use at www.corporations.pa.gov/search/corpsearch. The use or removal of a designator (Incorporated, Inc., Limited, LLC, etc.) does not make a name available or distinguish it from a name that is already registered and exists in the database. The bureau will not accept fictitious name registrations from registered business entities that wish to register the exact same name, but without a designator.

Fictitious Name

Determining Fictitious Name
Any individual, sole proprietorship, partnership, corporation or other form of association conducting business under a fictitious business name must register this name with the Pennsylvania Department of State. Business structures such as sole proprietorships and general partnerships that do not otherwise make a formation filing with the department (see next section, Business Structures), will often need to register a fictitious name. For business structures that must file a document with the department in order to form, the business name is the name specified in that document (for example, ABC, Inc. or XYZ, Limited) and is not a fictitious name. Formation filings under structures such as limited partnerships, limited liability partnerships, limited liability companies, and corporations need to register a fictitious name only if the company is conducting business under a name other than the one specified in its formation document filed with the department.

Fictitious Name (DBA)
A fictitious name is any assumed name, style or designation other than the proper name of the entity using such name. Fictitious names must be distinguishable upon the records of the Bureau of Corporations and Charitable Organizations from the name of any association registered with the bureau. The removal of a designator (Incorporated, Inc., Limited, LLC, etc.) does not make a name distinguishable. The bureau will not accept fictitious name registrations from registered business entities that wish to register the exact same name, but without the designator.

Questions related to business structure, fictitious name registration, etc. can be directed to the PA Department of State Customer Service at 1.833.722.6778, Option #1.

Penalties for Not Registering
The penalty for failing to file a fictitious name registration is that the unregistered entity may not use the courts of Pennsylvania to enforce a contract which it entered into using the fictitious name. The failure to register the fictitious name does not void the contract, but merely prevents such enforcement until registration. The entity shall pay to the Department of State a civil penalty of $500 in these instances where the entity seeks to enforce the contract and subsequently registers the fictitious name in an untimely manner.

Trademark Protection
Registering a name and checking the Pennsylvania database does not give you federal trademark protection nor mean that others are not using your name in other states. If you desire to trademark your name or other applicable marks, you must apply to the United States Patent and Trademark Office at www.uspto.gov.
Business Structure

Once you decide to establish a business, your first consideration will be the type of business organization to use. Legal and tax considerations will help to determine your final choice, as well as personal needs and the needs of the particular business. There are three principal kinds of business structures: the sole proprietorship, the partnership and the corporation. Several common business structures are described below.

There are advantages and disadvantages to each of the legal forms of business you may choose. As an entrepreneur you must examine all of the characteristics and consult a knowledgeable legal professional when considering the formation of your business.

Sole Proprietorship
Most small businesses operate as sole proprietorships. This is the simplest form of organization and allows the single owner to have sole control and responsibility. Some advantages of the sole proprietorship are less paperwork, a minimum of legal restrictions, owner retention of all the profits and ease in discontinuing the business. Disadvantages include unlimited personal liability for all debts and liabilities of the business, limited ability to raise capital and termination of the business upon the owner’s death.

You should note that a small business owner might very well select the sole proprietorship to begin. Later, if the owner succeeds and feels the need, he or she may decide to form a partnership or corporation.

General Partnership
A partnership is similar to a sole proprietorship except that two or more people are involved. Advantages are that it is easy to establish, it can draw upon the financial and managerial strength of all the partners and its profits are not directly taxed. Some disadvantages are unlimited personal liability for the firm’s debts and liabilities, termination of the business with the death of a partner and the fact that any one of the partners can commit the firm to obligations.

The partnership is formed by an agreement entered into by each partner. This agreement may be informal, but it is advisable to have a written agreement drawn up between all parties establishing the responsibilities and profit and loss distribution of each partner, as well as other rules about the general partnership. While no filing with the commonwealth is required to form a general partnership, it may nevertheless be required to file a fictitious name registration.

Limited Partnership
A limited partnership (LP) is a partnership formed by two or more persons having one or more general partners and one or more limited partners. The limited partners have limited exposure to liability and are not involved in the day-to-day operations of the partnership. A Pennsylvania limited partnership is formed by filing a Certificate of Limited Partnership with the Bureau of Corporations and Charitable Organizations, Pennsylvania Department of State.

Like with a general partnership, a written agreement should be drawn up between all parties, establishing the rules for the general and limited partners. The agreement does not need to be filed. When applying for funding, lenders may request a copy of your partnership agreement.

Limited Liability Partnership
A limited liability partnership (LLP) is an existing general or limited partnership that files a registration with the Bureau of Corporations and Charitable Organizations, Pennsylvania Department of State, claiming limited liability partnership status. The effect of becoming an LLP is to provide general partners with additional protection from liability.

Like with a general or limited partnership, a written agreement should be drawn up between all parties. The agreement does not need to be filed. When applying for funding, lenders may request a copy of your partnership agreement.
Limited Liability Company
The limited liability company (LLC) is a hybrid between a partnership and a corporation, providing the liability protection of a corporation, with the advantage of being treated as a partnership. A Certificate of Organization is required to be filed with the Bureau of Corporations and Charitable Organizations, Pennsylvania Department of State, accompanied by a docketing statement.

Corporation
A corporation is the most complex form of business organization.
Advantages of a corporation are that liability is limited to the amount owners have paid in to their share of stock, and the corporation’s continuity is unaffected by the death or transfer of shares by any of the owners. Some disadvantages are extensive record-keeping, close regulation and double taxation (taxes on profits and taxes on dividends paid to owners).
To form a corporation in Pennsylvania, you must file Articles of Incorporation with the Bureau of Corporations and Charitable Organizations, Pennsylvania Department of State, accompanied by a docketing statement.
Foreign (out of state) entities or associations must submit a Foreign Registration Statement, accompanied by a docketing statement to conduct business in Pennsylvania.

Pennsylvania S Corporation
Closely held corporations may elect to be taxed as federal or state S corporations, which permit shareholders to pay taxes on corporate net income personally, as if it were a partnership.
Thus, a corporation must be created first as discussed above. Only after a corporation is created can S corporation status be sought. S corporation status is limited to corporations that have no more than 75 shareholders. Also, a Pennsylvania corporation cannot elect to be an S corporation unless it has also applied for federal S status.
Accordingly, the first step to becoming a Pennsylvania S corporation is to seek federal S status by filing IRS Form 2553, Election by a Small Business Corporation, with the Internal Revenue Service (IRS). Several requirements must be met before you can obtain federal S corporation status.
For more information on Pennsylvania S corporations, contact the Pennsylvania Department of Revenue at 1.833.722.6778, Option #3 or visit its website at www.revenue.pa.gov.

As you are making decisions about your business structure and the potential tax consequences of your desired structure, it is advisable to consult with legal, accounting and insurance professionals.
Benefit Corporation
A state law enacted in 2013 gives entrepreneurs, investors and consumers the option to build, finance and patronize businesses that pledge, as part of their corporate purpose, to have a material positive impact on society and the environment, otherwise known as benefit corporations or benefit companies (LLCs).

Benefit corporations are business corporations organized for profit with a corporate purpose of creating general public benefit, in addition to any other purposes they have as a business corporation. A benefit corporation may also create one or more specific public benefits.

These corporations must file annual statements with their shareholders and the Department of State showing how they are meeting their commitment to provide public benefits. For example, a benefit corporation would commit to practices such as using recycled materials, requiring energy efficiencies in their operations and those of their suppliers, ensuring workers making their products are paid a fair wage and contributing to the welfare of the communities in which their facilities are located.

Being a benefit corporation is a voluntary action requiring approval of two-thirds of a corporation’s shareholders. The corporation’s performance in achieving its public benefit is assessed against a third party standard.

Lastly, this law permits a corporation’s directors to consider non-financial interests when making decisions, without breaching any fiduciary duty to shareholders. For instance, directors of benefit corporations could consider using energy from renewable sources, such as wind or solar, even if the cost was higher than power generated by fossil fuels.

To learn more about additional corporate structures (professional, management), visit www.dos.pa.gov/BusinessCharities/Business/Resources/Pages/default.aspx for more information.

Online Business Name & Structure Registration
You may submit most business formation documents online through Business Filing Services, the Department of State’s online business document filing system, by accessing www.corporations.pa.gov. The Following are some facts users should know about Business Filing Services:

Filers establish a user ID and password and pay via major credit card to file securely online with Business Filing Services. Documents are submitted online and returned to the user by email, thereby eliminating mailing time and expense. The user chooses the form and an interview process elicits the required information. Filed documents will show on the user’s profile for thirty days before being removed. Users can also save the document and complete it at a future time. These documents will also be retained in the system for 30 days. Users with questions should contact 1.833.722.6778, Option #2 for assistance with online filing. Questions can also be submitted electronically to RA-STPA-BUSFILGSVCS@pa.gov.

For a complete list of all Department of State business entity filing forms, in fillable .pdf format, please visit http://www.dos.pa.gov/BusinessCharities/Business/RegistrationForms/Pages/default.aspx.

Regulatory Approval and Bureau of Professional & Occupational Affairs
Note that prior written approval of state regulatory agencies may be required for business registration filings, particularly where the company is engaging in the practice of a regulated industry, profession or occupation. Consult with the applicable regulatory agency, board or commission before submitting your filing to the Department of State.

