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Business startups have a better opportunity for getting financing these days.

That point was driven home by Maria Montenegro, Monroe County Business Consultant for the University of Scranton Small Business Development Center, during a Scranton SBDC two-hour program titled, “The First Step: Starting Your Business” at the Greater Pocono Chamber of Commerce on Tuesday.

Monetenegro said banks are less rigid on loan approvals than during the years of the Great Recession if applicants are in adequate financial standing and present a

convincingly business plan, which she said is essential, along with a three-year

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oversees a new loan grant program to help local businesses.

Along with the Monroe County Revolving Loan Fund that can approve \$100 thousand in federal money, which has been in place for around 20 years, a state program was introduced last year funded through the Local Share Account state gaming funds. It's a \$250,000 fund available for five approved projects for no more than \$50,000 each. The Pocono Mountains Economic Development Corp, has received three Monroe County business applications for that one.

Both are slanted toward manufacturing and industrial businesses and the financing goes for machinery equipment and working capital toward construction and renovation. There is a requirement for job creation, with numbers that vary among the financial programs.

"It's definitely positive and we have good interest," Bisbing said of the new program. "There's some opportunity out there (with programs). We just got word that the Pennsylvania Industrial Development Authority lowered (interest) rates to 2.25 percent. It was around 4 percent and they're waiving the (application) fees through June 30 but (applicants) have to close by September."

The PMEDC is certified by the Pennsylvania Industrial Development Authority for Monroe County. That program also finances building acquisition and construction.

Montenegro said all applicants for financing from a one-person company to a corporation need a minimum credit score of 640 and must be able to pay 20 percent toward the money that they need, with the bank paying the remaining 80 percent. They can check with consumer credit consultant agencies on how to raise their credit score.

New businesses must have enough a startup equity to cover six months while customer recognition and business traffic grows.

If an applicant narrowly misses a bank's approval for financing, the Northeast

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banks for approval, including a higher interest rate $2\frac{2}{3}$ percent above prime and another 2 percent guarantee fee. With those higher rates, businesses also can get a longer time period to repay the loans.

Startup businesses using the latest technology can consult with the Ben Franklin Technology Partners, which since 1983 have worked closely with entrepreneurs. The East Stroudsburg University Innovation Center has worked with some of those startups based on the merits of their business.

As for the marketing aspect, Montenegro said with the growing popularity of social media, newer businesses are turning away from using web pages and relying more on Facebook, which is less costly.

She also gave some tips to those still learning the ropes. She said new business owners must be willing to work 50 hours or more a week and take financial and career risks when necessary. Pride in the work being done is a given as are tough decisions at times.

But they must be willing to set aside 39 percent of revenue for taxes. A one-person, self-employed business owner does not need an employer identification number for taxes but it could be good to use to avoid exposing social security number to the risk of identity theft.

If you're a sole proprietor of a business or even a business partner, you need file only for personal income tax. Once you go to C Corporation or S Corporation status, profits are subject to double-taxation under personal and higher corporate tax rates,

A growing trend for corporation owners is to file under an LLC — limited liability company — but if not structured properly, it is taxed like a C Corporation.

And those neophytes must remember that if they are opening a business whose name

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