

**Business in
Madison, SD**

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**A pamphlet created for you by the Dakota State University
SIFE (Students In Free Enterprise) team**

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Introduction

Do you have a fantastic idea and not sure where to go next? Do you want to start up a business but do not know where to start? Do you already have a business but think you need some “tweaking”? Well, you are starting off on the right foot by using this pamphlet to get you started. This pamphlet is filled with tips and resources to use as you go through starting/owning a business in Madison, South Dakota.

This pamphlet begins with, what we believe is essential to starting up a business, a business plan. We have a simple format and guide to follow that will help you form a document that tells you where your focus is. The business plan is what holds the entire business goals and how to attain them. The business plan will help you through all the other parts of this pamphlet. It will also help you inform your investors as to what the plans and goals are.

The pamphlet continues on with marketing. For any type of business, marketing and promotion is key to achieving sales growth and expansion of the customer base. You will find a simple format of a marketing plan that will assist you in your analysis of your target market (consumers) along with some tips for basic marketing.

Financing, licensing, and taxes are all a part of owning and running any business in the United States. We will give you an idea of what is necessary in each section and potential resources that would be willing to help and guide you in starting up your business.

Last but not least, not all of the answers will be found in some of the resources listed, especially when it comes to legalities. Therefore, we have a section devoted to attorneys of the Madison area listed with their specialties. These attorneys are listed with our permission to allow you to contact them for any legal advice you may need. Also, we have listed the realtors of the Madison area to contact for possible locations for your prospective business.

We hope that you find this pamphlet informative and useful.

Your Business Plan...

When thinking about considering starting a business, you, the Entrepreneur, should strongly consider writing a business plan. A business plan tells the story of your business and how your business will be conducted. This plan is useful for recruiting investors for your business. Business plans are also useful for gaining loans so that you can afford to venture into a new business.

A business plan has many different sections that talk about the different aspects of the company or business. The topics that are needed in a business plan the following will have a little description of the types of materials and information that you will want to include in each sections of the business plan. As for a format for this document, it would be a good idea to start a new page for each section.

Cover Page and Title Page

Your cover page will need to have the name of the company and your company's logo. You should have on the page somewhere that this is a business plan. Along with the company name you will want to include on the lower part of the page your company's address, a company's address should also include a P.O. box number. Below you will want to put "The information in this document is confidential and the property of [company name]." Having the previous statement will help insure that this is your plan and that it is not for some other business or that no other business can use your business plan. The title page will be very similar to the cover page.

Table of Contents

The table of contents will provide the readers a list of materials that is in your document and what pages they will be able to find the information that they are looking for in the document.

Executive Summary

The executive summary is typically the last thing you will write for your business plan. This is where you will want to grab your audience's attention and give them a brief overview of your company. In this section you will state what your mission statement is in one sentence.

Company Description

In the company description section you will want to give a description of your company. In the description you will want to talk about what type of business you are going to conduct, where your business will be located, what types of products or services you will have, how you will deliver your product or service, and tell them if you plan on using the internet to interact with customers.

Company Legal Structure

In this section you will want to consider what type of legal structure will best fit your needs and purposes to conduct a successful business. You will need to decide if you want your company will be a single owner company, a partnership, or a corporation. There are a couple of different types of corporations to also consider when deciding the legal structure of your company. Also in this section you will talk about your capital structure. Your capital structure is how you will obtain funds to start your business. The capital structure ties in with the legal structure and the different forms of ownerships.

Product and/or Service

Your product and/or service section of the business plan will be to some extent similar to the company description. However, in this section you will want to add more detail about the product and/or service that your business will be conducting. One thing that

you will need to talk about in this section is your company's competitive edge. Another thing to think about writing is any of your product and/or service unique features.

Industry Analysis

In the industry analysis you will identify what type of industry your company will operate in, you will need to describe the nature of the industry, and give some history of the industry and its current conditions. You will also need to consider writing about the overall outlook for your industry at the national level and the local and regional levels. Then you will need to determine on whether or not you will be competing at the local, regional, or national level. You may also want to consider writing the current direction of the overall economy will impact your industry.

Marketing Analysis

A marketing analysis identifies your target market(s), where you will indicate the size of your potential market, your projected market share, and anything else that you may see fit in to this section. You may need to do some research on your market in order to find real data that would pertain to your company and market.

Competition Analysis

Competition analysis is an overall description of the competitive nature of the industry you plan on competing in when are in business. You will want to identify and describe specific existing competitors that you may face whether they are local, regional or national competitors, you will want to think about potential competitors that may surface in the future. You will want to have a discussion of barriers to entry for new competitors, here is where you may want to start thinking and considering obtaining protection of your product and/or service with patents, or copyrights, you will need to make sure that there are no patents or copyrights on any of the products and/or services may be out there. Also you will want to consider both firms you will compete with directly and indirectly

and who will tempt to be your potential customers with alternative uses of their money and/or substitute products. You should talk about how you think you will be able to compete successfully against the companies that you have listed. You will want to complete a SWOT analysis. We will talk about SWOT analysis later on in this document.

