

## **Business plan**

Hampton Roads Latino Tax Services

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Slogan: Bilingual Tax Services for a Growing Community.

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## Executive Summary

### Mission Statement

Hampton Roads Latino Tax Services aims to offer culturally and linguistically appropriate tax preparation services to the Latino community in Hampton Roads, Virginia. Our mission is to provide access to, correctness of, and financial independence for this fast-growing population segment.

### Vision Statement

Our vision is to be the go-to tax company for the Latino community in Virginia and provide tax solutions with an added focus on increasing tax awareness. Our goal is to create a sustainable business that addresses the language and cultural barriers of the financial sector.

### Summary of Services

Hampton Roads Latino Tax Services specializes in tax preparation, income declaration assistance, bilingual tax information, and IRS communication. The business caters to its clients by providing services in both English and Spanish and culturally sensitive advice, especially to immigrants and those with a poor understanding of English. Services are developed to fill the gaps in conventional tax services, build confidence, and embrace all. Latinos are among the most rapidly growing populations in the United States labor market, and employment rates have risen in the last few years (BLS, 2024). This growth has underscored the need for services to address this population's unique financial and compliance needs. By focusing on Hampton Roads, where the Latino population is building its niche in commerce and ethnicity (Murphy, 2024), the company will contribute to this population's further economic engagement and prosperity. Hampton Roads Latino Tax Services has a clear vision of the goals that would allow it to become involved in the community as a valuable resource – affordability, accessibility, and trust.

## **Business Description**

### **Nature of the Business**

Hampton Roads Latino Tax Services is a Latino-owned and operated tax preparation service company that targets the Latino community. By offering bilingual services and individualized attention, the business assists clients in understanding federal and state taxes and compliance legislation. Provided services include filing individual and small business tax returns, consultation on tax credits and deductions, and representation with the IRS.

### **Target Market**

The primary market is the Latino population within the Hampton Roads area in Virginia. The Pew Research Center (2023) report shows that the Latino population is growing in the United States and has a growing buying power. Hampton Roads, especially, has experienced a relatively new wave of Latino people, defined by their drive for business and cultural endurance (Murphy, 2024). Some of the challenges that many members of this community experience include language barriers, lack of understanding of tax systems, and lack of trust in formal financial institutions. These gaps are why the business aims to provide affordable, reliable, and specialized tax services.

### **Problem Addressed**

The Latino community usually faces various barriers to acquiring affordable and culturally appropriate tax assistance services. Most conventional tax firms must be equipped with multilingual personnel or grasp the challenges of immigrant populations. Due to language differences or lack of understanding of the local legislation, one can easily make a mistake or lose a chance to save money on taxes. To overcome these problems, Hampton Roads Latino Tax Services offers individual services that encompass the development of professional relationships based on trust and concern for clients' financial future.

## **Unique Strengths/Value Proposition**

The business sets itself apart through its bi-lingual service delivery system, cultural sensitivity when it comes to the Latino people and its provision of tailored services. Hampton Roads Latino Tax Services focuses on building and fostering trust and social relationships, unlike other mainstream providers. The business can also educate clients through educational workshops and consultations in Spanish and English. In addition, the company endorses such policies as issuing licenses to immigrants for economic participation even though it is not directly involved in their provision (National Conference of State Legislatures, 2023). This culturally appropriate approach ensures that clients get the correct computation of their taxes and a companion in dealing with many other financial and legal concerns. As the Latino community continues to expand, Hampton Roads Latino Tax Services can potentially be at the forefront of providing services in this area.

## **Organization and Management**

### **Business Structure**

Hampton Roads Latino Tax Services will start with a legal structure of a sole trader. This structure enables easy and cheap organization during the early stages of the business since there are few formalities to consider and decisions to make. In the long run, the business intends to convert into an LLC to secure the owners and expand the business. The LLC structure is more favorable to the founder since it will help reduce the personal risks that are involved while at the same time providing flexibility in operations, which is suitable for long-term business planning (Small Business Administration, 2024).

## **Leadership Team**

The leadership team will comprise the founder, who has experience in tax preparation and an understanding of the Latino community. Other roles are the Office Manager, who handles administrative duties and client appointments; the Tax Specialist, who is in charge of intricate tax issues; and the Community Relations Coordinator, who deals with community engagement and sensitization. This organization of teams ensures that adequate and orderly work is performed while the business can provide standard and client-tailored services.

