

Monthly Connection

Illinois Small Business Development Center (SBDC) &
International Trade Center (ITC)

at

Southern Illinois University Edwardsville

Letter from SBDC's New Director

Greetings!

Please allow me to introduce myself to you. I am Patrick McKeehan, the new SBDC Director for our centers at SIU Edwardsville and the East St. Louis Higher Education Campus. It is my honor to join SIUE and its team, focused on entrepreneurship and small business development in our region. (My LinkedIn profile at <http://www.linkedin.com/in/patrickmckeehan> will provide you more information on my background and business development experience.)

One of my first tasks is to reach out to our successful SBDC clients, small business service providers and bank partners to discuss the opportunities and challenges facing the small business community. I am convinced that our home-grown entrepreneurs and small business owners will play a significant role in the economic future of Southwestern Illinois. I look forward to hearing your thoughts and suggestions on how our SBDC may better address small business needs and help strengthen our region's economy.

In addition, I would like to spread the word about our SBDC and the wide array of services we provide. If there is an opportunity to speak about this subject or other small business related topics to your local chamber, city officials, service clubs and/or economic development groups, please contact me at 618/650-2929 or by email at pmckeeh@siue.edu.

Again, I appreciate this opportunity to represent SIUE's community outreach efforts and look forward to working with you in the future.

Have a great April,

Patrick

April 2013



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THINKING ABOUT STARTING A BUSINESS?



SOUTHERN ILLINOIS UNIVERSITY
EDWARDSVILLE
SCHOOL OF BUSINESS



Scan with your
smartphone to
register for the
workshop!



Get started the right way by attending:

Starting a Business in Illinois Workshop you will teach you about starting a for-profit business in Illinois. The workshop is led by trained counselors of the Illinois Small Business Development Center (SBDC).

Participants will learn how to develop a business plan, properly register the new business and discuss specific questions regarding a successful start-up. This course is highly recommended for anyone considering a new business venture, buying a turnkey operation or looking for more business start-up information.

EDWARDSVILLE

Wednesday, April 10th 3pm—5pm

Wednesday, May 8th 4pm—6pm

The Edwardsville workshop will be held in the International room of the Morris University Center. Attendees should park in Visitor's Parking or Lot B.

Call to register: 618-650-2929

EAST ST. LOUIS

Wednesday, April 17th 3pm—5pm

The East St. Louis workshop will be held at the East St. Louis Higher Education Center in the Building B, Room 2002. Attendees should park in the Visitors Parking Lot.

Call to register: 618-482-8330

ITC—Success Story

C.H.I. Overhead Doors

C.H.I. Overhead Doors specializes in the manufacturing of residential, commercial and rolling steel overhead doors.

The International Trade Center at SIUE began working with CHI in 2007 after the company expressed strong interest in expanding its overseas presence. Over the last years, the ITC has been helping CHI find new markets abroad and increase its export capabilities. CHI has participated in several seminars as well as student research projects organized by the ITC.

During the last year and a half, CHI developed special interest in Central and South America and turned to the ITC for assistance in identifying prospective distributors that could represent its products.

The ITC worked closely with the Illinois Office in Latin America as well as the American Chambers in Chile and Peru and the U.S. Commercial Service offices in Central America.

In the fall of 2011, Tim Miller, Sales & Marketing Manager; Angel Colon, Regional Sales Manager for Latin America and Maurice Bagley, Customer Service Manager, traveled to Chile with the support of the ITC/OTI Network and the American Chamber in Santiago, Chile. Several meetings were arranged with potential distributors –all prescreened by the local chamber.

CHI representatives expressed great satisfaction with the trip—“The complete team Illinois Latin America organization did an incredible job in organizing this matchmaking for our company. The contacts that were secured through the American Chamber of Commerce were spot on. We were able to learn a considerable amount about the market and meet with the local businesses who utilize our products...The International Trade Center has been and continues to be a solid resource for our company’s international interests. Silvia and her group have worked diligently on our behalf.”

In June of 2012, Angel Colon traveled to Peru to take advantage of potentially lucrative export opportunities as a result of the Free Trade Agreement between the U.S. and Peru. This trip was supported by the ITC, OTI through its Latin America Office in Mexico and the American Chamber of Commerce in Lima. Through a series of electronic and phone communications, our network helped CHI narrow the list of prospects. Last week, Mr. Colon has reported being in the final stages of negotiation with several potential customers in Peru and expects to have deals finalized by the end of October with the potential of about \$500,000 in revenue per year.