Be advised that the prior written approval of certain professional and occupational boards or commissions of the Bureau of Professional and Occupational Affairs (BPOA) must be obtained when a filer is seeking to reserve or register a corporate name (this includes the name of a limited partnership, limited liability partnership, limited liability company, or a corporation) or register a fictitious name which contains words implying that an entity is engaging in the practice of that profession or occupation. Therefore, please consult with the administrator of that board or commission by calling BPOA at 717.787.8503 prior to submitting your filing.

To find out more about professional boards and commissions, visit http://www.dos.pa.gov/ProfessionalLicensing/BoardsCommissions/Pages/default.aspx.
## Summary Table – Registering Business Structure and Name

The table below lists the state and non-state forms involved in registering and creating each type of business structure as well as information on whether a fictitious name application needs to be filed. State forms can be obtained by contacting the Pennsylvania Department of State or visiting www.dos.pa.gov.

You will be required to publicize articles of incorporation and fictitious name registrations in two newspapers, one of general circulation and one which is a legal newspaper or journal.

<table>
<thead>
<tr>
<th>Business Structure</th>
<th>STATE FORMS</th>
<th>NON-STATE FORMS (these are not required to be filed or drafted)</th>
<th>NAME REGISTRATION See “Business Name”</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sole Proprietorship</td>
<td>No state form required</td>
<td>None</td>
<td>If fictitious name: File Form 54-311 – Application for Registration of Fictitious Name</td>
</tr>
<tr>
<td>Partnership</td>
<td>No state form required</td>
<td>Internal rules are called the Partnership Agreement</td>
<td>If fictitious name: File Form 54-311 – Application for Registration of Fictitious Name</td>
</tr>
<tr>
<td>Limited Partnership (LP)</td>
<td>• Form 15-8511 – Certificate of Limited Partnership</td>
<td></td>
<td>Business name is registered in the same documents for establishing the LP, LLP, LLC, corporation or S-corp. However, if planning on doing business under a different name, than the legal name of the business (exact name listed on the respective form to create the LP, LLP, LLC, or corporation), then must file Form 54-311 – Application for Registration of Fictitious Name. See ”Business Name” for more information. Contact the Pennsylvania Department of State with specific questions regarding when an LP, LLP, LLC or corporation would need to file a fictitious name.</td>
</tr>
<tr>
<td>Limited Liability Partnership (LLP)</td>
<td>• Form 8201a – Registration Limited Liability Partnership</td>
<td>Internal rules are called the Partnership Agreement</td>
<td></td>
</tr>
</tbody>
</table>
| Limited Liability Company (LLC) | • Form 15-8821 – Certificate of Organization Domestic Limited Liability Company  
• Docketing statement | Internal rules are called the Operating Agreement                 | |
| Corporation            | • Form 15-306-7102 – Articles of Incorporation  
• Docketing statement | Internal rules are called Bylaws                                  | |
| S Corporation          | Same documents as corporation, plus also file the following:  
  • IRS Form 2533  
  • PA Form REV-1640 | Same documents as corporation                                    | |
Taxes, Employment Obligations, EIN & Bank Account

Taxes
Check with federal, state and local government (city, borough, township and/or school district) agencies concerning their tax laws, including sales, employment, social security and other taxes and contributions.

For state taxes, visit the Pennsylvania Department of Revenue's website at www.revenue.state.pa.us.
For federal taxes, visit the Small Business Corner at the Internal Revenue Service (IRS) website at www.irs.gov/businesses/small.

Employment Obligations
If the business will employ one or more people, the following actions are required:

• New Hire Reporting: Report all employee hires to the PA New Hire Reporting Program. For more information, visit: cwdsp.office.com/cwdsonline/NewHire/NewHireProgramInformation/NewHireInformation.aspx.
• Workers Compensation Insurance: Insure your workers’ compensation liability by purchasing a workers’ compensation policy through an insurance company, or from the State Workers’ Insurance Fund, 570.963.4635, or by securing approval for membership from a certified group self-insurance fund if one operates covering your type of business. Additionally, larger businesses that have been operating for three or more years may apply for approval to individually self-insure liability with the Pennsylvania Department of Labor and Industry. For more information on group or individual self-insurance, contact 717.783.4476.
• You may download the PA-100 from the PA Department of Revenue website at www.revenue.pa.gov to remit PA personal income tax and unemployment compensation your company withholds from compensation paid to Pennsylvania resident employees, and on compensation paid to non-resident employees for work performed in Pennsylvania. The PA-100 can be completed by visiting www.pa100.state.pa.us.

EIN (Employer Identification Number)
Every employer subject to employment taxes is required to have a federal Employer Identification Number (EIN) to identify his or her business with the Internal Revenue Service and the Social Security Administration. Some businesses, such as corporations, partnerships and enterprises that have a qualified retirement plan (such as Keogh) or pay federal excise tax, are required to have an EIN even if they do not have any employees.

If a business does not have employees, a qualified retirement plan or pay federal excise tax, the business may be required to have an EIN by banks or other entities with whom they are doing business. For example, to open a business bank account, most, if not all, banks will require that the business has an EIN.

An EIN can be obtained in a few minutes by registering by telephone or online:

• Under the Tele-TIN program, an authorized officer or business owner can obtain an EIN by applying over the telephone by calling the IRS Business and Specialty Taxes Hotline at 1.800.829.4933.
• An authorized officer or business owner can obtain an EIN by applying over the internet at www.irs.gov.

For further information on the EIN, contact the Internal Revenue Service at 1.800.TAX.1040.

How to Open a Bank Account
Contact desired bank and ask for all information and forms required for a business to open a business bank account. Most, if not all, banks will require that the business has an EIN.
Tax Information, Incentives, Legal Considerations & Forms

**Tax Incentives**
Pennsylvania offers several tax incentives to encourage business growth and expansion. Contact the Pennsylvania Department of Revenue or the Pennsylvania Business One-Stop Shop for additional information.

Beginning in 2014, new businesses can deduct up to $5,000 of startup costs from taxable income as an incentive for entrepreneurs to create small businesses and invest these savings into equipment needed to be successful.

For corporations, the cap on corporate net income tax net operating loss deductions is raised from $3 million or 20 percent of income to $4 million or 25 percent of income in 2014 and to $5 million or 30 percent of income in 2015. This benefits technology, bioscience and research companies and large manufacturers by allowing these job creators to smooth business losses over future tax years.

The adoption of market sourcing for services in 2013 complements the 100 percent single sales factor for tangible goods and benefits Pennsylvania service companies by not taxing income from services performed out-of-state.

**Manufacturer’s Exemption**
The state also encourages manufacturers to locate and expand in Pennsylvania by offering a manufacturing exemption. The exemption is part of the formula for calculating the capital stock tax, as amended by Act 23-2000.

For information about these tax incentives, please contact the Department of Revenue at 1.833.722.6778, Option #3.
CHAPTER II | LEGALLY ESTABLISHING A BUSINESS IN PENNSYLVANIA

Tax Forms and Schedules
The Pennsylvania Department of Revenue website (www.revenue.state.pa.us) has forms available for download as well as answers to common tax questions.

Department of Revenue Contact Information

GENERAL BUSINESS TAX INFORMATION ................................................................. 1.833.722.6778, Option #3

SALES TAX
Bureau of Business Trust Fund Taxes
Sales/Use Tax ........................................................................................................... 717.787.1064
Public Transportation Assistance Fund Taxes and Fees ............................................ 717.787.2104
Vehicle Rental Tax ................................................................................................... 717.787.6315
Cigarette License and Taxes ....................................................................................... 717.783.9374

CORPORATION TAX
Bureau of Corporation Taxes
Rate and Base Changes for Corporate Taxes ............................................................ 717.787.1064
Account - Specific Payment & Credit Information ..................................................... 717.705.6225
Estimated Payments on Account ............................................................................. 1.888.PATAXES

PERSONAL INCOME TAX
Employer Withholding Requirements ..................................................................... 717.787.1064

MOTOR FUELS TAXES
Bureau of Motor and Alternative Fuel Taxes
Motor Carrier Road Tax ........................................................................................... 717.787.1563
Liquid Fuels and Fuel Tax ....................................................................................... 717.783.1025
International Fuel Tax Agreement (IFTA) Inquiries ................................................ 1.800.482.4382

For assistance refer to the blue pages in your local telephone directory for the Pennsylvania Department of Revenue Regional and District Office nearest you or visit the Pennsylvania Department of Revenue’s website at www.revenue.state.pa.us.

Legal Considerations
Specific questions, which require legal consideration by the Pennsylvania Department of Revenue and written response, should be directed to:

Pennsylvania Department of Revenue
Office of Chief Counsel
Department of Revenue
P.O. Box 281061
Harrisburg, PA 17128-1061
717.787.1382
Pennsylvania Labor and Employee Laws

Pennsylvania Employee Protection Laws
This section does not include all Pennsylvania laws and regulations. Rather, this section discusses employee protection laws, provides information on the workers’ compensation law, occupational and industrial safety and Pennsylvania unemployment compensation law. Additional information is available on the Pennsylvania Department of Labor and Industry website at www.dli.state.pa.us.