Marketing Plan

Here in the marketing plan you will identify your marketing strategy and describe in detail your product, place, price, and promotions that you will use to carry out your plan. This section is a key part of your plan. You will need to think and talk about how you will compete against present and potential competitors, what market share you expect to gain and how you will gain that market share, talk about what your possible niche will be in the market, and how you will get there. This section should be both compelling and look professional while trying to make your product believable and attractive to all potential investors.

Manufacturing/Service Operation Plan

Not every business plan will have a manufacturing/service operation plan. You will need to have this in your plan if you are planning on having a manufacturing form of business. Here you will want to talk about research and development of your products. If you are going to be delivering a service you will need to include information on how you will accomplish the delivery of your service.

Management Team

You will want to describe your management team to your potential investors. You should talk about their business and technical skills that the officers have and how their skills will be meaningful in the company.

Critical Risks

This portion of the paper you will want to identify any and all potential problems in manufacturing, transportation, promotions, competition, government regulations, financing, and other things that may be important for you company.

Milestones

Here is where you will give a list of measurable milestones that will be used to monitor the progress of the company through its five year strategic plan. You will want to start with the company's mission statement, and give specific measurable goals and objectives of the company. You will want to consider when and how you will want to have your goals and objectives completed.

Financial Section

In this section you will want to produce financial statements and tables projecting five years into the future. Here you will want to consider when you want your fiscal year to start and end when you start making your financial statements. Excel can help you produce a spreadsheet for your financial documents.

You will need to include the following in the financial section: financial assumptions page, a pro forma income statement, a pro forma balance sheet, a cash budget, your ratio analysis and an exit strategy for investors and investor's return. A financial assumptions page talks about the assumptions you made, where you get the estimates and what they are. A pro forma income statement and a pro forma balance sheet are simple documents of your financial standings. A cash budget is an assumption of your cash flow for the fiscal year. Ratio analysis is your current ratio, quick ratio, inventory turnover ratio, if needed your total asset turnover, total debt/net worth, times interest earned, return on assets, and return on equity. In the exit strategy for investors and investor's return you will show how the company will meet any loan payments of both principal and interest

over a five year period and pay off the loan. You will also want to show what the return will be if stockholders cash out. You will want to show the market valuations and P/E ratios.

Appendix

In the appendix you will want to include any outside documentations that you have had to fill out for your company. Some of these documentations are legal documentations that will validate your company. You will also want to include any other documents that have been useful for you in writing your business plan and getting your business off of the ground. In order to conduct a business in South Dakota you will need to file a State Sales Tax form with the state. Most of the forms that you will need to file with the state can be located on the state website at: www.sd.gov/Main_Login.asp. Once you have registered with this website and logged in you will have access to any form that you will need to file with the state no matter what type of business you plan on conducting.

You will want to have a copy of resumes of your officers if you have officers in your company. Having a copy of their resumes will show any interested investors that you have good intentions with your business and that your officer team has knowledge in different areas to help you conduct a better and more efficient business.

Every business will eventually need some sort of letter head, a standard company envelope that can be used by anyone in the business for business purposes. Having a standard company letterhead and envelope gives your company a more professional business look and is more appealing to any possible investors in the company. Along with letterheads and envelopes, a company should have business cards. Having a business card will help get your name and your company's name out in the community. Having a business card helps show the professionalism of your company.

For sample business plans you can go to www.sba.gov. This website can also assist you in finding certain documents that you may need to file for your company. It also has other information about different types of financing options.

Marketing

A marketing plan is a good way to take a good look at what you are planning to do with your business, and where you stand with your competition. Shown below is a “skeleton” marketing plan to help you when you are filling out your own marketing plan. To see some sample marketing plans, go to: <http://www.mplans.com/spm/>. Keep in mind that the marketing plan is more for the business itself, not a document that has to be presented to investors. Therefore, format is up to you as the entrepreneur.

I. EXECUTIVE SUMMARY

The executive summary is a synopsis of the overall marketing plan. The executive summary is easier to write after you have written the entire marketing plan. It should be no longer than 1 page – 3 paragraphs.

II. SITUATIONAL ANALYSIS

A. The internal environment

Mission Statement

In 50 words or less, describe the current mission of your organization.

Company Analysis – Current Situation

Include summary information regarding current organizational structure, current markets, current products, pricing, promotional and distribution strategy.

B. The external environment

Competitive forces

List top three major competitor and the top two strengths and weakness of each competitor. How do you expect competitors to react as you implement your organization's strategy? Include a positioning map, including the top competitors and your company. Additional questions to consider: Who are likely to be your major competitors in the future? How does the structure of the industry affect competitive forces in the industry?

Economic forces

What is the general economic condition of the country, region, state, or local area? Cite your source of information. Are your consumers optimistic or pessimistic about the economy? How does this affect the purchase of your product? What is the buying power of consumers in your target market(s)? What are the current spending patterns of consumers in your target market(s)? Are consumers buying less or more of your product and why?

Political forces

Have recent elections changed the political landscape? What type of industry controls do your new elected officials favor? What is your company doing currently to maintain good relations with elected political officials? Have these activities been effective? Why or why not?

Legal and regulatory forces

What federal, state, or local government regulations exist or are being proposed that would affect the way you operate?

