

# SMALL BUSINESS TERMS TO KNOW



## BUSINESS STRUCTURE & LEGAL

TERM	LONG FORM	DEFINITION
LLC	Limited Liability Company	A business structure combining liability protection of a corporation with the tax benefits of a partnership.
C Corp	C Corporation	A corporation taxed separately from its owners, often subject to double taxation.
S Corp	S Corporation	A corporation that passes income and deductions to shareholders to avoid double taxation.
FDD	Franchise Disclosure Document	A legal document providing information about a franchise's operations, fees, and obligations.
NDA	Non-Disclosure Agreement	A legal contract ensuring confidentiality between parties.
IP	Intellectual Property	Legal rights protecting creations of the mind, such as patents, trademarks, and copyrights.
OSHA	Occupational Safety and Health Administration	A U.S. agency that ensures safe working conditions and enforces workplace safety regulations.
ADA	Americans with Disabilities Act	A U.S. law that prohibits discrimination against individuals with disabilities and ensures equal access to goods, services, and employment.

## GOVERNMENT & SUPPORT PROGRAMS

TERM	LONG FORM	DEFINITION
SBA	Small Business Administration	A U.S. government agency supporting small businesses with funding, counseling, and resources.
AWBC	Association of Women's Business Centers	A non-profit organization supporting women's business centers that provide resources and national support.
WBC	Women's Business Center	Centers that provide resources, training, and support to help entrepreneurs start and grow businesses.

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## FINANCIAL & TAX-RELATED

TERM	LONG FORM	DEFINITION
IRS	Internal Revenue Service	The U.S. government agency responsible for tax collection and enforcement of tax laws.
EIN	Employer Identification Number	A unique number assigned by the IRS to identify businesses for tax purposes.
W-2	Wage and Tax Statement	A form used to report annual wages and the taxes withheld from an employee's paycheck.
1099	Independent Contractor Income	A form used to report payments made to freelancers or independent contractors.
K-1	Schedule K-1	A tax document reporting income, deductions, and credits for partners in partnerships or S corporations.
VAT	Value-Added Tax	A type of sales tax applied to goods and services in many countries outside the U.S.
CDFI	Community Development Financial Institution	A financial institution that provides credit and financial services to underserved markets or populations.
CD	Certificate of Deposit	A savings account with a fixed interest rate and maturity date, issued by banks.
FDIC	Federal Deposit Insurance Corporation	A U.S. government agency that insures deposits in banks and thrifts to protect depositors in case of bank failure.
APR	Annual Percentage Rate	The annual rate charged for borrowing or earned through an investment, expressed as a percentage.
ACH	Automated Clearing House	A network for processing payments and transferring money between banks, often used for direct deposits and bill payments.
HELOC	Home Equity Line of Credit	A revolving line of credit secured by the equity in a home, often used for large expenses.
Loan Underwriting	Loan Underwriting	The process a lender uses to assess the risk of offering a loan to a borrower, determining if they are eligible for credit.

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### MARKETING & SALES

TERM	LONG FORM	DEFINITION
SEO	Search Engine Optimization	The process of improving website visibility on search engines to attract organic traffic.
SEM	Search Engine Marketing	The practice of promoting a website through paid ads on search engines.
CRM	Customer Relationship Management	Systems or software used to manage customer interactions and data.
PPC	Pay-Per-Click	A form of online advertising where businesses pay per click on their ads.
USP	Unique Selling Proposition	A factor that differentiates a product or service from its competitors.
B2B	Business to Business	Refers to transactions between businesses, such as a manufacturer selling to a wholesaler.
B2C	Business to Consumer	Refers to transactions between businesses and consumers, such as retail sales to individuals.

### FINANCIAL STATEMENTS & METRICS

TERM	LONG FORM	DEFINITION
P&L	Profit and Loss Statement	A financial report summarizing revenue, costs, and expenses to show a company's profitability.
ROI	Return on Investment	A metric used to evaluate the profitability or efficiency of an investment.
KPIs	Key Performance Indicators	Metrics used to track a business's success in achieving its objectives.
LTV	Lifetime Value	The total revenue a customer is expected to generate during their relationship with a business.
MVP	Minimum Viable Product	The simplest version of a product released to the market to test and gather feedback.