Following are the abstracts of different employee protection laws that may affect your small business enterprise. The Pennsylvania Department of Labor and Industry, Bureau of Labor Law Compliance (BLLC) is responsible for administering these laws. To ensure compliance, the BLLC helps employers and employees understand the provisions of the laws. BLLC also conducts routine and complaint investigations. BLLC mediates disputes and litigates unresolved issues.

Apprenticeship and Training Act
The Apprenticeship and Training Act establishes policies and procedures to promote equality of opportunity in apprenticeship programs registered with the Apprenticeship and Training Council. These policies and procedures apply to:

• recruitment and selection of apprentices
• conditions of employment and training during apprenticeship
• review of apprenticeship programs
• registering apprenticeship programs
• de-registering non-complying apprenticeship programs

Child Labor Law
Minimum Age: Minors under 14 years of age may not be employed or permitted to work in any occupation, except children employed on farms or in domestic service in private homes. Under certain restrictions, news carriers may be employed at the age of 11, caddies at the age of 12 and juvenile performers in the entertainment field at the age of 7. Minors and infants may be in the cast of a motion picture if a special permit is obtained.

Employment Certificates: No person under the age of 18 shall be employed without a general or vacation employment certificate. The employment certificates are issued by school authorities and must be kept on file.

Any minor issued a transferable work permit is not required to obtain a new permit or certificate each time he/she changes employers; however, the employer is required to notify the issuing school district in writing within five days when a minor begins or terminates employment. Work permits can be obtained through your local school district.

Child Labor Law Posting
The Abstract of the Child Labor Law must be posted by every business in Pennsylvania that employs minors. The abstract is available from the Bureau of Labor Law Compliance (BLLC) Administrative Units. Employers are required to maintain true and accurate schedules for each minor employed. Additionally, employers must keep detailed records (or photocopies) of the transferable work permits at worksites where minors are employed. For restrictions on hours of labor and conditions of employment and occupational prohibitions regarding minors, contact the administrative unit serving your area.

Some businesses are subject to the U.S. Department of Labor’s Fair Labor Standards Act which contains child labor provisions. Accordingly, some businesses are subject to the coverage of both the federal and state governments. In these cases, the businesses must meet the requirement of the law with the stricter standard. Refer to the blue pages of your telephone directory for information on the U.S. Department of Labor.

Equal Pay Law
The Pennsylvania Equal Pay Law prohibits discrimination in rate of pay between employees on the basis of gender for work under equal conditions on jobs which require equal skills. Businesses are required to post the Abstract of the Equal Pay Law.
Industrial Home Work Law
The Pennsylvania Industrial Home Work Law prohibits industrial work in the home, with a limited number of exceptions. Individuals and establishments interested in engaging in industrial home work in Pennsylvania must obtain permits and certificates from the Bureau of Labor Law Compliance (BLLC).

Medical Pay Act
The Pennsylvania Medical Pay Act requires employers to pay for the medical examination fee where such examination is a condition of employment.

Minimum Wage Act
The Pennsylvania Minimum Wage Act establishes a minimum wage for full-time and part-time employees. It also establishes an overtime rate for employees of one and one half (1.5) times the regular rate of pay after 40 hours worked in a week. Employers may be eligible to take a credit in determining the hourly wage of employees who receive tips.

The issuance of special licenses and certificates for payment of sub-minimum wages are allowed for learners, students and individuals who are impaired by physical or mental deficiency. Employers subject to the Minimum Wage Law must maintain an accurate record of each employee’s earnings and hours worked. Establishments are required to post the Minimum Wage Act Poster and Fact Sheet.

Personnel File Act
The Pennsylvania Personnel File Act permits employees in Pennsylvania to inspect documents in their personnel files, with certain exceptions.

Prevailing Wage Act
The Prevailing Wage Division, Bureau of Labor Law Compliance, determines prevailing wage rates for public construction industry and enforces the rates and classifications under heavy, highway and building construction projects of $25,000 or more when public funds are involved. Presently, the Pennsylvania Department of Labor and Industry determines the prevailing minimum wage rates and employee benefits for specific localities and classifications. The Prevailing Wage Regulations allow the Secretary of Labor and Industry to consider collective bargaining agreements and other types of data for purposes of determining the wage rates.

Seasonal Farm Labor Act
The Pennsylvania Seasonal Farm Labor Act regulates minimum wages and provides for hours of labor of seasonal farm workers in Pennsylvania. The Pennsylvania Seasonal Farm Labor Act also requires farm labor contractors to obtain certificates of registration. The Pennsylvania Department of Agriculture inspects the seasonal farm labor camps. Refer to the section on Business Requirements and Regulations for the address and telephone number of the Agriculture Regional Office in your area.

Wage Payment and Collection Law
The Pennsylvania Wage Payment and Collection Law requires that all wages due to employees be paid on regular paydays designated in advance by the employer. Each employee must be notified at the time of hiring of the time and place of payment of wages, the rate of pay and any fringe benefits. Statutory liquidated damages and penalties may be assessed against employers for failure to pay wages.

Workers’ Compensation
The requirement to insure your workers’ compensation liability is mandatory for any employer that employs at least one employee who could be injured or develop a work-related disease in this state or could be injured outside this state under a contract of hire made in Pennsylvania if the employment is principally localized in a state whose workers’ compensation laws do not apply unless all employees are excluded from the provisions of Pennsylvania’s workers’ compensation laws.

Insuring your workers’ compensation liability indemnifies you from wage loss and medical benefits incurred as a result of work-related injuries or occupational diseases; protects you from tort liability for lawsuits arising from work-related injuries and diseases and protects you from criminal prosecution, which can result in imprisonment and substantial fines for each day of noncompliance.
In Pennsylvania, enterprises are excluded from the requirements to insure their workers' compensation liability only if ALL workers employed by it are in one or more of the following categories:

- federal workers
- longshoremen
- railroad workers
- casual workers who work only infrequently, at irregular intervals AND do not perform duties connected with the regular course of business/prime income-producing activity of the business
- persons who work out of their own homes or other premises not under the control or management of the enterprise AND make up, clean, wash, alter, ornament, finish, repair, or adapt articles or materials given to them for sale
- agriculture workers earning under $1,200 per person per calendar year and no one agricultural worker works 30 days or more per calendar year
- domestic workers who have not elected with the Pennsylvania Department of Labor and Industry to come under the provisions of the Workers' Compensation Act
- sole proprietor or general partners
- have been granted exemption due to their religious beliefs by the Pennsylvania Department of Labor and Industry
- executive officers who have been granted exclusion by the Pennsylvania Department of Labor and Industry

General information pertaining to workers' compensation can be viewed on the Pennsylvania Department of Labor and Industry website at www.dli.state.pa.us or by contacting the Employer's Helpline at 717.772.3702 or the Claims Information Helpline at 1.800.482.2383 or 717.772.4447.

**Occupational and Industrial Safety**

The Pennsylvania Department of Labor and Industry’s Bureau of Occupational and Industrial Safety administers a variety of laws related to the safety of the public and employees. These responsibilities include enforcing the provisions of the Fire and Panic Act; Universal Accessibility Act; Energy Conservation Act; Elevator Law; Boiler Law; Liquefied Petroleum Gas Act; Bedding and Upholstery Law; Stuffed Toy Law; Employment Agency Law; General Safety Act, Asbestos Occupations Accreditation and Certification Act, Lead Certification Act, Dry Cleaning Law, Underground Storage Law and a variety of lesser known acts. The Bureau accomplishes enforcement through promulgation of regulations, field inspections, issuance of licenses/certificates and responding to complaints for possible violations.

Contact:

PA Department of Labor and Industry
Bureau of Occupational and Industrial Safety
1613 Labor and Industry Building
Harrisburg, PA 17120

717.787.3323

**Unemployment Compensation**

The Pennsylvania Department of Labor and Industry is responsible for administering the Pennsylvania Unemployment Compensation (UC) Law which requires employers to pay contributions into a pooled reserve known as the Unemployment Compensation Fund. This fund pays benefits to employees who become unemployed through involuntary causes. The amount of contributions an employer owes is determined by multiplying an assigned contribution rate, determined yearly, to the wages paid to employees.

If you employ one or more persons, you may be liable for the state unemployment compensation tax and must register with the Office of Unemployment Compensation Tax Services (OUCTS) by completing a Pennsylvania Enterprise Registration Form and Instructions (PA -100). To request this form, call 1.800.362.2050 (Forms Ordering Service), or contact the OUCTS Contact Center 1.866.403.6163. The Contact Center can provide assistance to the employer community regarding UC contribution matters (or visit www.dli.pa.gov).
Laws, Licenses and Regulations

Local
Check with the local municipality (city, borough, township and county) concerning zoning and building requirements and any required local business licenses or permits.

State

- **Professional Licenses and Regulations**: For the most up-to-date information on laws, licenses and regulations, contact DCED’s Pennsylvania Business One-Stop Shop.
- **Building Regulations**: Contact the Pennsylvania Department of Labor and Industry or your local government to make sure your building has an occupancy permit and that it complies with the Fire and Panic Regulations and Universal Accessibility Standards.
- **Food or Beverage**: If your business will be serving food or beverages, contact your local health department and the Pennsylvania Department of Agriculture regarding registration or licensing procedures.
- **Internet Sales and Services**: If your business will have an internet sales presence, contact the Pennsylvania Department of Revenue for clarification on the most current sales tax requirements.

