

December 10, 2010

UTAH DISTRICT NEWSLETTER

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Save the Date:

December 15, 2010
SBA's Holiday Open House
125 South State Street
1:30 pm to 3:00 pm
Salt Lake City, UT
Contact (801) 524-3209



December 15, 2010
Salt Lake SCORE Workshop
Salt Lake County Building Complex
Salt Lake City, UT
(801) 746-2269

Helping small businesses
start, grow and succeed.



Your Small Business Resource



Karen Mills
SBA Administrator

December 2, 2010

Dear Small Business Owner,

As I've traveled the country this year, I have heard from many of you who are looking forward to the new tax credits, health insurance exchanges, and other tools that will help you provide health insurance coverage to your employees as a result of the Affordable Care Act.

The most immediate benefit of the new law is a tax credit that will help America's smallest employers and nonprofit organizations (less than 25 full-time equivalent employees with average annual wages below \$50,000) who have been hit hardest by premium increases in recent years. **Today, I'm pleased to announce that the Administration is releasing a one-page form and instructions ([available here](#)) on how to claim this credit for the 2010 tax year.** In addition, new guidance released today answers questions that many of you have asked related to: your current contribution arrangements, eligibility for certain religious institutions, and participation by multi-employer health and welfare plans. In each case, the Administration has worked to ensure that a broad range of small businesses can qualify.

These credits are available for tax years 2010 through 2013 and for any two years after that. Through 2013, the maximum tax credit is 35 percent of premiums paid by small employers and 25 percent for eligible tax-exempt organizations. Beginning in 2014, those levels increase to 50 percent and 35 percent, respectively. Importantly, these credits are just one of many benefits in the Affordable Care Act. Most notably, in 2014, firms with up to 100 workers will be able to pool their buying power and reduce their administrative costs by purchasing coverage through a health insurance exchange.

Finally, the new law strengthens America's entrepreneurial spirit, overall. For example, it outlaws discrimination against those with pre-existing conditions, giving more Americans the ability to break out of "job lock" and start their own companies. The new law also prohibits insurance companies from dramatically increasing premiums for a small business just because one worker gets sick.

Overall, the Affordable Care Act is a critical tool that will help millions of small business owners provide health insurance to people who you often consider to be members of your extended family – your employees. As a nation, we owe you nothing less as you work to grow, create jobs, and lead us toward full economic recovery.

Warm regards,

Karen Mills
SBA Administrator

IRS HELPS SMALL EMPLOYERS CLAIM NEW HEALTH CARE TAX CREDIT; FORMS AND ADDITIONAL GUIDANCE NOW AVAILABLE ON SMALL BUSINESS HEALTH CARE TAX CREDIT

WASHINGTON — The Internal Revenue Service today released final guidance for small employers eligible to claim the new small business health care tax credit for the 2010 tax year. Today's release includes a one-page form and instructions small employers will use to claim the credit for the 2010 tax year.

New Form 8941, Credit for Small Employer Health Insurance Premiums, and newly revised Form 990-T are now available on IRS.gov. The IRS also posted on its website the [instructions to Form 8941](#) and [Notice 2010-82](#), both of which are designed to help small employers correctly figure and claim the credit.

Included in the Affordable Care Act enacted in March, the small business health care tax credit is designed to encourage both small businesses and small tax-exempt organizations to offer health insurance coverage to their employees for the first time or maintain coverage they already have.

The new guidance addresses small business questions about which firms qualify for the credit by clarifying that a broad range of employers meet the eligibility requirements, including religious institutions that provide coverage through denominational organizations, small employers that cover their workers through insured multiemployer health and welfare plans, and employers that subsidize their employees' health care costs through a broad range of contribution arrangements.

In general, the credit is available to small employers that pay at least half of the premiums for single health insurance coverage for their employees. It is specifically targeted to help small businesses and tax-exempt organizations that primarily employ moderate- and lower-income workers.

Small businesses can claim the credit for 2010 through 2013 and for any two years after that. For tax years 2010 to 2013, the maximum credit is 35 percent of premiums paid by eligible small businesses and 25 percent of premiums paid by eligible tax-exempt organizations. Beginning in 2014, the maximum tax credit will increase to 50 percent of premiums paid by eligible small business employers and 35 percent of premiums paid by eligible tax-exempt organizations.

The maximum credit goes to smaller employers — those with 10 or fewer full-time equivalent (FTE) employees — paying annual average wages of \$25,000 or less. The credit is completely phased out for employers that have 25 or more FTEs or that pay average wages of \$50,000 or more per year. Because the eligibility rules are based in part on the number of FTEs, not the number of employees, employers that use part-time workers may qualify even if they employ more than 25 individuals.

Eligible small businesses will first use Form 8941 to figure the credit and then include the amount of the credit as part of the general business credit on its income tax return.