Resource: BusinessUSA

BusinessUSA <http://business.usa.gov> is a partnership among the Small Business Administration, the U.S. Department of Commerce, and a number of other federal agencies who have business assistance programs. The goal is to connect businesses with information, tools, and assistance resources that will contribute to their development. On the BusinessUSA website, there are tools developed by various business assistance programs to start a business, access financing, conduct foreign market research and develop an export plan, to name a few.

Visitors to BusinessUSA have mentioned they would like to see more local resource so they want to feature SBDC program content, success stories, and events on the site to help you reach more business owners in your area.

BusinessUSA can also be a great tool to help SBDCs manage those clients that are not quite ready to attain success. By placing a link to BusinessUSA on your web site, you can point these folks to the link, and ask them to investigate the resources on BusinessUSA for Starting a Business, Obtaining Financing, etc., allowing your staff to devote more time to businesses that are more established. It allows you to give nascent businesses resources to explore, while devoting more attention to those businesses that are further along. Here is the BusinessUSA web page that contains instructions for linking to them. <http://business.usa.gov/link-to-us>

As you place the BusinessUSA link, they will feature this in a news feed to their 100,000 followers and email subscribers on BusinessUSA. The link will direct your businesses to additional resources from other federal programs and non-profit organizations.

A demonstration of the website and how it works can be scheduled by contacting a BusinessUSA representative directly. Please contact Bobby Schilling at rschilling@doc.gov to schedule a time that is convenient for you.

Information from The Small Business Development Center Network Weekly Connection—February 25, 2013.

Helping Small Business Owners Claim the Home Office Tax Deduction

Editor's note: This post is jointly authored by Treasury Deputy Secretary Neal S. Wolin and SBA Administrator Karen G. Mills. It was originally posted on Treasury's blog.

Today, many taxpayers who qualify for the home office tax deduction are not claiming it. The reasons often cited are that businesses and filers do not fully understand the provisions or find it too complicated to calculate the amount. That is about to change.

As part of ongoing efforts by the Administration to reduce paperwork burdens, the Internal Revenue Service (IRS) announced today that it is providing a new, simpler option for calculating the home office tax deduction, allowing small business owners and employees who work from home and who maintain a qualifying home office to deduct up to \$1,500 per year. The IRS also expects taxpayers to save more than 1.6 million hours per year in tax preparation time from this simpler calculation method.

The new option allows qualified taxpayers to deduct annually \$5 per square foot of home office space on up to 300 square feet, for as much as \$1,500 in deductions. To take advantage of the new option, taxpayers will complete a much simpler version of the current 43-line form. The announcement builds on the President's commitment to streamline and simplify the tax code for small businesses and to reduce the burden for tax compliance. It is part of broader efforts to make interacting with the federal government easier and more efficient for businesses of all sizes.

These new rules help our tax code better reflect the needs of America's 21st Century workforce and especially small businesses, which play a vital role in our economy. Today, more than half of all working Americans own or work for a small business. An estimated 52 percent of small businesses are home-based, and many of these small businesses have home office space that would qualify for the deduction. And as technology improves, more businesses – large and small – are going virtual and recruiting employees from across the country, many of whom work from home offices.

Since he took office, President Obama has signed into law 18 tax cuts for small businesses. And the recently signed American Taxpayer Relief Act of 2012 includes extensions of several additional small business tax incentives designed to spur innovation, support capital investment and make it easier to hire new workers.

Today's announcement also is part of a broader effort by the President's Office of Information and Regulatory Affairs (OIRA) to reduce paperwork burdens for small business owners and individual taxpayers across all government operations. Agencies have posted paperwork burden reduction updates on their OpenGov websites, which also have more information on agencies' regulatory "lookback" efforts.

The new option for the home office deduction will be available starting with the Tax Year 2013 return, which most taxpayers file early in 2014. In addition, the IRS is accepting comments for improving upon this new option. Current restrictions on claiming the home office deduction, such as the requirement that a home office be used regularly and exclusively for business and the limit on the amount of the deduction tied to income derived from the particular business, still apply under the new option.

Neal S. Wolin is the Deputy Secretary of the U.S. Department of the Treasury and Karen G. Mills is the Administrator of the Small Business Administration.

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www.facebook.com/il.sbdc

SBDC Website

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