Federal Laws and Regulations

Federal laws and regulations vary considerably in their impact on different types of businesses; these laws and regulations can also change from year to year. As a new small business owner you will want to take time to research and be aware of all federal laws that will or could affect your operations. As with anything, it is advisable to contact legal professionals and business support organizations such as your local Chamber of Commerce, the Small Business Administration (www.sba.gov), and your local Pennsylvania Small Business Development Center (www.pasbdc.org). The following is a general list of federal laws, regulations and agencies which may impact your business:

- **Americans With Disabilities Act (ADA)** - Business owners should be aware of the ADA requirements to accommodate employees with disabilities and to make their facilities accessible to individuals with disabilities. This act also prohibits discrimination against employment of the disabled (www.ada.gov).
- **Fair Labor Standards Act** - Federal child labor law regulations are contained in this act which might affect your business (www.dol.gov).
- **Fair Employment Laws** - There are anti-discrimination laws regarding race, color, religion, sex and national origin that might affect your business. In addition, the federal government regulates the Equal Pay Act for women and anti-discrimination regarding age and certain federal contracts (www.eeoc.gov).
- **Federal Insurance Contributions Act (FICA)** - Social Security or FICA taxes are paid by both the employee and the employer to insure income for retired persons (www.ssa.gov).
- **Federal Trade Commission (FTC)** - FTC has specific legal requirements regarding mail-order businesses and other advertising activities (www.ftc.gov).
- **Health Care** - New rules for small business health care and the availability of a small business health care tax credit were signed into law recently. For more information on these new regulations and available incentives contact the Small Business Administration (SBA) or visit www.sba.gov/healthcare.
- **Immigration Laws and regulations** - The immigration laws may contain regulations regarding hiring of employees (www.uscis.gov).
- **Internal Revenue Service (IRS)** - Federal tax laws and regulations affect businesses in several ways. The IRS provides information and forms for small business tax filings as well as your business’s responsibilities under the Federal Unemployment Tax Act (FUTA). Additional information can be found on the business section of the IRS website (www.irs.gov).
**Occupational Safety and Health Administration (OSHA)** - OSHA is responsible for regulating job safety on work premises for employees. Work site health related issues are also their concern (www.osha.gov).

**Wage and Hour Laws and regulations** - Business owners need to be aware of federal wage and hour regulations that may affect their payment of employees (www.dol.gov).

To stay current with federal laws and regulations affecting small businesses, visit agency websites or contact the local offices of your United States House of Representatives and United States Senators.
CHAPTER III

Managing and Growing a Business
Four Keystones to Growing a Business

Growing a business begins with maximizing the effectiveness and productivity of the four key business areas shown below. The end result is an effective growth strategy.
Enterprise Audit Checklist

Before developing growth strategies, an internal audit of current operations and finances should be performed.

This analysis allows you to evaluate your own strengths and weaknesses before adding the stress of growth activities. Your audit can reduce the risk of operating inefficiencies or missed opportunities. Keep notes as you go through the checklist and develop a set of priorities to address those areas you want to improve.

Management, Operations and Business Processes

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Marketing and Sales

Yes  No

☐  ☐ My knowledge of how to position my enterprise competitively in the marketplace is based upon the concepts my customers view as making my company and product unique.

☐  ☐ My ability to budget marketing comes from comparing industry standards with my firm’s competitive and financial situation.

☐  ☐ My marketing considers the needs of both existing and new customers in product development, promotion, pricing and availability of the product, as well as in positioning, messaging and providing an overall experience, and not just features and benefits.

☐  ☐ My documentation allows me to evaluate the success of marketing and advertising expenditures, specifically Return on Investment (ROI) and customer acquisition costs.

☐  ☐ My advertising plan effectively allows my firm to communicate with its intended target market.

☐  ☐ My lead system allows me to profile my customers and their needs and understand the source of leads, the source of sales and the costs of generating both.

☐  ☐ My firm’s system for customer service ensures that management is made aware of customer complaints, special requests and suggestions in a timely manner with documentation of each incident of customer contact.

☐  ☐ My methods of generating repeat sales have been planned and implemented.

☐  ☐ My firm’s marketing experts work closely with those developing the business and financial plans.

☐  ☐ My system of evaluating competitors’ new products or services are developed and thoroughly reviewed at least twice a year.

☐  ☐ My formal and informal communication methods allow all constituencies to regularly report opportunities and concerns.

☐  ☐ My firm has formal processes and actions to gather and review customer sales, demographic and lifestyle data, including obtaining feedback from both customers and non-customers that could lead to improvements or new products.

Financial Management

Yes  No

☐  ☐ My professional development includes building strong relationships with my banker(s), creditor(s) and other important financial professionals in my community and industry.

☐  ☐ My financial analysis abilities include: knowing how to read and interpret financial statements and reports; understanding the causes of low profits such as inadequate expense control, high interest and low sales volume; the ability to analyze the causes and effects of these problems and the capability of calculating key financial ratios and determining trends affecting business growth.

☐  ☐ My prices are appropriate by industry standards, accepted by customers and ensure profitability. Fixed and variable costs are reviewed and updated periodically.

☐  ☐ My firm has the capacity to accurately assess financial needs for growth, understand the impact of fast growth on each area of corporate operation, and assess the effect of growth strategies on the company’s debt structure and debt servicing capabilities.

☐  ☐ My firm’s professional responsible for record-keeping and financial statements is knowledgeable about sources of financing. Tax records and regulations are updated and documentation stored for convenient retrieval.

☐  ☐ My financial statements are prepared in a timely manner and are used to diagnose positive and negative conditions affecting operation. All information required for business valuation is retained and updated.
My cash management techniques allow effective monitoring of accounts receivable, customer payment and deposits, collections, etc. Cash not required for operations is invested.

My credit policies are established and enforced for all customers. Financial stability is established before credit is extended. Payment policies allow the firm to take advantage of discounts offered by vendors.

Human Resources

Yes  No

- My firm’s recruitment methods include procedures that ensure the company interviews and hires employees who are qualified to play a role in the future goals of the firm.

- My firm’s employee policies are established, known by employees and assure legal compliance. Job descriptions and organizational charts have been developed. The latter allows communication to flow from the bottom up as well as from the top down.

- My firm’s use of subcontractors ensures that their tasks are clearly defined and written documentation of their scope of activities is on file with all legal requirements being met.

- My policies, record-keeping and employee training allow the business to continue operation without interruption regardless of illness, vacation or other absence. Employee policies, benefits, insurance and training procedures are reviewed at a minimum annually. Policies and actions comply with local, state and federal laws.

- My motivational methods, remuneration and management style is sufficiently effective to limit turnover. Time management and productivity analysis is used to improve operations and is included in all employee performance reviews.
Growth Strategy

This section discusses tactics for continuing to grow a business aside from improving the efficiency and productivity in the four keystone areas.

You have to decide how best to grow the business by analyzing a number of factors affecting expansion:

- corporate mission
- strengths and weaknesses of the business
- financial resources: existing and potential
- customer needs
- competitive influences
- life cycle of existing products
- profitability of potential products
- human resources: sufficiency and capability
- sales and service capability
- research/development time and expense for new products
- economic conditions, access to raw materials, industry trends

Statistical sources and research are replete with information and case studies that detail the high rate of small business failure in the first five years. As you begin to assess your goals for expansion, take your time and be thorough. Rapid growth is tempting and exciting, but it can also be a costly trap that can lead to expensive problems rather than continued success. Because you have been successful, you have established a level of quality and an overall vision for your company that identifies your brand and is something in which you take pride. The opportunity for growth can be built upon the foundation you created with your business plan. Revisit your initial planning, take stock of lessons learned and begin to renew your planning efforts with the same thoroughness, persistence and creativity that you used when starting your business.

Entrepreneurs frequently define growth as an increase in sales. Your experiences as a business owner will have undoubtedly exposed you to a variety of sales strategies. Some of these strategies may be your own creation while others may have come from observing how your competition operates. As you consider plans for growth, you can jump-start the process by considering the following questions:

- **Can growth be achieved by selling more of your existing products to former or existing customers?**
  - What would it take to convince your customers that they should buy in larger quantities?
  - Are there additional uses for your product not yet explored by your customer or your company?
  - Are any of your customers buying some items from you and some from a competitor? What offer would encourage the customer to give you all their sales?
  - Would additional staff, promotion, longer hours, better customer service or any other alteration in your business practices lead customers to increase their purchases?
  - How would an add-on, product improvement or assortment change help sales?

