

SelfInformed

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***NASE
Growth Grant
Winners***



LEGISLATIVE OUTLOOK:

An unpredictable year

The self-employed saw 2016 end on a positive note when a federal judge indefinitely delayed enforcement of the Department of Labor's new overtime rule. The rule would have required employers to begin paying overtime to certain employees earning less than \$47,476 a year, a considerable increase from the current \$23,660 threshold. The impact of this rule would be highly damaging to a large percentage of small business owners already struggling to manage their bottom lines. The court's decision confirms that our elected officials, even in the aftermath of a toxic election cycle, are well aware of the need to protect the economic viability of small businesses.



The election of President Trump is seen by many in the small business community to be an indication that pro-small business initiatives will be a priority for the administration. The spin on this perspective is “cautiously optimistic” however, as the political magic eight ball seems to be particularly cloudy in predicting which legislative priorities will prevail in these politically uncertain times.

The first few weeks of transition for the new administration have been tumultuous and filled with the difficult lessons that come with agenda setting, crafting of political policy, and navigating the governing collective that is Congress. Yet despite the controversies, experience teaches us that all new administrations come with an adjustment period, and as Congress and President Trump acclimatize to their working relationships, it is likely that sound, less controversial policy will inevitably emerge.

Policy proposals that improve the small business environment and strengthen our economy tend to be a unifying endeavor for elected officials on both sides of the aisle. Elected officials recognize the value of the small business community and the regulatory burdens associated with being self-employed. Ensuring that our representatives remain focused on the small business community and resolved to act on its behalf will take cooperation and commitment.

Choices that small businesses make in their daily operations are directly linked to these policy decisions. For example, a simple clarification to the tax code could make completing tax forms less daunting, or could function to increase the owner's retained earnings. Likewise, building crucial loyalties with employees might depend on whether small business owners can afford to provide employees with healthcare benefits. And unfortunately, an increased threshold for overtime pay could be the breaking point for many small businesses, simply too burdensome a liability on the bottom-line.

Managing overhead for many is a challenging task unto itself, but additional regulatory requirements often mean that innovations and



efficiencies are shelved so that small business owners can dedicate their time to handle the “death-by-paperwork” scenarios. While the number of the self-employed in the U.S. continues to grow at an exponential rate, regulations and policies aren't keeping up.

What will the 115th Congress and the new administration focus on in 2017 and implement in the FY2018 budgetary cycle? What we know so far is that the agenda looks much the same as it did in 2016: healthcare, taxes, immigration and regulations remain front and center. Less predictable are what the actual policy proposals will look like, how or when they might be implemented, and whether they will get sidetracked amidst larger legislative debates.

HEALTHCARE: PARTIAL OR FULL REPEAL OF THE AFFORDABLE CARE ACT (ACA)?

One of the first agenda items is whether to fully repeal the Patient Protection and Affordable Care Act (ACA), or alternatively, to phase it out gradually. The current challenge with both options is a lack of consensus on a replacement package. While immediate repeal looked imminent in January 2017, with President Trump even issuing an Executive Order prioritizing a repeal of the Act, the Republican-controlled Congress and the administration are now faced with internal debates.

These debates center around not only how to address specific provisions of the ACA, such as penalties and cost of the individual market, through partial or full replacement, but also in giving direction on how to overcome coverage gaps during implementation. Congress

expresses continued support of health savings accounts (HSAs), which is good news for small business owners as they provide a more affordable alternative for health care coverage for themselves and their employees.

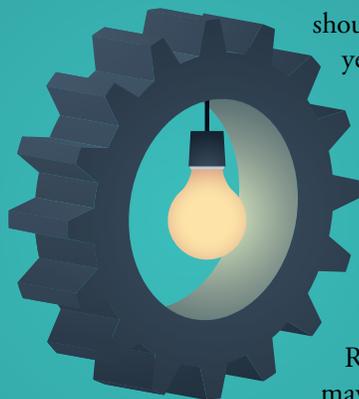
The self-employed continue to advocate for policies that reduce premiums, eliminate penalties, and offer tax deductions. The goals are flexibility and a more open market. As for the immediate future, small business owners should expect the current ACA to remain the same, with only potentially small reforms or perhaps phasing out of parts of the ACA to come over the course of 2017. It is less likely that a full repeal of ACA will take place without a more concerted agreement amongst the Republican-controlled Congress and the Administration regarding a successful replacement.