Tax-exempt organizations will first use Form 8941 to figure their refundable credit, and then claim the credit on Line 44f of Form 990-T. Though primarily filed by those organizations liable for the tax on unrelated business income, Form 990-T will also be used by any eligible tax-exempt organization to claim the credit, regardless of whether they are subject to this tax.

More information about the credit, including a step-by-step guide to claiming the credit and answers to [frequently asked questions](#), is available on the [Affordable Care Act](#) page on IRS.gov.



Daniel P. Hannaher
Regional Administrator

All I Want for Christmas Is...

By Dan Hannaher

For many small business owners, the holiday season is the most important time of the year. In the business-to-consumer retail segments, fully 40 percent or more of a company's revenues may be produced between Thanksgiving and New Year's Day.

Even in a robust economy, which was the case for most of the last decade, any downturn in holiday-related revenues by small businesses had significant consequences for the financial health of the company going forward. Indeed, many business bankruptcies of small retailers occur during the first few months of each year, typically as a result of less-than-hoped-for holiday sales.

While a business model that relies on significant consumer spending within a narrow window of time may be considered overly risky by some people, small businesses using that model are merely trying to capitalize on our cyclical buying tendencies that are naturally focused on the last six weeks of the year.

When small firms successfully navigate the 6-week holiday season, several good things usually happen:

They're around the rest of the year to offer us many choices...just like during the holidays;

They continue to employ our friends, neighbors and sometimes, family, who all need jobs;

They remain the primary provider of healthcare coverage for employees and their families, made easier this year by tax credits in the Affordable Care Act;

They continue to pay taxes, helping to support local community needs;

They order and sell more goods from their suppliers and manufacturers, which helps keep the rest of us working;

They continue to be somewhere we can go throughout the year when we need a smile, a welcome hello, or just a place to get out of the cold, or in from the heat while we make our purchases; and,

They remain the glue that binds our communities together.

As the government agency focused on helping small businesses "start, grow and succeed," the U.S. Small Business Administration provides a wealth of programs and services to give every small company a fighting chance to be successful. But, at the end of the day, it takes all of us and all of you to help turn that goal into a reality.

This holiday season, as our national economy begins to emerge from what many have dubbed The Great Recession, let's all make a conscious effort to shop at the thousands of small businesses that we want there for us the other 11 months of the year.

That's all I want for Christmas.

For more information on the services and support of the U.S. Small Business Administration visit www.SBA.gov or call your nearest SBA office. Dan Hannaher is SBA Regional Administrator in Denver. Daniel.Hannaher@sba.gov or phone (303) 844-0505.

Utah's SBA Lenders recognized for outstanding lending practices with the approval of 1,677 SBA loans for \$278 million in FY'10

UTAH – At a breakfast on Tuesday, November 30, 2010, Utah's SBA lenders were honored for outstanding participation in SBA lending in the state of Utah. The awards luncheon was held at the Zion's Bank Basketball Center in Salt Lake City. "We are pleased that our lending partners worked this last fiscal year in assisting small businesses in meeting their financial needs. Our diverse and growing small business economy throughout Utah continues to be admired by many others around the country, and we are excited to be part of that progress," stated Stan Nakano, SBA's Utah District Director. In FY '10, the Utah District Office approved 1,677 loans for \$278 million.

The following lenders were recognized in the listed categories:

Lender of the Year Award: Zions Bank

Blaine Andrus Memorial Award: State Bank of Southern Utah

High three producers of 7(a) and 504 loans:

<u>CREDIT UNIONS</u>	<u>BANKS</u>
1. Mountain America CU	1. Chase Bank
2. America First CU	2. State Bank of Southern Utah
3. University First FCU	3. Wells Fargo Bank

Most Loans by lender size of 7(a) and 504 loans:

Large	Mountain America CU
Med	State Bank of Southern Utah
Sm	Celtic Bank
Very Sm	Alliance Federal CU

Most 504 loans (only) participation by size:

Large	Wells Fargo Bank
Med	Bank of Utah
Small	Cache Valley Bank

Most ARC loans by lender size:

Lg	Chase Bank, Wells Fargo (tie)
Med	State Bank of Southern Utah
Sm	Brighton Bank

Most Patriot Express loans by lender size:

Lg	America First CU
Med	Goldenwest FCU, Central Bank (tie)
Sm	Beehive CU
Very Sm	Alliance Community FCU

Most Rural/Small Lender Advantage loans by lender size:

Med	Cyprus CU
Sm	Cache Valley Bank

Emerging lender with at least 1 loan:

Proficio Bank

Most improved from FY09 of 7(a) and 504 loans:

Large	Chase
Med	State Bank of Southern Utah
Small	Capital Community Bank
Very Sm	Alliance Community FCU

Inactive Lender to Active:

Prime Alliance Bank



JOIN US

FOR OUR

Holiday Open House

Happy Holidays from the Utah District Office



**Small Business Administration
125 South State Street, Room 2227
Salt Lake City, Utah**

**Wednesday, December 15, 2010
1:30 p.m. to 3:00 p.m.**

Please extend our invitation to others in your office.