Technological forces

What impact has changing technology had on your target market(s)? What technological changes will affect the way you operate, manufacture and/or market your products? Do any technological advances threaten to make your product(s) obsolete?

Sociocultural forces

What is your organization's view of its responsibilities regarding societal, ethical, and consumer issues? Additional questions to consider: How are society's demographics and values changing? What effect will these changes have on your operations? What is the general attitude of society about your industry, company, and product(s)? What consumer or environmental groups could intervene in the operations of your industry or company?

****Here is where we would like to note that your SWOT analysis from your business plan comes in.**

III. STRENGTHS AND WEAKNESSES

A. *Strengths*

Strength 1:

How does this strength affect the operations of the company or assist the company in meeting the needs of its target market(s)?

Strength 2:

How does this strength affect the operations of the company or assist the company in meeting the needs of its target market(s)?

Strength 3:

How does this strength affect the operations of the company or assist the company in meeting the needs of its target market(s)?

B. *Weaknesses*

Weakness 1:

How does this weakness affect the operations of the company or challenge the company in meeting the needs of its target market(s)?

Weakness 2:

How does this weakness affect the operations of the company or challenge the company in meeting the needs of its target market(s)?

Weakness 3:

How does this weakness affect the operations of the company or challenge the company in meeting the needs of its target market(s)?

IV. OPPORTUNITIES AND THREATS

A. *Opportunities*

Opportunity 1:

How is this opportunity related to serving the needs of your target market(s)?

Opportunity 2:

How is this opportunity related to serving the needs of your target market(s)?

Opportunity 3:

How is this opportunity related to serving the needs of your target market(s)?

B. Threats

Threat 1:

How is this threat related to serving the needs of your target market(s)?

Threat 2:

How is this threat related to serving the needs of your target market(s)?

Threat 3:

How is this threat related to serving the needs of your target market(s)?

V. Marketing Objectives:

Cite your organization's overall marketing goals for the next one, three, five, and ten years. Consider the following when developing your objectives:

What actions must the company take to capitalize on existing opportunities?

How can the company's strengths be matched to its opportunities to create capabilities?

How can the company convert its weaknesses into strengths?

What actions must the company take to prevent the threats from limiting the capabilities of the organization?

How can the company convert its threats into opportunities?

VI. Marketing Strategies

B. Target market(s)

Do you market to final consumers, organizational consumers, or both? How does this approach affect your overall marketing strategy?

Describe your organization's choice of target market strategy (undifferentiated, differentiated, or concentrated marketing) and target market(s).

Consumer Market

Demographic characteristics: sex, age, income, occupation, education, ethnic background, family life cycle, etc.

Geographic characteristics: location, accessibility, climate, density, resources

Psychographic characteristics: attitudes, opinions, interests, motives, lifestyles

Product-usage characteristics: usage rate, benefits sought

Needs analysis

What are the current needs of your target market(s)? How well are your current product offerings meeting these needs? How well are your competitors' offerings meeting these needs? How are the needs of your target market(s) expected to change in the near future? What about changes in the distant future?

Organizational Market

(Similar questions as above.)

Global Marketing Strategy (optional)

What is the role of global marketing in your organization's overall strategy?

Web Marketing Strategy

Does your organization use the Internet (Web) in its marketing strategy? If yes, explain its role. If no, why not?

Marketing Mix

Product Strategies

Describe your organization's products from the perspective of tangible, augmented, and generic product concepts.

Discuss the rationale behind the width, depth, and consistency of your organization's product mix.

Product Activities and timeline for completion

Describe the product activities necessary to complete the marketing objectives for the next year. Consider product development or modification, branding, packaging, POP displays, etc.

Pricing Strategies

Explain your organization's overall pricing approach (price-based versus nonprice-based) and how you determine the "value" your organization provides to consumers. Categorize your organization's target market(s) in terms of price sensitivity, and state how this affects the pricing strategy.

Pricing Activities and timeline for completion

Describe the pricing activities necessary to complete the marketing objectives for the next year.

Distribution Strategies

Explain how relationship marketing is used in your organization's channel of distribution. State your organization's distribution approach with regard to channel length (direct or indirect) and channel width (exclusive, selective, or intensive distribution), and whether a dual distribution strategy is appropriate.

Distribution Activities and timeline for completion

Describe the distribution activities necessary to complete the marketing objectives for the next year. Consider new distribution channels that may need to be developed or activities required to enhance current distribution channels.)

Promotion Strategies

State your organization's broad promotion goals and the importance of each one. Discuss your organization's overall promotional plan from the perspective of integrated marketing communications.

Promotion Activities and timeline for completion

Describe the activities within advertising, public relations, personal selling, direct marketing, and sales promotion (include internet-enabled activities here).

VII. EVALUATION AND CONTROL

A. *Performance standards and financial controls*

What performance standards are expected from the stated marketing activities? How will marketing activities be monitored to ensure success?

B. *Contingency Plans*

What contingency plans does your organization have in place if there are unexpected results?

Here are some techniques to keep in mind to market your business successfully (Leduc)....