THE FEDERAL TAX CODE: A 30-YEAR-OLD CODE OVERDUE FOR A MAKEOVER

One topic of agreement across the political spectrum is that the current U.S. Tax Code is long overdue for an extensive makeover. Some experts have gone as far as to label 2017 as the year of “seismic” tax reform. In previous years, conflicting views on the ways and means of overhauling the Code stalled any significant progress, but circumstances have changed with a GOP-led Congress and a new administration. Republican Congressional leaders have already released their “Better Way” tax reform plan, and while the Trump administration has not yet

introduced a detailed executive plan, one should be expected in the upcoming year. President Trump has expressed a desire to overhaul and simplify the tax code, while strengthening provisions related to business activities. The next step for Congress and the administration will be to reconcile their priorities for reform.

Relevant reforms for small businesses may include reducing the business tax rate and altering employer-sponsored benefits like health insurance or retirement contributions. Capital gains rate caps, capital expenses write-offs, and elimination of the estate tax could all become issues in 2017. Self-employment advocates will continue to push for straightforward changes in definitions and streamlined standardized deductions. The SBA and Linda McMahon as the new chief will also be crucial players. The small business community, now more than ever, needs its voice to be heard and to continue its call for a simplified, fair and user-friendly tax code.



IMMIGRATION: FROM CAMPAIGN PLATFORM TO POLITICAL FIRESTORM

During his campaign, President Trump focused on several immigration reform issues. Political veterans and policy wonks, alike waited with baited breath to see what actions he might take once sworn into office. Before completing his first 100 days, President Trump has demonstrated his staunch commitment to hardline immigration reform, and the small business community is left with the answer that immigration will be the political firestorm of 2017.

President Trump has taken direct action regarding H-1B visas and has indicated plans to increase use of the federal E-verify system, the new I-9 form and worksite audits. The construction of a physical “wall” between the U.S. and Mexico obviously remains a highly contentious subject. Despite the aggressive push by President Trump, the cost and magnitude of this project will remain a political hot-button well beyond the first legislative session.

How this might affect small businesses is a little less obvious. It depends on the nature of each individual business and the type of employees that business needs to successfully operate. Immigration policy debates span from the highly skilled workforce to those businesses reliant upon an immigrant workforce for manual labor. The administration’s actions do send a clear message that small business owners should be prepared for unexpected changes and keep their employee paperwork.



REGULATORY ISSUES: THE COST OF DOING BUSINESS

A recent **report** suggests that the average small business spends over \$12,000 a year in regulatory costs. Beyond monetary concerns, regulatory strains appear in several categories for the self-employed. The 115th Congress and the Administration have proclaimed regulatory relief a priority. President Trump has signed an Executive Order mandating a “one in, two out” policy for new regulations; and Congress is moving legislation to eliminate or reduce regulations either passed in 2016 or due to start in 2017.

In addition to battles over the overtime pay rules, requirements for payroll, paperwork reduction, cybersecurity, and crowdfunding limits are all in play for the coming session. Bigger regulatory topics slated for 2017 range from debates about the minimum wage increase to expansion of paid-maternity and sick leave for employees. These bigger issues trickle down to the state and local levels as well, and small businesses are advised to keep an eye on their local political discussions.

CONCLUDING THOUGHTS

The 115th Congress and the Trump administration have already set out on a bi-partisan path to support the Main Streets and the self-employed. While 2017 will be an unprecedented and unpredictable year, the voices of the American public and the small business community will echo through the halls of Congress and organizations like NASE will continue to work to get things done. In the meantime, Main Street should continue on its path and adjust to new legislation if and when it comes to pass.





Ask the Expert

Q: *I am in my second year as a small business owner and I am still not sure if I am required to use a CPA to do my tax return. What is my best option?*

A: Your question is a great one and one that should be answered before you do anything else related to completing your annual income tax return. As a CPA myself, I certainly don't want to talk you out of using a professional but it is my concerted opinion that almost all of us are capable of preparing our own tax return. The availability of sophisticated tax software packages such as TurboTax, TaxCut, and others along with increasing access to experts such as those available through the NASE for questions and detailed assistance, the process becomes more and more palatable. Most CPAs, EAs, and other tax professionals will charge somewhere between \$300 and \$600 to prepare a basic small business tax return and if you have an extra Saturday,

this is money that you can probably keep. This is not necessarily an easy decision so don't take it lightly, but if you are doing basically the same things you did last year with about the same income and about the same experience with expenses, this may be a good year to attempt to do the return yourself. Keep in mind that if this is your first small business tax return or if you have some complicated issues such as accelerated depreciation options on the new equipment you purchased this might be the year to use that CPA or EA to help. But before you jump to conclusions think about doing the return yourself. You have resources and you have places to ask questions. There is no wrong answer here, but make sure that you know that you have options.



