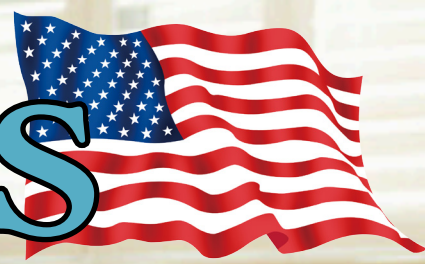


IHRY NEWS



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Running a Business From Home: 30 Tips on How to Succeed

Article provided by *The Hartford*.

Almost all business success stories start off small. That means if you have a budding small business idea worth pursuing, you shouldn't be afraid to begin by setting up shop at home.

In fact, both Amazon and Apple were started in home garages. In addition to this, the Small Business Administration (SBA) found that 50% of all firms in the U.S. are home-based.

If that's not encouragement enough for you to start your small business from home, then keep reading for 30 tips on achieving success.

How to Run a Small Business From Home

You believe in your business idea. Your motivation is unwavering. All you need is a location to channel your

efforts. If you're like many small business owners, the ideal place may be your own home. To help ensure your success, consider these tips for operating a home-based business:

1. Create a positive work environment.

To be successful, you're going to want to invest time into finding equipment and furniture that feel good to you. Key considerations as you set up your environment include:

- **Ergonomics at your work station.** Your computer, desk, chair, and keyboard should all fit you. This will help you be the most productive you can be.
- **Lighting of your home office.** Your office lighting shouldn't be too bright or too dark. For instance, glare from your computer monitor can cause eye strain, just as dim lighting can.

2. Keep your costs low.

As you set up your new small business, excitement can take over. It can be easy to want to invest in expensive technology, equipment, and even marketing materials right away. However, before you put too much money down, remember that overspending can set your business up for failure. Invest only in what you need to get going and keep all overhead costs as low as possible. Overhead costs include:

- Rent
- Utilities
- Insurance
- Wages
- Office supplies and equipment
- Marketing expenses

3. Find like-minded individuals to build your team.

If your business is not going to be a solo endeavor, start identifying potential team members. As you interview candidates, explain your business's vision. See if candidates align with your values and expectations. Consider talking to each candidate about:

- The work culture you want to foster
- The future of your small business
- Your small business's work environment
- The role you want them to play in your small business

4. Check your small business's idea thoroughly.

You don't want to waste your time, energy, and money on an idea that will never get off the ground. To check the strength of your small business's idea, consider these steps:

- Search Google, YouTube, and other sites to make sure the product or service you provide doesn't already exist.
- If it does exist, figure out ways to improve it or make it more distinguishable.
- Create a business plan to help organize your ideas.
- Create a minimum viable product or prototype to help you determine how the market will receive your product.
- Determine the right price for your product, by looking at what your industry competitors charge and what customers already pay for it.
- Assess if you'll be able to make a profit, by comparing estimated expenses with estimated profits.
- Keep in mind that successful products and services generally solve a problem customers face.

If you sail through these steps with ease, your product or service idea is likely worth the effort.

5. Create your small business's identity.

There isn't a successful small business out there that doesn't have a strong brand. To do this, you're going to need to create a brand strategy or plan. As you unfold

your plan, you'll want to develop:

- A logo
- A website
- Unique packaging materials
- Other marketing materials, such as fliers, coupons, and signs

6. Get the right insurance protection.

It doesn't matter where your small business is located: You'll want the right home based business insurance protection. Typically home-based businesses need professional liability insurance and general liability insurance. Depending on how you operate and what industry you're in, you may need more coverage. In some cases, a Business Owner's Policy (BOP) is a good idea.

7. Get a general business license.

In most cases, small businesses need at least a general business license. This allows your revenue to be tracked for taxation. This is especially true if you plan to sell goods or services to customers. Check to see what's required by your local town or city.

8. Understand small business taxes.

Before you start your small business, you're going to need to know the tax laws that may affect your home-based business, including which business expenses are deductible and which aren't. Also, under the new tax law, in effect for 2018 taxes, many pass-through businesses—which include sole proprietors, partnerships, and LLCs—can now receive a 20 percent qualified business income deduction.