1. **Adding Something New.** Every time something new is added to your business there is an opportunity to make more sales. By adding a new product or service, it can help to attract new customers who were not interested in what you currently offer and generate repeat sales from existing customers who want to have the new product.
2. **Become a Valuable Resource.** Look for different ways that you can be a resource for your prospects and customers. If you supply them with free information, or help them do things faster, easier, or less expensively. You can get another opportunity to sell something every time they come back to you for your help.
3. **Separate Yourself from Your Competition.** Create or find an advantage over competitors offering the same or similar products or services, so customers will come to you instead of the competition. Once you find this advantage promote it in all of your advertising.
4. **Promote the “End Result”.** Customers do not really want your product or service, they want the benefit from using it. So be sure that all of your advertising promotes the end result that your customer wants.
5. **Anticipate Change.** Change is one of the biggest challenges to the success of your business. Aggressive, innovative competitors and rapidly changing technology make it impossible to continue growing by just repeating what it took to be successful in the past. Your business has to be flexible enough to compete with this ever-changing world.

Financing

Once you have gotten your business plan together, you are able to use this as a tool to assist you in finding your financing for your business. This is a very key element to starting, or growing, your business. There are several sources in the Madison area that may provide financing for small businesses. Also, the SD state website hosts a wonderful site for other types of financing across the state.

Here are some of the assistance program/loans provided by the state with a brief description of what they entail:

**To explore each program and decide which is best for you, go online to www.sdgreatprofits.com/F-I/index.htm, or contact the Regional Representative for Lake County, Steve Watson at 605-367-4518.

REDI Loans

“REDI (Revolving Economic Development and Initiative) Fund is designed to help promote job growth in South Dakota. This low interest loan fund is available to start-up firms, businesses that are expanding or relocating and local economic development corporations.”

SBA 504 Loans

“The SBA 504 loan program offers subordinated, fixed rate financing to healthy and expanding small businesses. Long-term, fixed rate financing (10-20 years) and reasonable rates (near long-term U.S. Treasury bond rates), make the 504 Program an attractive and effective economic development financing tool.”

APEX Loans

“The APEX (Agricultural Processing and Export) Loan Program is designed to assist companies in communities with a population of 25,000 or less, or which add value to raw agricultural products through processing. The program is open to for-profit businesses and local economic development corporations.”

MicroLoan South Dakota

“The MicroLOAN South Dakota Loan Program is a partnership with the Board of Economic Development, South Dakota Development Corporation, and Governor's Office of Economic Development. These loans are made available to small businesses within the borders of South Dakota and South Dakota residents, including main street and retail operations, for working capital, equipment, real estate or other fixed asset project costs.

Bond Financing

“Another financing option is the pooled loan program through South Dakota's Economic Development Finance Authority. This loan program, designed for more capital intensive projects, provides small businesses access to larger capital markets for tax-exempt or taxable bond issuances. The program can fund projects individually or pool them to help lower the cost of the bond issuance. One of the biggest advantages of this program is a long-term loan with a fixed interest rate.

A major benefit to borrowers is the South Dakota Economic Development Finance Authority's "A" rating by Standard and Poor's. By maintaining an "A" rating, the Authority is able to offer a lower interest rate to the applicant.”

Value-Added Agricultural Subfund

“In 1999, a \$3 million fund was created specifically to assist in funding feasibility and marketing studies for prospective value-added ag business. This Subfund of the REDI Fund is just one step toward improving value-added ag in South Dakota.

By partnering with the Department of Agriculture, local communities, commodity organizations and others, the Governor's Office of Economic Development will work with you to take your project from conception to completion. Our goal is threefold:

- To find niche markets that will add value to South Dakota ag commodities
- To help fund marketing and feasibility studies, and
- To help assemble the right people, capital and labor to ensure a successful project.”

Value-Added Tourism Subfund

“Tourism is vital to South Dakota's economy. That's why helping tourism related businesses grow is a priority of Governor Mike Rounds; and his Department of Tourism and State Development.

The newly created \$3 million Value-Added Tourism Subfund is earmarked specifically for feasibility studies and marketing of value added tourism projects. This subfund of the REDI Fund is another big step toward growing tourism in South Dakota.

Using funds from the Value-Added Tourism Subfund, the Governor hopes to: attract more visitors to South Dakota from other states and countries; lengthen the stay of visitors to South Dakota; expand the visitor season to the shoulder seasons; create primary jobs in the visitor industry and expand upon the historical, cultural, scenic, wildlife and other resources in South Dakota.

STEP 1: Assemble preliminary information on project prior to contacting the Department of Tourism and State Development.

STEP 2: Submit a complete application. Include any additional documents necessary to explain your project.

STEP 3: Wait for approval. All complete applications will be presented to the Board of Economic Development at the next special or regularly scheduled meeting.”

Capital Investment Entity Program

“Providing companies with increased access to capital is one of Governor Rounds' primary objectives. He was instrumental in creating the South Dakota Capital Investment Entity Loan program, which allows borrowing entities to invest in South Dakota companies.

When matching state dollars on a four to one basis, a borrower may increase their investment in a South Dakota company by 25 percent. The purpose of the program is two-fold. First, it allows borrowers to increase their investment in South Dakota companies. Second, they can invest in more companies.