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nase



As always, don't forget that you are not alone. Bookmark our website at **NASE.org** as well as the IRS website at **IRS.gov** and you will always be able to find the help you need.



Member Benefits

Visit www.NASE.org to learn more about the following benefits!

New!

SMALL BUSINESS GROWTH GRANTS

Sponsored by



QuickBooks Self-Employed is supporting small business growth by sponsoring the March and April, 2017 NASE Growth Grants.

Apply for a business development grant from the NASE worth up to \$4,000! Designed to help address a specific business need.

Apply Now!

You could receive up to **\$4,000** for your small business through the NASE Growth Grants program. The NASE has already awarded more than **\$600,000** to NASE Members just like you.

Grants can be used for marketing, advertising, hiring employees, expanding facilities and other specific business needs. You could be the next grant recipient. To be eligible for an NASE grant, you must:

- ✓ Be an NASE Member in good standing.
- ✓ Demonstrate a business need that could be fulfilled by the grant.
- ✓ Provide a detailed explanation of how you will use the grant proceeds.
- ✓ Show how the grant will improve your business growth and success.
- ✓ Offer supporting documentation such as a résumé and business plan.

Growth Grants are awarded at the sole discretion of the NASE. Unfortunately, not everyone who applies will receive a grant. Decisions of the selection committee are final and are not subject to appeal. No application feedback will be given. [Click Here](#) for recent grant recipients.

Tax season is officially underway. Make this your most organized tax year yet by using QuickBooks SelfEmployed + TurboTax – and get back to focusing your energy where it matters most: Building your business. [Click Here to get started!](#)

Member Spotlight



2016 Growth Grant Winners

With 2016 in the rear view mirror, we thought we would take one last opportunity to recognize all of our outstanding Growth Grant winners from last year. It is with great members like you that we are able to support initiatives such as this, so a big THANK YOU from the NASE staff.

If you are interested in applying for a Grant from the NASE, visit our [Grants and Scholarship](#) page on the website. All members are eligible and we award twelve each year.

Congratulations to all of the winners from 2016.



JFY Consulting

MARILYN GREEN

January 2016

JFY Consulting, Inc.
Belleville, Illinois

<http://www.jfyconsulting.com/index.html>

Marilyn Green, an NASE Member from Belleville, Illinois was awarded an NASE Growth Grant in January 2016. JFY Consulting, Inc. offers a synergistic think tank that combines the knowledge, experience and wisdom of baby boomers and the creative, tech-savvy connectivity of millennials to aid in strategic planning, business development and other business solutions.



JOHN'S CULINARY JUNGLE

"WHERE PASSION MEETS FOOD"

JOHN DAVIS

March 2016

John's Culinary Jungle LLC
Peoria, Arizona

<http://www.johnsculinaryjungle.com/>

John Davis, an NASE Member from Peoria, Arizona was awarded an NASE Growth Grant in March 2016. John's Culinary Jungle provides their customers with an outstanding food experience; from personal Chef services, in-home cooking lessons, to small party catering.



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KAREN DONIERE

February 2016

One On One Press LLC
Wilmington, North Carolina

<https://www.karendoniere.com>

Karen Doniere, an NASE Member from Wilmington, North Carolina was awarded an NASE Growth Grant in February 2016. One On One Press provide online courses and other programs for moms and women to help them conquer their fears and self-doubt to achieve their personal and professional goals.



AMY DEBRUYNE

April 2016

BullsEye Communications of WNY
Pittsford, New York

www.bullseyecomwny.com

Amy DeBruyne, an NASE Member from Pittsford, New York was awarded an NASE Growth Grant in April 2016. BullsEye Communications of WNY is a telecommunications company base outside of Rochester, New York. BullsEye handles telephone systems, paging systems and installs, upgrades and repairs cabling for telecommunications infrastructure.



LIZBET DOMINGUEZ-VILA

May 2016

Bocasa Gourmet, LLC

Miami, Florida

www.bocasagourmet.com

Lizbet Dominguez, an NASE Member from Miami, Florida was awarded an NASE Growth Grant in May 2016. Bocasa Gourmet, LLC delivers healthy food choices right to your doorstep, be it a residence or a business. Bocasa serves a variety of lunches and dinners Monday through Friday that are nutritionally balanced and taste great.



AKEEM CARTER

July 2016

Active at Home

Conroe, Texas

<http://www.activeathome101.com/>

Akeem Carter, an NASE Member from Conroe, Texas was awarded an NASE Growth Grant in July 2016. Active at Home brings all the benefits of having a personal trainer at the gym, to your home. As a highly educated Master Trainer, Akeem Carter tailors workouts to meet individual goals and needs ranging from strength building to nutrition advice to posture correction and many more.