- **Can growth be achieved by selling new products or services to previous and existing customers?**
  - After purchasing a product from you, are your customers buying supplemental or related products from another vendor? Could these add-on products or services be part of your product line?
  - What new products are needed by your present customers? Would these new products fit into your corporate mission?
• **Can growth be achieved by finding new markets for your present products?**
  – What additional resources would be needed to expand geographically to sell to new customers?
  – Which foreign markets are most appropriate for your product?
  – Are there customers of a different age, income level, industry or other characteristic who are not presently purchasing from you but have a need for your product?
  – Can your product be used to serve more than one need? Can it be sold to a different group of buyers based on a need you have not yet promoted?
  – Is a competitor with a sizable market share changing products or business practices? Will the change allow you to sell to a competitor’s previous customers?
  – Would a change in brand name, packaging, channel of distribution or other marketing variable allow you to sell your present product to new groups of customers?

• **Can growth be achieved by developing new products or services for new groups of customers?**
  – Are there unmet needs in the marketplace that are emerging as a result of changes in technology, lifestyle, the economy or other conditions?
  – What additional products are sold by others in your industry, but are not presently part of your offerings?
  – Are you presently purchasing services from a vendor that could be supplied by an expansion of your own firm?

If you decide that the method of sales growth is to increase sales to previous and current customers, your strategies must include:

• the production of quality products that meet the expectation of the customer
• the delivery of excellent customer service
• pricing that assures the buyer of value

Repeat sales rarely happen simply out of habit or convenience, but because a customer was satisfied with the initial purchase experience. It is less expensive to sell to a present customer than to find new ones, yet many firms develop the majority of their strategies with their sights on the new customer. Always start any search for increased sales with a thorough knowledge of present customers and their needs. Even if you find you cannot sell more to them, you can still use the knowledge gained by applying it to strategies you will use to win new customers.

If your business expansion occurs as the result of selling new products to your present customers, your experience should allow you to understand their needs and buying habits. If your record-keeping has been thorough, you will have mailing lists and other data allowing the introduction of new products in a cost-efficient way. Business expansion through the addition of new products or services should be well planned even when existing customers are the prospective buyer.
Record-keeping

The foundation for sustained business growth is the maintenance of accurate information on which to base decisions and actions.

Because record-keeping often seems less important than producing or selling a product, many entrepreneurs place these tasks last on their “to-do” lists and the importance of good record-keeping gets lost in the shuffle of other exciting business startup tasks. Year two of the business cannot be built on year one experience without thoroughly documenting and analyzing everything you learned in year one. By years three and four, when the firm needs to secure financing for growth into other markets, buy additional equipment or add personnel, the necessary records for attracting lenders and investors are nonexistent.

Technology has revolutionized the way records are kept and has moved society away from solely relying on the “cardboard box” methods of years past. It is the small business owner who is responsible not only for deciding which records will be kept and how they will keep records, but also for developing organized and efficient primary and backup methods of records retention. A way to begin this process is to answer these questions:

- What records are mandatory? (Those required by state or federal law, insurers, investors and lenders)
- What records are needed to continue operations in my absence? (Day-to-day tools and regularly accessed files)
- What records are necessary for effective financial management?
- What records protect the business and its employees?
- What records are required to maintain and improve sales opportunities?

After answering these questions, make a list of those who have an interest in any of your records such as shareholders, lenders, customers and suppliers. Determine what information they require. With these items added to your list, you should have a thorough compendium of the information you must maintain. Your next step is to decide which records are particularly sensitive and must be protected. You can then develop the record-keeping system that is easiest for you to access as you make growth decisions.

Checklist for Record Retention

- Contracts, deeds and leases
- Patents, trademarks and copyrights
- Tax bills and returns
- Business plan and organizational objectives
- Guaranties
- Insurance policies
- Financial reports
- Accounting data
- Human Resources files, benefits, policies and performance appraisals
- Goods ordered and sold
- Suppliers and credit terms from each
- Customer lists and sales data
- Sources of sales leads
- Promotional literature
- Competitors’ promotional literature
Human Resources

Hiring and Managing Employees
The entrepreneur chooses the type of business to start, develops a business plan and secures financing. The business owner may serve as manager, marketer and manufacturer. If the initial efforts to grow the business are successful, hiring employees becomes a necessity regardless of how motivated the entrepreneur may be. A single person has 168 hours a week, some of which must be spent on sleeping, eating, personal responsibilities and family demands. If the entrepreneur dedicates 50 hours a week to the business, the maximum sales volume of the firm has a ceiling of 50 times the number of dollars per hour charged (service business) or 50 times the number of products produced in an hour multiplied by the price of the product. After deducting business expenses, most entrepreneurs realize they need help to grow the business, but they are apprehensive about adding employees because of the additional expense and required record-keeping.

The first step in recruiting help is often one of the following:

- A temporary employee is hired through a local personnel agency.
- A family member or friend is asked to volunteer to answer telephones, perform data entry or invoicing.
- A similar company is contracted to produce some of the product or deliver some of the services.
- A management task is delegated to an outside firm, i.e., accounting, sales or advertising.

Hiring Employees
You are encouraged to consult with an accountant or an attorney who can inform you about employer requirements on record-keeping and labor law. Refer to Chapter II, Legally Establishing a Business in Pennsylvania and Chapter IV, Important Small Business Resources for additional information on employment requirements. Following is a checklist for gathering information:

- All state and federal regulations for tax withholding, payment and record-keeping, as well as workers’ compensation
- Required employment postings and where they will be displayed
- Minimum wage requirements
- Regulations for employment of minors
- Provisions of the Fair Labor Standards Act as they relate to equal pay for men and women; overtime payment (over 40 hours per week, 1.5 normal rate)
- Laws governing discrimination
- Family and medical leave
- Employment Eligibility Requirements. U.S. Department of Homeland Security, Bureau of Citizenship and Immigration Services Form I-9 must be completed by every employee and employer
- PA New Hire Reporting Program
- Safety and health standards
- Environmental protection laws
**Independent Contractors**

If your company grows to the point where help is needed, it is important to understand which workers are classified as “independent contractors” and which are “employees.” In making these determinations for federal tax purposes, the IRS and the courts typically look at three main categories: behavioral control, financial control and the relationship between parties. Factors such as instructions, training, method of payment, employee benefits and the worker’s opportunity for profit and loss are all considered. For more information, go to the IRS website at www.irs.gov and download Publication 1779 (Independent Contractor or Employee).

The Pennsylvania Department of Labor and Industry (DLI) presumes a worker to be an employee unless it can be shown that the individual is free from the direction and control of the employer and as to the service performed, the individual is customarily established in an independent business, profession trade or occupation. For more information, contact the Office of Unemployment Compensation Tax Services of the Pennsylvania Department of Labor and Industry 1.833.722.6778, Option #4, or visit (www.dli.state.pa.us).

In workers’ compensation, the key factors to consider in determining whether a worker is an independent contractor or an employee include the right of the alleged employer to hire and fire the worker, direct the manner of the worker’s performance, or control the work to be completed.

**Key Documentation**

The process of researching employment regulations, writing job descriptions, interviewing candidates and hiring employees begins the transformation from “entrepreneur” to “employer.” Tools for managing employees are important to limiting employee turmoil and turnover. The most basic tools are an organizational chart, job descriptions and an employee handbook.

**Organizational Chart**

The organizational chart is a diagram that shows reporting responsibility and supervision. As the business grows, it allows both employees and managers to identify the correct flow of information.

**Position Descriptions**

Formal, written position descriptions save time in helping current and successive employees and managers understand the requirements and expectations of their position and of others. A position description template is included in this guide. Position descriptions allow both the employees and management to understand expectations. In an entrepreneurial firm with no employees, one major decision must be made prior to writing the position description: should the new employee possess the same skills as the owner, or complementary skills? The position description should then be written with specific tasks assigned to the position and the skills needed by the new employee to satisfactorily complete those tasks.

**Employee Handbook or Policy Manual**

There are two basic reasons for developing an employee handbook or policy manual:

- A handbook helps new employees to understand their new employer and helps existing employees by reducing misunderstandings. All employees are assured that policies are applied equally to everyone in the firm. Very small firms often operate informally in the management of human resources. The existence of the handbook tells employees that the company takes this management task seriously.

- There are numerous regulations governing employers’ responsibilities toward employees. (Some laws apply to all employers; others apply after the number of employees reaches a certain level.) Developing a handbook encourages the entrepreneur to learn basic human resource skills.
Your handbook might include some or all of the following information as appropriate for your particular company:

- history and mission of the company
- management philosophy on quality standards, employee performance, innovation and internal communication
- a brief description of products and services, customers, stockholders and strategic partners
- employee benefits:
  - vacation
  - sick leave
  - holidays
  - jury duty/military leave
  - medical plan
  - training programs
  - professional development
  - profit-sharing program
  - savings plans
  - group life insurance
- employee information:
  - work hours/reporting
  - work locations
  - absence policy/reporting
  - pay periods
  - incentive/overtime programs
  - use of telephones, computers and other equipment
  - grievance procedures
  - safety
  - trade secrets/intellectual property
  - sexual harassment
  - equal opportunity provisions
- corporate communication:
  - postings
  - internal/external publications
  - employee reporting methods
  - meeting attendance
  - customer service

Software packages are available for the development of an employee handbook. The most thorough method of preparation would include meeting with your attorney, accountant and human resource consultant.
Template: Position Description

Please note: The below is merely a suggested basic outline for a position description. As each business is unique, each entrepreneur will need to tailor position descriptions to fit individual business needs.