By working with a loan officer at the South Dakota Department of Tourism and State Development, qualifying applicants will be able to secure a loan whose proceeds can be used to invest in other worthy South Dakota businesses.”

Entrepreneur Support Program

“Fostering entrepreneurship is one of Governor Rounds' most critical objectives. That's why helping turn ideas into reality is a priority of the South Dakota Department of Tourism and State Development.

The South Dakota Entrepreneur Support Program was established to provide financial assistance to people who have an idea for a new business, but lack all the capital necessary to breathe life into their idea. If you are approved for a loan, you may be entitled to a 3-year debt service holiday (no interest or principal payments for the first three years.)

By working with a loan officer at the South Dakota Department of Tourism and State Development, a qualifying small business will be able to secure a loan that can be used to take its idea to that all important next step.”

In addition to the state programs, here is a list of financial institutions in Madison, provided by the Madison Chamber of Commerce:

Ameriprise Financial

Deborah P. Reed
417 S Washington Ave. #3
256-4774
debreed@iw.net

Assistant Financial Services

Lori Gustaf
1533 NW 2nd Street
256-2173
lgustaf@rapidnet.com
www.assistfinancialservices.com

CU Mortgage Direct

Lori Norby
220 S Harth Ave.
256-8285

East River Federal Credit Union

Mechelle Nordberg
220 S Harth Ave.
256-8053
mechelle@eastriverfcu.com

Farm Bureau Financial Services

Mike & Shanley Dorris
210 N Egan Ave.
256-6501
mdorris@fbfs.com

First American Bank & Trust

Randy Eide
120 N Egan Ave.
256-9191
randye@firstambanktrust.com
www.firstambanktrust.com

Freedom Financial of Madison

Steven Seitz
106 SE 2nd Street
427-4277
frefinancial@iw.net

Great Western Bank

301 N Egan Ave
256-6532
tim.peters@greatwesternbank.com

Interlakes Community Federal Credit Union

Lynette Taylor
117 N Harth Ave
256-6511
icfcu@iw.net

State Farm Insurance & Financial Services

Randy Schaefer
730 S Washington Ave
256—2363
randy.schaefer@statefarm.com

Thrivent Financial for Lutherans

Lee Stoddard/Tim Campbell
1827 NW 2nd Street
256-6409
timothy.campbell@thrivent.com
lee.stoddard@thrivent.com

Waddell & Reed

Becky Halma, Tim Schut, Scott Schlisner

207 N Egan Ave

427-7528

rhalma@wradvisors.com

timothyschut@wradvisors.com

www.waddell.com

Wells Fargo Bank

Ed Fiegen

200 N Egan Ave

256-4551

ed.j.fiegen@wellsfargo.com

www.wellsfargo.com

Licensing Your Business...

To have a business in South Dakota (and this country), there will more than likely be a license or two or more in which you will have to acquire to legally conduct your business. It is very important to acknowledge these legalities and ensure that all licenses are acquired.

As you may see in the next section, just about any business is recommended to contact the Department of Revenue for assistance in finding answers to questions about sales, use, and contractor's excise taxes, the department's bond requirements, and proper procedures for filing tax returns.

According to the Department of Revenue:

“You or your business is required to have a (sales) tax license if:

- you intend to sell, rent, or lease any kind of tangible personal property; or
- you intend to provide any kind of service; or,
- you purchase equipment or services that may be subject to use tax”

There also is a Contractors' Excise tax in providence that “if you provide a construction service within South Dakota, you are required to hold a contractors' excise tax license. You must be licensed BEFORE starting work in South Dakota and must have a license for EACH business location (not each construction site) in the state.”

**To find applications online for these taxes, visit <http://www.state.sd.us/drr2/newbusiness.htm> and there is a link for each application of the tax licenses stated on the previous page.

Continuing on, there are several other licenses in the state of South Dakota that are mandated for business across the state. To keep things simple, there are several departments that work with different fields. There will be contact information for questions/concerns for each area. Also, local cities and agencies also may have certain licensing requirements that you may need to inquire about, for these inquiries, please contact the local county courthouse.

Keep in mind that failure to consult into a license can result in penalties given by the pertaining department. One department to make a note of is the Department of Labor requirements which depend upon the type of business you may carry on.

South Dakota Animal Industry Board

411 S. Fort Street
Pierre, SD 57501
(605) 773-3321

*This department controls sales of livestock (auctions), buying and selling animals, disposals of dead animals, and any meat plant facilities.

Department of Agriculture – Division of Agricultural Services

Foss Building – Third Floor
Pierre, SD 57501
(605) 773-3724

*This department covers nursery stock, agricultural products, insects, and dairy plants and products.

Department of Environment and Natural Resources

Joe Foss Building
525 East Capitol Avenue
Pierre, SD 57501
(605) 773-3151

*This department looks for any licenses that pertain to the environment. This includes: air pollution control, asbestos, waste disposals, mining/drilling, and environment control.

Department of Game, Fish and Parks Licensing Office

412 West Missouri
Pierre, SD 57501
(605) 773-5527

*This particular department controls licensing for game (taxidermists, fur dealers, bait dealers), possession/practice of falconry, and other licensing for special project for fish.