9. Continue to look for ways to evolve your product and ideas.

The world is always changing, and that means you'll need to change with it to stay relevant. Just because you've successfully nailed down a business idea, this doesn't mean you won't need to make modifications based on new technology that arises. Staying on your toes and being adaptable can help ensure your product or service doesn't become stale in your market.

Is It Legal to Run Your Business From Home?

Starting your small business from home probably feels like your safest and easiest option for achieving success. However, it's not ideal in all locations.

In some areas, it may be illegal to run a business from your home. This can depend on your lease or your area's zoning regulations. For instance, say your home is in a residential neighborhood. Many residentially zoned areas forbid business operations.

However, if this is you, don't get discouraged just yet. Check out these tips for setting up your dream business while still abiding by the law:

10. Get a variance.

If you've determined that it's illegal to run a home-based business in your area, a business variance is your beacon of hope. You get a variance when your local government makes a special exception for your business. Small businesses that don't have customers visiting their premises are more likely to receive a variance. Other factors that can prevent your small business from getting a variance include:

- Increased traffic flow in your neighborhood resulting from your operation
- A large business sign that neighbors dislike
- Strangers visiting your neighborhood frequently
- To get a variance, you'll want to contact your city or town officials.

11. If you rent, read your lease thoroughly.

Leases typically outline what is or isn't allowed in your apartment or rented home, so you'll need to read your lease carefully to see how it affects your starting a home-based business. For instance, say you have a silent lease. This means you can't have a business that makes noise and disrupts neighbors. In this case, you may be able to have a business so long as it doesn't make noise.

12. Don't be afraid to move.

If you have a powerful new business idea or your current home-based business is thriving, don't throw in the towel just yet. If zoning or a lease is prohibiting your small business's initiatives and constraining your growth, a move may just be worth it.

Tax Deductions for a Home Office

If you're excited about the flexible working hours and reduced expenses that come with home-based businesses, it gets even better.

13. The Home Office Tax Deduction

Home-based businesses also can be entitled to tax benefits such as the home office tax deduction. Under the IRS rules, this deduction allows you to write off:

- Rent
- Utilities
- Real estate taxes
- Repairs
- Maintenance

Keep in mind that you can only write these items off when you use part of your home "exclusively and regularly" for conducting business activities. This

deduction can be applied to homeowners and renters who reside in a single-family home, an apartment, a condo, or even a houseboat. It cannot be applied to temporary living situations like hotels.

The home office tax deduction is based on the amount of your home that is dedicated to your business activities. To figure this out, you'll want to calculate the percentage you use. One way to calculate this is to find the square footage of your area.

For example, say your home office measures 100 square feet, and the total area of your home is 1,100 square feet. Your business use percentage would be 9% or $(100 / 1,100)$.

Professional tax preparers and programs like TurboTax also can help you determine what your deduction would be.

Funding Your Home-Based Business

While a home-based business may imply lower costs, that doesn't mean it's cheap. Luckily, there are a few ways you can get funding for your home startup. These include:

14. The SBA Microloan Program

The Small Business Administration (SBA) Microloan Program provides up to \$50,000 for small businesses. According to the SBA, the average sized microloan is \$13,000. You can use these loans for:

- Working capital
- Inventory or supplies
- Furniture or fixtures
- Machinery or equipment

Keep in mind that you cannot use these loans to pay your debts. You also can't use them to buy real estate.

15. Small Business Factoring

This involves selling your small business's unpaid invoices for cash right away. For example, say you sell invoices that are worth a total of \$15,000 to a factoring company. This company will then charge you a fee and provide you with a cash advance.

[Click here](#) for further tips on how to succeed in running your business from home!



