Private Sector Assistance - Small Businesses in New Jersey

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Steve Poulathas, Chair of Flaster Greenberg's Business & Corporate Department, was tapped by *New Jersey Business Magazine* for legal commentary on an article focused on small business assistance in New Jersey. Below is Steve's perspective on how the ever-changing regulatory demands, a desire for funding, complex tax laws, and the need for support will compel small businesses to seek out specialized expertise to help them grow.

> "*The complexities of how rules and legislation affect small businesses can be sorted out with the help of attorneys*," says Steve Poulathas, chair of the business and corporate development at the law firm of Flaster Greenberg. His firm has worked with closely-held and family-owned businesses to a substantial extent. From a local perspective, Poulathas says "*much like other states, New Jersey offers incentives to encourage businesses to develop here*." This includes the Grow NJ program through the EDA. Under the program, businesses may be eligible for tax credits if they create or retain jobs in the state. The tax credits may be from $500 to $5,000 per job created or retained per year. There are also bonus tax credits that can be as much as $3,000 per job per year.
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> "*Even with such a program, New Jersey is still known for being a state with a high tax rate*," says Poulathas, but those tax rates might not be a deterrent for brand new business. "*That may not directly affect a startup company in their infancy because they are not going to have a lot of taxable income in the first year*," he says. "*It is something that could impact companies eventually*."
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> He says "*the tax levels in the state might not be enough to drive small businesses away even as they grow*." This is because the business climate is relatively healthy and growing compared with a few years ago in the recession period. The healthiness of the economy can affect the emergence of small businesses and startups, Poulathas says "*many people tended to establish businesses because other employment opportunities were not available. With unemployment relatively low and people doing well at jobs, you're not seeking the same incentives to start companies.*"

Click here to read the article in its entirety.

ATTORNEYS MENTIONED

Steven Poulathas