Department of Health

Health Building
600 E Capitol
Pierre, SD 57501
(605) 773-3364

*The Department of Health licenses businesses/organizations that provide care for persons. This includes hospitals, assisted living, foster homes, bed & breakfast/hotels/motels/places for sleeping accommodations, therapy units, and health units/suppliers.

Department of Labor

Unemployment Insurance Division
PO Box 4730
Aberdeen, SD 57402-4730
(605) 626-2452

*For any business in South Dakota, there are standards to which they will have to acquire a state ID number from the Unemployment Division. There are also federal and state posters that each

and every business is required to post around their establishment. Please contact the department for further information.

Department of Public Safety

118 West Capitol
Pierre, SD 57501
(605) 773-3178

*This department covers licensing for ambulance/EMT certification, explosives license/permits (for users, dealers, transporters, and manufacturers), fireworks licenses/permits (for selling fireworks in South Dakota), operation of a boiler, hauling harvest products and oversized item(s).

Department of Revenue & Regulation

Anderson Building
445 E Capitol Ave
Pierre, SD 57501-3100
(605) 773-3311

*This department entails the Special Taxes division which includes: amusement machine registration, beer/liquor license, wines, tobacco, coin operated washer and dryer, distributor of lottery equipment. There is also a division for Business and Sales Taxes which includes: license for contractor excise license, retail sales and services, use tax, broker/dealer/agent, investments, commission on gaming, and corporation/partnership license. In addition, there is also a Motor Vehicle/Motor Fuel division which includes all types of dealers for motor vehicles, trailers, recreation vehicles, suppliers and vendor licenses, and any other business or persons wishing to market or sell items pertaining to motor vehicles and fuel alone.

Department of Transportation

Becker/Hanson Building
700 East Broadway
Pierre, SD 57501-2586
(605) 773-3265

*The Department of Transportation oversees any permits for construction of new facilities which has access to a state highway. There are Region Engineers that can be reached and issue the permits. For Madison, the Region Engineer is located in Mitchell, and can be reached at (605) 995-8129. Contact the Main office in Pierre for other regions across the state. You can contact this department for Excess Weight & Size Permits in which you contact the SD Highway Patrol for issuance.

Toll Free 1-800-637-3255 (staffed daily, 24 hours per day)
Highway Patrol (605) 773-3105

Department of Social Services

700 Governors Drive
Pierre, SD 57501
(605) 773-3165

Professional & Occupational Licensing

This department consists of boards/commissions in which they issue and regulate the licensing of individuals and corporations in the state of South Dakota. The contacts are as follows:

Abstractors Examiners (Board of)	869-2269
Accountancy (SD Board of)	367-5770
Appraiser Certification Program	773-4608
Banking (Division of)	773-3421
Barber Examiners (Board of)	642-1600
Chiropractic Examiners (Board of)	668-9017
Cosmetology Commission	773-6193
Counselor Examiners (Board of)	331-2927
Dentistry (Board of)	224-1282
Driver Licensing	773-6883
Electrical Commission	773-3563
Fire Marshal	773-3562
Funeral Service (Board of)	642-1600
Gaming Commission	773-6050
Hearing Aid Dispenser/Audiology	642-1600
Highway Safety	773-4493
Highway Patrol	773-3105
Human Rights (Division of)	773-4182
Inspection Program	773-3697
Insurance (Division of)	773-3563
Medical Examiners (Board of)	334-8343
Nursing (Board of)	362-2760
Nursing Home Admin (Board of)	331-5040
Optometry (Board of)	347-2136
Pharmacy (Board of)	362-2737
Plumbing Commission	773-3429
Podiatry (Board of)	642-1600
Psychologist Examiners (Board of)	642-1600
Real Estate Commission	773-3600
Securities (Division of)	773-4823
Social Work Examiners (Board of)	642-1600
Technical Professions (Board of)	394-2510
Veterinary Medical (Board of)	773-3321

Taxes

Starting, Operating & Closing:

- When starting a business it is best to consult with a tax professional and/or a business planner. They can help set up a financial plan for businesses. It may take a little while to build a cliental and a small business should have a financial plan for it place to help get through the lean months.
- Companies should not expect to have make money for at least five years. There will be profit but not large profit margins the first few years, budgeting for this.
- Have a plan for leaving the business. There are penalties and fines for leaving a business these can be costly. It is best to see a tax professional or business planner before leaving or selling a business, if don't correctly the fines and penalties can be reduced or avoided altogether.
- It is very important to have good book work. Keeping records of expenses and income through out the year help when the tax season comes around by making it easier and quicker. There are several software programs out there that can help keep track of payroll, shipments, ordering, expenses, and much more.
 - ▲ PeaceTree – works best for non-profit businesses
 - ▲ QuickBook - works best for profit businesses

Tax Forms:

- Read over the tax forms to see what kinds of information will be need when tax season come around, this will help in knowing what recites to keep.
- 1040 – Income Tax Return
 - ▲ Items that can be deducted can be found on <http://www.irs.gov/>.
- Schedule C – Profit and Loss
 - ▲ One of the biggest misunderstandings is only 50% of business meals can be deducted.
- Estimated payments
- Sales tax

Where to find tax forms and information:

- <http://www.irs.gov/> is a good place to start for tax information.
- On this website you can search, request and print forms and instruction booklets.
- There are icons on the top of the page will help near down the information in to categories.
 - Individual
 - Business
 - Charities & Non-Profit
 - Government Entities
 - Tax professionals
 - Retirement Plans Community
 - Tax Exempt Bond Community
- Click on the Business icon the page that will come also has different types of business. If unsure of what kind or business search for Type of business
- All the tax forms and information about sales tax, income tax and estimate payments can be found on this website.
- There is also a place to email the IRS about questions.