POSITION DESCRIPTION

Position Title: ________________________________

Reports to: ________________________________

Job Summary: ________________________________

________________________________________________________________________________________

Tasks and Responsibilities: ________________________________

________________________________________________________________________________________

Knowledge Requirements: ________________________________

________________________________________________________________________________________

Minimum Qualifications: ________________________________

________________________________________________________________________________________

Accountability/Evaluation: ________________________________

________________________________________________________________________________________
How to Secure Contracts with Government Agencies

Identifying new markets is an important part of business growth. Some entrepreneurs identify government marketplaces as one of their targets for market expansion, and with good reason.

Each year, government agencies and institutions purchase billions of dollars’ worth of supplies and services. Thousands of companies compete for these contracts.

The commonwealth encourages Pennsylvania firms to become suppliers of the state’s needs, especially small businesses and those owned by veterans, minorities and women.

Pennsylvania Department of General Services
To assist you in doing business with the state, the Pennsylvania Department of General Services (DGS) has set up the PA eMarketplace. The eMarketplace is designed to be a one-stop location for companies to get a wide variety of information on opportunities for doing business with the state. Visit the eMarketplace website (www.emarketplace.state.pa.us) to register to do business with the commonwealth, sign-up for procurement eAlerts and learn more about the commonwealth’s procurement policies and procedures.

The Department of General Services also offers contracting assistance to Small Diverse Business. The Bureau of Diversity, Inclusion & Small Business Opportunities (BDISBO) is responsible for assisting small and diverse businesses, including Minority Business Enterprises, Women Business Enterprises, Veteran Business Enterprises, Service-Disabled Veteran Business Enterprises, Disability-Owned Business Enterprises, and LGBT Business Enterprises in competing for commonwealth contracting opportunities. BDISBO, through the Verification Program, verifies self-certified small businesses as Small Diverse Businesses (SDBs) when they hold certifications from third party entities including:

- National Minority Supplier Development Council (NMSDC)
- Women’s Business Enterprise National Council (WBENC)
- United States Small Business Administration (SBA) 8(A) Business Development Program *
- Vets First Verification Program (Vetbiz.gov)
- US Business Leadership Network (USBLN)
- National Gay & Lesbian Chamber of Commerce (NGLCC)
- Unified Certification Program (UCP) *

Pennsylvania Treasury Department
The Pennsylvania Treasury Department’s Business Outlet provides access to state contract data and other services. The PA Treasury Department is, by law, the central repository for state contracts over $5,000. A Business Outlet representative can supply descriptions of successful bids on state contracts and will direct you to the appropriate person or state agency looking for your product or service. Services are free except for the cost of photocopying contracts. Learn more at www.patreasury.gov/e-contractors/faqs

Pennsylvania Procurement Technical Assistance Centers (PTACs)
You will learn that promoting and selling your products to a government market requires different procedures than business-to-business or business-to-consumer marketing. By contacting one of the various service providers located across the commonwealth in the State Procurement Technical Assistance Center (PTAC) Network you can get assistance in tackling the competitive world of federal, state, and local government procurement. Specialists at these centers can assist you in getting started or solving a problem regarding government procurement. The PTACs also have specialized services that can match a company’s capabilities and interests electronically to local, state and federal bid opportunities. Match results are sent directly to the firm, with opportunities to bid on government contracts. The PTACs also provide military specifications, technical data, and other services related to competing for government contracts and subcontracts. For more information contact the DCED Pennsylvania Business One-Stop Shop at 1.833.722.6778, Option O or business.pa.gov.
The global economy is fueled by new trade agreements, new markets and new technologies that have profoundly restructured the ways in which companies view business expansion.

Any decision to export your product must follow an intense period of study and planning. Fortunately, there are many resources that can assist entrepreneurs in assessing whether international markets are the right choice for the products and services of their particular company.

A first step in exploring foreign markets is usually an internal examination of your firm’s product quality, production and marketing capacity, and service performance. Analyze your company’s objectives for exporting and determine whether management and staff possess the experience and risk capacity for foreign trade. The next step is to evaluate your firm’s external activities in distribution, marketing and competitive positioning. Firms that are well-managed and profitable in the domestic market usually perform well in the international market. The decision to venture into international markets should be based on:

The opportunities of exporting:
- larger market for your goods and services
- longer product life for some products
- ability to reduce seasonal fluctuation in demand
- decreased dependence on domestic markets
- fresh insight from overseas markets, which can enhance your position domestically
- larger production runs, which may reduce fixed costs per item and enable companies to purchase materials at lower unit costs

The challenges of exporting:
- possible long lead times from marketing efforts to actual sales
- high costs of entering export markets, including travel, trade shows and samples
- possible requirement of foreign language labeling and point of sale materials
- risk of non-payment by the foreign buyer
- requirements to meet overseas standards, certifications and inspections
- possible need to reformulate product or packaging for overseas buyer
- long lead times for shipping and delivery
- difficulty competing against local suppliers due to additional costs from shipping, financing, tariff and non-tariff barriers
- local culture, customs and negotiations are different from dealing with U.S. customers
Export Assistance Services
The Center for Trade Development (CTD) directs Pennsylvania’s Export Assistance Program. By partnering with the Regional Export Network (REN) and managing a global network of Authorized Trade Representatives, CTD provides unrivaled services and expertise to Pennsylvania companies.

Services include:
- market research
- market entry strategy development
- foreign company background checks
- customized searches for qualified buyers, agents, distributors and partners
- education programs and technical support
- grants and financing programs
- trade missions and low-cost exhibitions at prominent international trade shows

Contacts
Your first point of contact for export assistance is Pennsylvania’s Regional Export Network (REN). Whether you are a new or experienced exporter, your local REN partner can connect you with the partners, programs and services best suited to meet your company’s needs. Visit dced.pa.gov/REN for a partner near you.

Learn more!
For more information on Pennsylvania’s Export Assistance Program, visit dced.pa.gov/trade.
Important Small Business Resources
**Advocacy**

**Small Business Advocate**
The Office of Small Business Advocate within the PA Department of Community and Economic Development (DCED) represents the interests of small business consumers of utility services before the Pennsylvania Public Utility Commission (PUC), in the courts and before comparable federal agencies. For purposes of the Act, a small business consumer is defined as, "A person, sole proprietorship, partnership, corporation, association or other business entity which employs fewer than 250 employees and which receives public utility service under a small commercial, small industrial or small business rate classification."

**Contact:**
Pennsylvania Department of Community and Economic Development
Office of Small Business Advocate
300 North Second Street, Suite 202
Harrisburg, PA 17101
Phone: 717.783.2525
Fax: 717.783.2831
www.osba.pa.gov

**Pennsylvania Business One-Stop Shop**
The Pennsylvania Business One-Stop Shop offers free, practical advice and assistance to individuals interested in starting a business, while helping existing companies grow and prosper.

Questions related to critical business issues such as starting, registering, expanding, financing and managing a small business can be directed to the Pennsylvania Business One-Stop Shop. These staff members also have direct access to local and regional experts across the commonwealth that can meet with current and potential entrepreneurs and provide further business assistance.

The Pennsylvania Business One-Stop Shop is the first stop for many individuals who have ideas for new business opportunities or simply need to learn about the vast toolbox of services and resources available within Pennsylvania. Committed to making it as easy as possible to get help quickly and effectively, the Pennsylvania Business One-Stop Shop is the key that unlocks the door to successful business startups, growth and expansion.

**Contact:**
Pennsylvania Department of Community and Economic Development
Pennsylvania Business One-Stop Shop
Commonwealth Keystone Building
400 North Street, 4th Floor
Harrisburg, PA 17120-0225
Phone: 1.833.722.6778, Option O
Online: business.pa.gov/contact
business.pa.gov

**Financing**

**Certified Economic Development Organizations (CEDOs)**
A network of nonprofit economic development organizations, known as CEDOs, partner with the Department of Community and Economic Development to administer the Pennsylvania Industrial Development Authority (PIDA) and First Industries (FIF) loan programs. If interested in submitting a PIDA or FIF loan application, please contact a Certified Economic Development Organization (CEDO) that serves the county your business is located in. The CEDO will discuss with you in detail how the application process works and assist your business with packaging the loan application. For additional information about the PIDA loan program, please visit dced.pa.gov/PIDA or visit the dced.pa.gov/FIF program page for information about the First Industries loan program.

**Contact:**
For the most current listing, visit dced.pa.gov/cedo.

**Industrial Development Authorities (IDAs)**
An Industrial Development Authority is a public authority created by a county or municipality to assist Pennsylvania businesses in accessing low-interest private capital. The IDA issues private activity bonds, sells these bonds to investors in the bond markets and loans the proceeds to eligible businesses. In general, the bonds are guaranteed by the individual business’s bank.

An IDA is also authorized to sponsor projects to the Pennsylvania Economic Development Financing Authority (PEDFA), which is a state-wide issuer of private activity bonds. All IDA and PEDFA projects are reviewed by the DCED Center for Private Financing.

**Contact:**
For information on the location of the IDA in your area, contact the Pennsylvania Department of Community and Economic Development, Center for Private Financing at 717.783.1109.
Technical Assistance

Partnerships for Regional Economic Performance (PREP)
PREP is a statewide network of partners designed to work in concert to deliver vital business assistance services across 10 regions of the commonwealth. Our local and regional PREP partners have the experience and know-how to assist individuals who have an idea and need help with the basics of starting a new venture. PREP also meets the demands of existing companies that seek assistance in all aspects of successful business development and growth.