Ihry Insights

Article provided by Curtis Kaufman, Agency Manager
Ihry Insurance

Weed Control: Top Priority in Delayed Spring Planting – DTN May 1, 2019



- With major storm systems working their way across the Plains, Midwest and South this week, planting may seem a more distant dream than ever.
- For some farmers, it may be time to start prioritizing some fieldwork over others, crop experts told DTN.
- “Of the big three — nitrogen applications, weed control and planting — nitrogen is the lowest priority, because we can apply that later,” said Bob Nielsen, an Extension corn specialist with Purdue University. “Weed control and planting take priority in a delayed spring like this.”
- Midwest farmers may face a messy blend of weed types in their fields in the weeks to come, Johnson warned. A cool, rainy March delayed the emergence of many winter annuals, such as marestail, some of which are just now emerging. Yet as April warms and advances, early-emerging summer annual weeds are also starting to sprout.
- “There will be mixture of winter and summer annuals to control, which becomes a concern, especially for no-tillers, as you get rank weed growth creating these mats of vegetation that lay on soil and hold moisture in and keep temperatures cool,” Johnson said.
- Finally, brace for fast-growing weeds, which will have plenty of moisture on hand when the ground finally becomes warm and dry. “Make sure you have enough product on hand, if you have to increase rates to take down bigger weeds if weed growth becomes excessive,” Johnson said.
- For those planning on tillage to prep seedbeds and control weeds, an abbreviated plan might be necessary in a wet spring like this one, Nielsen added. “Farmers will either need to be really patient and not run on wet fields and create compaction, or think seriously about cutting back on one or two tillage operations,” he said.

Prevented Planting

What is Prevented Planting?

Prevented planting is a failure to plant an insured crop with the proper equipment by the final planting date designated in the insurance policy’s Special Provisions or during the late planting period, if applicable. Final planting dates and late planting periods vary by crop and by area.

As this late spring lags on, contact your Ihry agent with any questions you may have concerning your Prevented Planting options!



Financial Wellness: Perception and Reality

Article provided by *MetLife*.

In today's world, work and life are blending like never before, leaving many feeling both overwhelmed and stressed. According to MetLife's 17th annual U.S. Employee Benefit Trends Study, the number one source of this stress – across generations, life-stages, and socioeconomic statuses is personal finances. Yet most employees, 63 percent, say they feel confident about their financial future.

Financial wellness means having control over day-to-day finances, being able to absorb unplanned expenses or financial shocks, and having a plan to save for future goals.

So, what's behind this paradox? While employees may say they are confident, their perceptions don't always match their actions. This disconnect can be seen in the number of employees who struggle to manage short-term expenses and are not on track to reach long-term financial goals — leading to situations that then cause even more stress. The gap between perception and reality can also prevent employees from gaining a true understanding of their financial situations and taking the steps needed to plan and save.

Prioritizing short-term over the future

Even among employees who identify themselves as financially confident, 4 in 10 live paycheck to paycheck, and 30 percent of those with a defined contribution retirement plan have dipped into it to pay for unplanned expenses such as a broken bone or new car transmission. While 76 percent of employees say they are willing to make short-term financial sacrifices in order to have a secure retirement, the reality is that only 50 percent of employees are directly allocating part of their paycheck to a savings account.

Additionally, only 60 percent have a budget or plan for how to spend their money on an ongoing basis and actually stick to it. Older workers (Gen X and Boomers), and women in particular, are less likely to have an ongoing budgeting plan in place. This suggests that employees

aren't able to balance unexpected costs with planning for the future, which are two of the key elements needed to achieve financial wellness.

Immediate needs and future planning often compete for the same dollars and many are feeling the stress from trying to make progress toward long-term financial goals. 63 percent of employees, including those who are older and nearing retirement, report they are behind on their retirement savings and many younger employees haven't even begun to put money away for retirement. Surprisingly, among employees who are confident about the future, only half are on track or have already reached their retirement saving goals. In fact, 53 percent of employees say they expect to postpone retirement due to their financial situation (up 15 percent since 2015).

Making financial wellness a reality

If you are struggling to meet daily expenses and not able to save for the future, tackling your finances might seem daunting, but it doesn't have to be. Commit today to taking three simple steps that will help you take control:

1. Whether you prefer a notebook, a spreadsheet or an online tool, **create a budget and stick to it.**
2. **Pay yourself first** by setting up a direct deposit to divert a percentage of your paycheck into a dedicated savings account.
3. **Save for retirement** as soon as you start working and, if necessary, take advantage of catch up contributions once you are over 50.

The key to building financial wellness is remembering it's a process that takes time. Taking these three steps now can have a significant impact on your future no matter where you are. You may also want to investigate whether you have access to a financial wellness program at your workplace. As employees look for more help in this area, an increasing number of employers are offering resources, education and support.