Starting a business can be fun, but it can also be a headache. To avoid some of the problems: think ahead, ask for help, and have a financial plan.

Attorneys

In addition to all of the above, there are a lot of legalities to running a business in this country. To assist you, we have compiled a list of attorneys (with their consent) for your reference for legal advice.

Quaintance Law Office P.C.

Business Formation law firm in Sioux Falls, South Dakota

Location

Security Bank Building, Suite 600, 100 North Phillips Avenue, P.O. Box 2208
Sioux Falls, SD 57104-6725
(Lincoln & Minnehaha Co.)

Mailing Address:

P.O. Box 2208, Sioux Falls, SD, 57101-2208

Contact Information

Phone: 605-339-1000

Fax: 605-336-1000

Woods, Fuller, Shultz & Smith P.C.

Business Formation law firm in Sioux Falls, South Dakota

Location

300 South Phillips Avenue, Suite 300, P.O. Box 5027
Sioux Falls, SD 57117-5027
(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-336-3890

Fax: 605-339-3357

Email: Contact Us

URL: <http://www.wfss.com>

Bangs, McCullen, Butler, Foye & Simmons, L.L.P.

Business Formation law firm in Sioux Falls, South Dakota

Location

Security Bank Building, Suite 610, 100 North Phillips Avenue
Sioux Falls, SD 57104
(Lincoln & Minnehaha Co.)

Mailing Address:

P.O. Box 949, Sioux Falls, SD, 57101-0949

Contact Information

Phone: 605-339-6800

Telecopier: 605-339-6801

URL: <http://www.bangsmccullen.com>

Gary W. Conklin, Attorney P.C.

Business Law firm in Sioux Falls, South Dakota

Location

300 North Dakota Avenue, Suite 608

Sioux Falls, SD 57104

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-978-0036

Fax: 605-978-0064

Wilka & Welter

Business Law firm in Sioux Falls, South Dakota

Location

300 North Dakota Avenue, Suite 609

Sioux Falls, SD 57104

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-338-9711

Fax: 605-332-7824

Email: Contact Us

Dorothy Law Firm, P.C.

Business Law Lawyer in Sioux Falls, South Dakota
Shareholder

Location

100 S. Spring Avenue, Suite 260

Sioux Falls, SD 57104

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-335-5740

Fax: 605-336-8803

URL: <http://www.dorothylawfirm.com>

The Swenson Law Firm, P.C.

Business Law firm in Sioux Falls, South Dakota

Location

130 S. Phillips Avenue, Suite 5

Sioux Falls, SD 57104

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-274-8974

Fax: 605-274-8976

Email: Contact Us

Rick A. Mickelson

Business Law Lawyer in Sioux Falls, South Dakota
Member

Location

300 North Dakota Avenue, Suite 603
Sioux Falls, SD 57104
(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-334-9448
Fax: 605-330-6059
Email: doug@sfsdlaw.com
URL: <http://www.sfsdlaw.com>

Morgan, Theeler, Wheeler, Cogley & Petersen, L.L.P.

Member

Location

221 East Third Avenue, P.O. Box 1025
Mitchell, SD 57301-7025
(Davison Co.)

Contact Information

Phone: 605-996-5588
Fax: 605-996-6129
Email: Don E. Petersen
URL: <http://www.morgantheeler.com>

Tinan, Smith & Bucher

Business Law firm in Mitchell, South Dakota

Location

305 North Kimball, P.O. Box 488
Mitchell, SD 57301
(Davison Co.)

Contact Information

Phone: 605-996-5542
Fax: 605-996-5543

James Robbennolt Law Office, PC

Business Law firm in Sioux Falls, South Dakota

Location

505 West 9th Street, Suite 101
Sioux Falls, SD 57104
(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-336-6775
Fax: 605-339-9773
Email: Contact Us

Johnson, Heidepriem, Miner, Marlow & Janklow, LLP

Business Law firm in Sioux Falls, South Dakota

Location

Falls Center, 431 N. Phillips Avenue, Suite 400, P.O. Box 1107

Sioux Falls, SD 57101-1107

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-338-4304

Fax: 605-338-4162

URL: <http://www.jhmmj.com>

Email: Contact Us

URL: <http://www.lawyers.com/sdtriallawyer>

Thesenvitz & Mickelson, LLP

Business Law firm in Sioux Falls, South Dakota

Location

300 North Dakota Avenue, Suite 603

Sioux Falls, SD 57104

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-334-9448

Fax: 605-330-6059

Email: doug@sfsdlaw.com

Email: Contact Us

URL: <http://www.sfsdlaw.com>

Boyce, Greenfield, Pashby & Welk, L.L.P.