The PREP network consists of hundreds of trained and experienced experts who can offer assistance and resources. PREP’s one-on-one counseling, specialized workshops, online training and financial incentives make it one of the most coordinated and respected networks in the nation designed specifically to meet the needs of our job creators — the men and women who start and grow our businesses.

PREP makes it easier to learn what public and private sector resources can be quickly harnessed to meet individual and company needs. Our coordinated network can quickly analyze needs, formulate a plan and assemble a team to put that plan into action.

PREP helps to answer the following questions and more:
• How do I start a new business?
• How do I write a business plan?
• Where can I get necessary financing?
• Where is the best place to locate my business?
• How can I expand into new markets?
• Who can help me re-organize my shop floor?
• Should I invest in new equipment?
• Can I get training for my employees?

Contact:
Contact your respective PREP Region by visiting dced.pa.gov/PREP, or contact the Pennsylvania Business One-Stop Shop at business.pa.gov or call 1.833.722.6778, Option 0 to speak with a trained representative who can help you navigate directly to the resources you need to start or grow your business.

Governor’s Action Team (GAT)
GAT’s experienced economic development professionals work with companies on projects involving capital investment and job creation. GAT can provide the information needed by companies to make a location decision, coordinate the involvement of other state agencies and recommend financial incentives when appropriate.

Contact:
Pennsylvania Department of Community and Economic Development
Governor’s Action Team
Commonwealth Keystone Building
400 North Street, Plaza Level
Harrisburg, PA 17120-0225
Phone: 717.787.8399
dced.pa.gov/gat

Industrial Resource Centers (IRCs)
The Industrial Resource Centers assist manufacturers in solving problems through the deployment of technologies. They do this by using the technical expertise of their own staff or by matching companies with appropriate consultants. The IRCs also assist companies in securing training programs, maintaining a technically skilled workforce and supporting the introduction of technology to companies.

The IRCs are a unified network and are strategically located throughout Pennsylvania to best serve manufacturers in all 67 counties.

Contact:
IRC Network
One College Avenue, DIF 32
Williamsport, PA 17701
Phone: 570.329.3200
www.PAMade.org

Local Development Districts (LDDs)
The Local Development Districts provide business development services within the 52 designated Appalachian counties. Typical services include financing, government procurement and export assistance.

Contact:
www.PALDD.org
Small Business Development Centers (SBDCs)
The Pennsylvania SBDC provides consulting services and educational programs to entrepreneurs looking to start or grow their small business. SBDC consultants work with entrepreneurs in confidential, one-to-one sessions to help them with a range of business issues including testing a new business proposition, shaping a business plan, investigating funding opportunities, and much more.

Assistance from an SBDC is available to anyone interested in going into business or improving/expanding an existing small business. Although most of these services are free, there are minimal fees for some courses, workshops or other services. To find your local SBDC, visit www.pasbdc.org/centers.

SBDC’s Environmental Management Assistance Program (EMAP) provides no-cost & confidential environmental compliance assistance to new and existing small businesses. EMAP helps small businesses with understanding environmental regulatory requirements, consultations and on-site assessments, preparing permit applications, setting up customized record keeping and reporting systems, and more. More information is available at www.askemap.org.

Contact: 1.877.ASK.EMAP

Office of Vocational Rehabilitation (OVR)
The Office of Vocational Rehabilitation has 21 district offices and the Hiram G. Andrews Center in Johnstown, Pa. From these offices and the Center, rehabilitation counselors help people with disabilities prepare for, obtain or maintain employment. Assistance may include services to help clients overcome or lessen a disability and/or prepare for a career through vocational evaluation, counseling, training and job placement services.

OVR staff can provide employers with work site task analysis, job modification and assisted technology suggestions. OVR has job-ready applicants for referral to employers. Technical assistance and training about the Americans with Disabilities Act are available.

Contact: PA Department of Labor and Industry
Office of Vocational Rehabilitation
1521 North Sixth Street
Harrisburg, PA 17102
Phone: 1.800.442.6351
www.dli.state.pa.us

Pennsylvania State Data Center (PaSDC)
The Pennsylvania State Data Center is Pennsylvania’s official source of population and economic statistics and services. Designed to improve access to statistical resources concerning the commonwealth, PaSDC provides assistance on a wide variety of business initiatives.

The PaSDC website contains demographic and economic information on Pennsylvania counties and municipalities, metropolitan areas and political jurisdictions. Directories of other economic development and business assistance resources and organizations, recently released research briefs, marketing opportunities and maps depicting recent trends around the state are also available.

Contact:
PA State Data Center
Institute of State and Regional Affairs
Pennsylvania State University at Harrisburg
777 West Harrisburg Pike
Middletown, PA 17057
Phone: 717.948.6336
www.pasdc.hbg.psu.edu

Pennsylvania State University Cooperative Extension Program
The Cooperative Extension Program offers publications, technical assistance, workshops and seminars in business, economic and community development, plus management and marketing assistance for agriculturally-related firms. There is little or no cost for this service.

Contact your county extension office listed under County Government or Agriculture Extension office in your telephone directory.

Contact:
Center for Economic and Community Development
Pennsylvania State University
103 Armsby Building
University Park, PA 16802
Phone: 814.865.0659
cecd.aers.psu.edu

Pennsylvania Technical Assistance Program (PENNTAP)
PENNTAP is a federal-state-university partnership for economic development. Serving Pennsylvania business and industry statewide since 1965, PENNTAP is one of the nation’s first technical assistance programs and remains a credible and valuable resource for helping Pennsylvania businesses compete and grow.

PENNTAP helps Pennsylvania businesses improve their competitiveness by providing free technical assistance and information to help resolve specific technical questions or needs that can be addressed within a limited amount of time.
The program focuses on helping small businesses that normally do not have the in-house expertise or time to resolve specific technical questions or needs. PENNTAP technical specialists assist small businesses by providing technical advice, technical information and referrals to other experts, resources or programs.

PENNTAP’s information technology and e-business experts assist commonwealth firms with the implementation and improvement of their websites. Assistance with evaluation of software, network options and web page upgrading can be obtained from PENNTAP.

PENNTAP services the entire state of Pennsylvania through a network of technical specialists who have specific areas of technical expertise and are located throughout the state.

The service of PENNTAP staff is confidential and provided at no cost to clients.

Contact:
PENNTAP
Pennsylvania State University
200 Innovation Boulevard,
156 Technology Center
University Park, PA 16802
Phone: 814.865.0427
www.penntap.psu.edu

DEP Small Business Ombudsman
The Department of Environmental Protection’s (DEP) Small Business Ombudsman provides free, confidential environmental assistance to businesses with 100 or fewer full-time employees. By law, the Ombudsman cannot reveal the identity of any small business that contacts the Office without their permission. All contacts are kept strictly confidential. The following are some of the services that the Ombudsman provides:

- serves as the primary advocate for small business within the DEP
- assists small businesses in realizing potential cost savings of pollution prevention versus pollution control
- serves as the DEP spokesperson to the small business community
- reviews pending regulations and ensures that the impact on small businesses is considered.
- investigates complaints from small businesses about DEP
- provides confidential assistance to small businesses within the commonwealth needing help with environmental issues

Contact:
Department of Environmental Protection
Office of External Affairs
Small Business Ombudsman
Phone: 717.783.0909
Fax: 717.783.2703
Email: depombudsman@pa.gov

Technology

Ben Franklin Technology Development Authority (BFTDA)
The Ben Franklin Technology Development Authority (BFTDA) is one of the largest and most recognized technology-based economic development programs in the nation. The mission of the BFTDA is to strategically support programs and investments which create a continuum of financial and technical services to advance the creation, growth, success and global competitiveness of Pennsylvania’s early-stage technology companies and its universities.

Through targeted programs such as the Ben Franklin Technology Partners, the Keystone Innovation Network and the University Research Commercialization Grant program, new technology companies are created, ideas are moved from concept to commercialization and high-paying, family-sustaining jobs are made available to Pennsylvania citizens.

Contact:
dced.pa.gov/BFTDA

Workforce Development

Center for Workforce Information & Analysis
The Center for Workforce Information & Analysis is designated by the Governor’s Office as the primary source of labor market information for the Commonwealth. Its mission is to produce and provide timely, objective, and credible workforce and economic statistics and analysis to help customers make informed policy, business and career decisions that strengthen Pennsylvania’s economic security.

Contact:
1.877.4WF.DATA (1.877.493-3282)
www.workstats.dli.pa.gov

CareerLink
CareerLink (PA CareerLink) matches jobseekers with businesses looking to fill jobs within the state. It is a free, internet-based system of recruitment and training services supported by a network of professionally staffed centers across Pennsylvania. The fact that PA CareerLink is both online and in-person is what makes it different from other career services.

PA CareerLink can recruit, screen, evaluate and refer job applicants according to employers’ specific instructions.