RICHARD GREENMAN

June 2016

FreedomWild Outdoors, LLC

Box Elder, South Dakota

<http://www.freedomwildoutdoors.com>

Richard Greenman, an NASE Member from Box Elder, South Dakota was awarded an NASE Growth Grant in June 2016. FreedomWild Outdoors, LLC is the place that hunters and anglers turn to for outdoor products and services that aren't offered by traditional retailers and outfitters. FreedomWild covers everything from fly fishing to taxidermy & game processing to mobile apps.



KIJAHFHA MAHONEY

August 2016

Blissful Delights LLC

Conyers, Georgia

<http://theblissfuldelights.com/>

Kijahfha Mahoney, an NASE Member from Conyers, Georgia was awarded an NASE Growth Grant in August 2016. Blissful Delights LLC sells high quality baked goods for both retail and wholesale markets. Blissful Delights products include pastries, cakes, cupcakes, cookies, cake pops, alcohol infused products and a variety of other desserts.



RENA WASHINGTON

September 2016

New Seasons Hair & Beauty
Moncks Corner, South Carolina
<http://Newseasonshair.net>

Rena Washington, an NASE Member from Moncks Corner, South Carolina was awarded an NASE Growth Grant in September 2016. New Seasons Hair & Beauty is owned and operated by Rena Washington, a Licensed Cosmetologist and Instructor. New Seasons can handle any hair or beauty need you have with services ranging from traditional shampoo and hair styling to braids or dread locks to color treatments or facials and waxing.



NAKITA MATTOCKS

November 2016

M Six Construction
Woodbridge, Virginia
<http://www.mattocksgroup.com/home.html>

Nakita Mattocks, an NASE Member from Woodbridge, Virginia was awarded an NASE Growth Grant in November 2016. M Six Construction is a family owned and operated Construction Company that performs all levels of building and remodeling. They specialize in interior and exterior home renovations, including bathroom and kitchen remodeling, home additions, garages and more.



DARLENE MOLNAR

October 2016

Darlene Molnar LLC
Reston, Virginia
<http://www.darlenemolnar.com/>

Darlene Molnar, an NASE Member from Reston, Virginia was awarded an NASE Growth Grant in October 2016. Darlene is an Interior Designer who has studied in Paris, England and Denmark. As a boutique design firm, Darlene Molnar LLC specializes in interior design, decoration, space planning, interior styling, and product design.



ALISA KARMELE

December 2016

Portland Nourishment & Wellness Coaching
Portland, Oregon
<https://www.pnwcoaching.com/home.html>

Alisa Karmel, an NASE Member from Portland, Oregon was awarded an NASE Growth Grant in December 2016. Portland Nourishment & Wellness Coaching is owned and operated by Alisa who works with children and adolescents. PNW Coaching helps children develop a better understanding of food and how it interacts with their body. Through this work, Alisa is helping to reduce childhood obesity in here area.



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Learn More in the NASE Member Directory

Learn more about other Self-Employed businesses in the **NASE Member Directory**. You can add your own company to the NASE Member Directory at no charge – it is a free benefit to NASE members.



NASE TESTIFIES TO HOUSE SMALL BUSINESS COMMITTEE ON HEALTH CARE REFORM

On Tuesday, February 7, NASE's President and CEO Keith Hall testified to the House Small Business Committee on what our members want and need to see from any health care reform efforts. Under the title, "Reimagining the Health Care Marketplace for America's Small Businesses," Mr. Hall focused on three key areas: quality, accessibility, and affordability.

QUALITY

The NASE highlighted two good public policy initiatives that should be maintained in any reform efforts, protection against pre-existing conditions exclusion and Essential Health Benefits/Preventative Health Services

ACCESSIBILITY

For definition purposes, we define accessibility as how our members purchase health insurance and access the benefits of those plans. The NASE continues to advocate for permission to sell insurance across state lines and increased access to care.

AFFORDABILITY

Mr. Hall emphasized over and over, for NASE members, the single greatest driver in their evaluation and decision in purchasing health insurance is affordability. In our view, the ACA has proven that consumers are not prioritizing essential health benefits or lifetime limits, but are instead solely fixated on the bottom line costs of purchasing health insurance. Such efforts to allow for the self-employed to deduct the cost of health insurance and the expansion of consumer driven health care products, are two key aspects to addressing affordability.

The NASE continues to be a voice of common-sense solutions for health care reform and will advocate for the key provisions above in any legislation that is proposed.

You can read, in full, the NASE's submitted testimony [here](#).

Katie Vlietstra is NASE's Vice President for Government Relations and Public Affairs; You can contact her at kvlietstra@nase.org.