Business Law firm in Sioux Falls, South Dakota

Location

101 North Phillips Avenue, Suite 600, P.O. Box 5015

Sioux Falls, SD 57117-5015

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-336-2424

Fax: 605-334-0618

URL: <http://www.bgpw.com>

Cadwell Sanford Deibert & Garry LLP

Business Law firm in Sioux Falls, South Dakota

Location

River Centre, 200 East 10th Street, Suite 200, P.O. Box 1157

Sioux Falls, SD 57101-1157

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-336-0828

Fax: 605-336-6036

Christopherson, Bailin & Anderson, L.L.P.

Business Law firm in Sioux Falls, South Dakota

Location

509 South Dakota Avenue
Sioux Falls, SD 57104
(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-336-1030
Toll Free: 877- 706-1030
Fax: 605-336-1027
URL: <http://www.cbalaw.com>

Cutler & Donahoe, LLP

Business Law firm in Sioux Falls, South Dakota

Location

100 North Phillips Avenue
9th Floor
Sioux Falls, SD 57104-6725
(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-335-4950
Fax: 605-335-4961
Email: Contact Us
URL: <http://www.cutlerlawfirm.com>

Davenport, Evans, Hurwitz & Smith, L.L.P.

Business Law firm in Sioux Falls, South Dakota

Location

206 West 14th Street, P.O. Box 1030
Sioux Falls, SD 57101-1030
(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-336-2880
Telecopier: 605-335-3639
URL: <http://www.dehs.com>

Hagen, Wilka & Archer, P.C.

Business Law firm in Sioux Falls, South Dakota

Location

600 South Main Avenue, Suite 102, P.O. Box 964
Sioux Falls, SD 57104
(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-334-0005
Telecopier: 605-334-4814

Hughes Law Offices

Business Law firm in Sioux Falls, South Dakota

Location

431 North Phillips Avenue, Suite 330

Sioux Falls, SD 57104-5933

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-339-3939

Fax: 605-339-3940

URL: <http://www.hughesatlaw.com>

Email: Contact Us

URL: <http://www.adoptionhelp.net>

Lynn, Jackson, Shultz & Lebrun, P.C.

Business Law firm in Sioux Falls, South Dakota

Location

U.S. Bank Building, 141 North Main Avenue, P.O. Box 1920

Sioux Falls, SD57101

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-332-5999

Telecopier: 605-332-4249

Email: Contact Us

URL: <http://www.lynnjackson.com>

May & Johnson, P.C.

Business Law firm in Sioux Falls, South Dakota

Location

4804 South Minnesota Avenue, P.O. Box 88738

Sioux Falls, SD 57109-8738

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-336-2565

Telefax: 605-336-2604

Email: Contact Us

URL: <http://www.mayjohnson.com>

Moore, Rasmussen, Kading & Kunstle, LLP

Business Law firm in Sioux Falls, South Dakota

Location

2415 West 57th Street, P.O. Box 1477

Sioux Falls, SD 57101-1477

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-336-1730

Fax: 605-336-6599

Email: Contact Us

URL: <http://www.mrkklaw.com>

Murphy, Goldammer & Prendergast, L.L.P.

Business Law firm in Sioux Falls, South Dakota

Location

Wells Fargo Building, 101 North Phillips Avenue, Suite 402, P.O. Box 1728

Sioux Falls, SD 57101-1728

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-331-2975

Fax: 605-331-6473

O'Leary Law Office

Business Law firm in Sioux Falls, South Dakota

Location

3500 South Phillips Avenue, Suite 120

Sioux Falls, SD 57105-6864

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-334-4506

Fax: 605-334-3136

Email: Contact Us

URL: <http://www.olearylalawoffice.com>

Siegel, Barnett & Schutz, L.L.P.

Business Law firm in Sioux Falls, South Dakota

Location

300 North Dakota Avenue, Suite 606, P.O. Box 1286

Sioux Falls, SD 57101

(Lincoln & Minnehaha Co.)

Contact Information

Phone: 605-335-6250

Fax: 605-335-6749

Email: Contact Us

URL: <http://www.sbslaw.net>

Location, Location, Location...

For most businesses, location is everything, for other businesses, it is not as important. You may have an excellent idea but not so sure what locations are available for your business. It would be best to use the help of a real estate agent to assist you in finding the perfect location for your business.

Provided below (and continuing onto the next page) is a list, given by the Madison Chamber of Commerce, of realtors/contacts of the Madison community.

Insurance & Real Estate Market

Ed Hansen
227 N Egan Ave
256-9647

Lakeview Realty

Jay VanLiere, Mark Peltier
217 N Egan Ave
483-3322

Madison Realty, Inc.

Jeff Lecher
121 S Egan Ave
256-3888

Midwest Realty

Norma Goth
417 S. Washington Ave #1
256-6921

HJN Team

Brenda Thompson
Washington Plaza (on Washington Ave across from Lewis)
270-0482