LENDER	November Loan Numbers	November Total Dollars	YTD Loan Numbers	YTD Dollars
ALLIANCE COMMUNITY FCU	1	\$25,000	2	\$75,000
AMERICA FIRST FCU	2	\$55,000	4	\$105,000
AMERICAN BANK OF COMMERCE D/B/A AMBANK	1	\$1,651,100	1	\$1,651,100
AMERICAN BANK OF THE NORTH	0	0	1	\$180,000
AMERICAN NATIONAL BANK	1	\$193,400	1	\$193,400
BANK OF AMERICAN FORK	5	\$1,638,000	5	\$1,638,000
BANK OF THE WEST	2	\$504,100	1	\$504,100
BANK OF UTAH	0	0	0	0
BEEHIVE CU	0	0	0	0
BRIGHTON BANK	1	\$250,000	1	\$250,000
CACHE VALLEY BANK	0	0	0	0
CAPITAL COMMUNITY BANK	0	0	0	0
CELTIC BANK CORPORATION	5	\$6,407,000	15	\$13,523,300
CENNTENNIAL BANK	0	0	0	0
CENTRAL BANK	0	0	2	\$254,400
CHARTWAY FCU	1	\$10,000	2	\$35,000
COMMUNITY W. BANK NATL ASSOC	0	0	0	0
COMPASS BANK	0	0	0	0
CYPRUS FCU	0	0	1	\$35,000
EASTERN UTAH COMMUNITY FEDERAL CU	0	0	1	\$248,000
EXCEL NATIONAL BANK	0	0	0	0
FIRST BANK & TRUST CO.	0	0	0	0
FIRST NATIONAL BANK OF LAYTON, THE	1	\$400,000	1	\$400,000
FIRST UTAH BANK	0	0	0	0
FRONTIER BANK, FSB	0	0	0	0
GOLDENWEST FCU	0	0	0	0
GRAND VALLEY BANK	0	0	0	0
GRANITE FCU	0	0	0	0
HORIZON UTAH FCU D/B/A HORIZON CU	1	\$25,000	1	\$25,000
JORDAN FCU	0	0	0	0
JPMORGAN CHASE BANK, NATIONAL ASSOCIATION	3	\$335,000	5	\$435,000
KEYBANK NATIONAL ASSOCIATION	0	0	2	\$197,000
LEWISTON STATE BANK	0	0	0	0
LIBERTY BANK, INC.	1	\$230,000	1	\$230,000
LIVE OAK BANKING COMPANY	0	0	1	\$1,840,000
MEADOWS BANK	0	0	1	\$452,000
MOUNTAIN AMERICA FCU	12	\$1,978,700	29	\$3,480,900
MOUNTAIN WEST SMALL BUSINESS FINANCE	9	\$5,744,000	20	\$10,961,000
NATIONAL BANK OF ARIZONA	0	0	1	\$12,500
NEVADA COMMERCE BANK	0	0	0	0
NUMERICA CU	0	0	0	0
PRIME ALLIANCE BANK	0	0	0	0
PROFICIO BANK	1	\$750,000	2	\$1,297,000
SPIRIT OF TEXAS BANK, SSB	0	0	1	\$204,800
STATE BANK OF SOUTHERN UTAH	8	\$792,500	12	\$1,008,000
SUNFIRST BANK	0	0	0	0
SUPERIOR FINANCIAL GROUP, LLC	1	\$7,500	4	\$40,000

LENDER	November Loan Numbers	November Total Dollars	YTD Loan Numbers	YTD Dollars
U.S. BANK NATIONAL ASSOCIATION	3	\$585,100	4	\$600,100
UNITED CENTRAL BANK	0	0	0	0
UNITED MIDWEST SAVINGS	0	0	0	0
UNIVERSITY FIRST FCU	3	\$435,000	3	\$435,000
USU CHARTER FCU	0	0	0	0
UTAH CERTIFIED DEVELOPMENT COMPANY	6	\$1,579,000	10	\$3,666,000
UTAH COMMUNITY FCU	3	\$37,100	0	0
UTAH FIRST FCU	1	\$50,000	0	0
WELLS FARGO BANK, NATIONAL ASSOCIATION	7	\$2,234,500	11	\$3,287,700
WILSHIRE STATE BANK	0	0	0	0
YELLOWSTONE BANK	0	0	1	\$5,000,000
ZIONS FIRST NATIONAL BANK	32	\$2,926,100	92	\$10,429,600
TOTALS	107	\$28,756,000	240	\$62,693,900