



NDSU Extension

Small Business Newsletter

April, 2011

Welcome to the first issue of the NDSU Extension Small Business newsletter. I hope you find the information helpful. The goal is to pass along tips and tidbits to help you start, operate and manage your business.

Every day we are bombarded with information. My goal is to pass along some of the more useful material I come across – educational, informative, upcoming events, and highlights to help ND small business owners. What I provide will cover a broad range of topics but I will try to also give resources where you can go to get more information. Don't worry, I won't pass along everything I see. I plan to keep these newsletters short so as to not add to the pile of information in your inbox.

I also hope you will share additional information with me. And contact me with your feedback, thoughts and ideas. Please share the sources of information you find helpful. Finally, encourage others to sign up. The larger our community, the more we can help each other.

Till next time,
Glenn Muske
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Business Start-Up Rate Remains Constant but...

The Kauffman Foundation reports that the start-up rate for new businesses has increase slightly for 2010 as compared to the past 15 years, 340 out of every 100,000 adults. What has changed is that many of the businesses are starting as sole proprietors with no employees. The lack of job opportunity is considered a factor. See more at:

http://www.kauffman.org/uploadedFiles/KIEA_2011_report.pdf

The Small Business Tax Gap

You probably have heard about the tax gap believed to exist in small business ownership. The IRS's view is that small business owners are paying less than what is owed. New work by the SBA Office of Advocacy has found that the gap is probably the result of over-estimating the "underground" economy, those not reporting at all. Only 1% of small business owners have been found to under-report during tax audits. What is more often found is that small businesses over-report by not taking advantage of all the tax benefits available to them. See the full report at: http://www.sba.gov/sites/default/files/2001%20IRS%20Tax%20Gap_0.pdf

Paying Taxes on Internet Sales

State officials are cracking down on small businesses that don't comply with tax law relating to online sales. Here's how you can keep tax auditors from knocking on your door -

http://www.inc.com/guides/201103/how-to-pay-taxes-on-internet-sales.html?partner=newsletter_Success

Customer Relations

You probably already know this but a reminder never hurts. This was in an article by Rhonda Abhrams –

Customers – can't live with 'em, can't live without 'em. If you're in a business with lots of customers, many days you may wonder, "Why do I have to be nice to these people?"

See 9 tips for great customer service - integrity, knowledge, set the tone, training, empower your employees, genuine good manners, communication, go the extra mile and say you're sorry. See the complete article at:

<http://www.usatoday.com/money/smallbusiness/columnist/abhrams/2011-04-07-small-business-customer-service-tips.htm?loc=interstitialskip#>

No Answer to the Question, "What is the most important business owner trait?"

What's the most important character trait for a successful entrepreneur? More than a dozen experts weighed in on that question -- and few could narrow their answer down to just a single quality. Persistence, optimism and a capacity for taking risks are some of the themes that turn up again and again. [AOL Small Business](#)

Understanding the Numbers

Business owners often have strong passion and drive, but they also must be able to manage day-to-day finances to survive, writes Jeanette Mulvey. Accountants can help with the big stuff, but she recommends business owners who can't tell accounts receivable from accounts payable take a class or read a book to start learning "the A,B,C's of your 1,2,3's" because in the end only you are responsible for making sure your business makes money.

<http://www.businessnewsdaily.com/small-business-accounting-1220/>

Quote of the month

"People who want to start a business should know that they're going to end up having to use their own money, their already existing credit, the equity in their house, or borrow from well-meaning friends and relatives." - Margie Mullen, startup entrepreneur

SmartBrief on Entrepreneurs, 4/7/11

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