Contact:
www.pacareerlink.com
Guaranteed Free Training (GFT) Program
Pennsylvania offers qualified employers the opportunity to train new and existing employees through the Guaranteed Free Training (GFT) Program, managed and administered by the Workforce and Economic Development Network of Pennsylvania (WEDnetPA) – a collaborative partnership among 28 Pennsylvania education organizations. Any of the 28 WEDnetPA partners can serve as the point of contact for businesses wishing to access GFT funding.

Contact:
WEDnetPA
4807 Jonestown Road
Suite 246
Harrisburg, PA 17109
Phone: 1.877.933.6387
www.wednetpa.com

Workforce Investment Boards (WIBs)
Workforce Investment Boards are regional entities created to implement the Workforce Investment Act of 1998, which provides the framework for the use of federal job training funds for adults, dislocated workers and youth.

Contact:
PA Workforce Investment Board
Phone: 717.772.4966
www.paworkforce.state.pa.us

Federal Resources

U.S. Small Business Administration (SBA)
The U.S. Small Business Administration is an independent federal agency created to assist individuals starting a small business and to help existing businesses grow. Assistance is provided through a variety of programs and services. SBA guarantees loans through commercial lenders. Financing is available through micro loans, loan guarantees and long-term, fixed-rate financing of fixed assets through hundreds of programs and venture capital.

For more information about the SBA, its programs and services, contact the office nearest you or visit www.sba.gov.

Philadelphia
SBA District Office
Parkview Tower
1150 First Avenue, Suite 1001
King of Prussia, PA 19406
Phone: 610.382.3062

Pittsburgh
SBA District Office
411 7th Avenue, Suite 1450
Pittsburgh, PA 15219
Phone: 412.395.6560

Harrisburg
1 Penn Center
2601 N 3rd St Suite 503
Harrisburg, PA 17110
Phone: 717.782.3840

Wilkes-Barre
7 North Wilkes-Barre Blvd., Suite 4M
Wilkes-Barre, PA 18702
(570) 826-6204

Pennsylvania Innovation Marketplace
The Pennsylvania Innovation Marketplace is a complimentary online service that connects manufacturers to technology and business opportunities that can result in accessing new markets and new products necessary for success in the global marketplace. The portal allows registrants to find innovation solutions, post/sell inventions, sell manufacturing expertise/capacity and locate resources or hire experts to help with business growth strategies and opportunities. The site is partnered with the Industrial Resource Centers, one of the statewide economic development PREP partners.

Contact:
www.pamade.org/innovation/pennsylvania-innovation-marketplace
Directory of State and Federal Agencies
Important State and Federal Telephone Numbers

This page includes many of the commonly used phone numbers needed by new and existing businesses. Contact the Pennsylvania Business One-Stop Shop for additional contacts at many state agencies that can help you successfully start or grow your business by calling 1.833.722.6778, Option O or business.pa.gov.

DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
Pennsylvania Business One-Stop Shop ...................................................... 1.833.722.6778, Option O

PENNSYLVANIA DEPARTMENT OF GENERAL SERVICES
Small Business Contracting Program ......................................................... 717.783.3119
Small Diverse Business ................................................................. 717.783.3119
Government Supplies and Surplus ......................................................... 717.787.6159
Procurement ........................................................................ 717.787.5733

PENNSYLVANIA DEPARTMENT OF LABOR AND INDUSTRY
Building Occupancy Permit ................................................................. 717.787.3806
Unemployment Compensation Tax ....................................................... 1.866.403.6163 or 717.787.7679
Unemployment Compensation Claims .................................................. 1.888.313.7284
Workers’ Compensation ................................................................. 1.800.482.2383 or 717.783.5421

PENNSYLVANIA DEPARTMENT OF REVENUE
Sales Tax Questions (Taxability of an Item) ........................................... 717.787.1064
Sales Tax Questions (On a Sales Tax Account) .................................. 717.787.1064
Sales Tax Licensing ........................................................................ 717.772.1064
Local Sales and Use Tax (Philadelphia and Allegheny Counties) ......... 717.787.1064
Employer Withholding Tax (Questions) .............................................. 717.787.1064
Employer Registration .................................................................. 717.772.1064
Corporation Taxes (Rate & Base Changes) ......................................... 717.783.1064
Cigarette Tax .............................................................................. 717.783.9374
Malt Beverage Tax ....................................................................... 717.783.9354
Small Games of Chance ................................................................. 717.787.8275
Use Tax (Aircraft, Watercraft, Motor Vehicle, Miscellaneous) .......... 717.772.2960
Public Transportation Assistance Fund & Tax & Fees .................... 717.787.2104 or 717.787.6315
Personal Income Tax .................................................................... 717.787.8201
Specific Legal Questions on Tax Changes ....................................... 717.787.1064

PENNSYLVANIA DEPARTMENT OF STATE
Business Entity Filings ................................................................. 717.787.1057
Charitable Organization Registration ................................................ 717.787.1057
Fictitious Name Search Office ......................................................... 717.787.1057
Bureau of Professional and Occupational Affairs ......................... 717.787.8503
Licensing Boards (General Information) ........................................... 717.787.8503

BUREAU OF CITIZENSHIP AND IMMIGRATION SERVICES
National Customer Service Center ...................................................... 1.800.375.5283

INTERNAL REVENUE SERVICE (IRS)
Employer Identification Number Information .................................. 800.829.4933

SMALL BUSINESS ADMINISTRATION (SBA)
Philadelphia .............................................................................. 610.382.3062
Pittsburgh ................................................................................. 412.395.6560
Harrisburg ................................................................................. 717.782.3840
Directory of Pennsylvania State Agencies

**PENNSYLVANIA DEPARTMENT OF AGING**  
Website: www.aging.pa.gov  
General Information ................................................................. 717.783.1550

**PENNSYLVANIA DEPARTMENT OF AGRICULTURE**  
Website: www.agriculture.pa.gov  
General Information ................................................................. 717.787.4737

**PENNSYLVANIA DEPARTMENT OF BANKING AND SECURITIES**  
Website: www.dobs.pa.gov  
General Information ................................................................. 717.383.4721

**PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT**  
Website: dced.pa.gov  
General Information ................................................................. 1.833.722.6778, Option O

**PENNSYLVANIA DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES**  
Website: www.dcnr.state.pa.us  
General Information ................................................................. 717.787.2869

**PENNSYLVANIA DEPARTMENT OF EDUCATION**  
Website: www.education.pa.gov  
General Information ................................................................. 717.783.6788

**PENNSYLVANIA DEPARTMENT OF ENVIRONMENTAL PROTECTION**  
Website: www.dep.pa.gov  
General Information ................................................................. 717.783.2300

**PENNSYLVANIA FISH AND BOAT COMMISSION**  
Website: www.fishandboat.com  
General Information ................................................................. 717.705.7800

**PENNSYLVANIA GAME COMMISSION**  
Website: www.pgc.pa.gov  
General Information ................................................................. 717.787.4250

**PENNSYLVANIA DEPARTMENT OF GENERAL SERVICES**  
Website: www.dgs.pa.gov  
General Information ................................................................. 717.787.5733

**PENNSYLVANIA DEPARTMENT OF HEALTH**  
Website: www.health.pa.gov  
General Information ................................................................. 1.877.724.3258

**PENNSYLVANIA DEPARTMENT OF HUMAN SERVICES**  
Website: www.dhs.pa.gov  
General Information ................................................................. 717.787.2600

**PENNSYLVANIA INSURANCE DEPARTMENT**  
Website: www.insurance.pa.gov  
General Information ................................................................. 1.877.881.6388
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<thead>
<tr>
<th>Agency</th>
<th>Website</th>
<th>General Information</th>
<th>Phone Number</th>
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<tr>
<td>PENNSYLVANIA DEPARTMENT OF LABOR AND INDUSTRY</td>
<td><a href="http://www.dli.pa.gov">www.dli.pa.gov</a></td>
<td></td>
<td>717.787.5279</td>
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<tr>
<td>PENNSYLVANIA LIQUOR CONTROL BOARD</td>
<td><a href="http://www.lcb.pa.gov">www.lcb.pa.gov</a></td>
<td></td>
<td>717.783.7637</td>
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<tr>
<td>PENNSYLVANIA MILK MARKETING BOARD</td>
<td><a href="http://www.mmb.pa.gov">www.mmb.pa.gov</a></td>
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<td>717.787.4194</td>
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<tr>
<td>PENNSYLVANIA PUBLIC UTILITY COMMISSION</td>
<td><a href="http://www.puc.state.pa.us">www.puc.state.pa.us</a></td>
<td></td>
<td>800.692.7380 or 717.783.5331</td>
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<tr>
<td>PENNSYLVANIA DEPARTMENT OF REVENUE</td>
<td><a href="http://www.revenue.pa.gov">www.revenue.pa.gov</a></td>
<td></td>
<td>717.787.1064</td>
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<tr>
<td>PENNSYLVANIA DEPARTMENT OF STATE</td>
<td><a href="http://www.dos.pa.gov">www.dos.pa.gov</a></td>
<td></td>
<td>717.787.1057</td>
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<td>PENNSYLVANIA DEPARTMENT OF TRANSPORTATION</td>
<td><a href="http://www.penndot.gov">www.penndot.gov</a></td>
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<td>717.787.2838</td>
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