## **Benefits of Structure**

It is a way of doing business with little capital requirements and is easy to manage when starting. In addition, this structure ensures the development of good client relationships since the founder is actively involved in delivering the services. As planned, the transition to an LLC will also be consistent with the business's growth: it will offer liability protection, credibility, and tax flexibility (Small Business Administration, 2024). By utilizing a small and committed staff and a gradual organizational development process, the company can focus on developing trustful relationships with the target population and providing high-quality service. The bilingualism and cultural sensitivity of the leadership team are crucial to the business's goals and help the business stay relevant and profitable in Hampton Roads.

## **Business Goals**

### **Short-Term Goals**

The short-term goal of Hampton Roads Latino Tax Services is to have a pool of clients and be financially sustainable in the first year of its operation. Establishing trust with the community is essential since trust is critical to entering the untapped Latino market. A marketing strategy that

will involve social media and other communal marketing strategies in the targeted bilingual community will be used to demonstrate the first set of clients. At the end of the first year, the business should reach the break-even point by serving at least 300 clients, a very achievable goal given the increasing Latino population in Hampton Roads by 2024 (Murphy). This goal will ensure that the business attains the necessary recognition to make expanding the company easier.

Another short-term objective is to implement seminars about the filing of taxes for the Latino people. Such workshops will be either chargeless or low-charge and in Spanish to make them accessible and to build the necessary trust. Bureau of Labor Statistics (2024) has indicated that Latinos are gradually forming a large part of the workforce in America. Additionally, many would prefer to make state and federal tax laws. Providing educational outreach will make the business a go-to source, creating more customers and customer referrals.

### **Long-Term Goals**

Hampton Roads Latino Tax Services has planned to extend its services to other regions in the state and open new offices in areas that Latinos densely populate in the next five years. According to the Pew Research Center (2023), demographic trends will be used to identify economic and population Latino growth areas to focus the business's efforts. The long-term goals are to expand the services offered to financial planning and accounting and help with small business tax returns. It also plans to partner with local nonprofit and immigrant advocacy organizations to expand its outreach. Such partnerships will help establish the brand more effectively and guarantee the company's adherence to its mission to support the Latino community through culturally sensitive financial products and services.

## **Products or Services**

### **Key Offerings**

Hampton Roads Latino Tax Services delivers services focusing on the Latino community's needs. Services provided include tax return preparation, tax education for the undocumented, and IRS form and audit assistance. These services are necessary for a population that can experience particular difficulties in dealing with taxes. For example, while many immigrants may be eligible for tax credits, they do not claim them because they are unaware of their existence or need help understanding the instructions in English (National Conference of State Legislatures, 2023). Tax filing services will begin at a low price of \$50 for simple individual returns, with increasing prices for more complicated returns. This pricing strategy makes products easily affordable to consumers while at the same time meeting organizational costs of production. Workshops and individual consultations will be provided in English and Spanish, focusing on the need for more knowledge of financial matters within the community.

### **Unique Features**

The business's unique selling proposition is based on the following factors: confidentiality, bilingualism, and compliance. All services provided aim to make the clients feel safe and get the service providers to understand. Bilingual staff will serve clients, and an individual approach will help establish and maintain cooperation for a long time. Anonymity is critical to business because many people in the country may face consequences if they participate in financial services illegally. Further, compliance assurance services will help clients adhere to all local and federal tax laws. This approach reduces the possibility of audits and subsequent penalties and contributes to the client's financial security. Hampton Roads Latino Tax Services aims to fill the gap between affordability, accessibility, and cultural sensitivity.

## **Market/Industry Analysis**

### **Industry Description**

The financial services industry is noticing an increasing need for services catering to immigrants. The Small Business Administration (2024) states that those small businesses targeting specific populations, such as immigrant populations, have high potential if they fill a gap in the market. Culturally relevant services are especially in demand among the Latino population, which is increasing in the U.S. (Pew Research Center, 2023). Tax preparation is one of the most essential services, and immigrants need some help, mainly because it is a susceptible and complicated field that is rather hard to explain in a foreign language.

### **Competitor Analysis**

Other markets that compete in this market include the national tax preparation companies, the H&R Block Company and other local tax service providers. Although H&R Block provides standardized services, it rarely has bilingual personnel and sometimes is insensitive to Latino clients. Local competitors may offer a more localized service. However, many are small and inexperienced and need help to provide all of the services the Latino population requires. Hampton Roads Latino Tax Services sets itself apart by providing a considerable firm experience but with a focus on the Latino community. It also gives the business a competitive edge regarding the services offered in two languages, educational workshops, and community-oriented approaches to client attraction and retention.

### **Target Demographics**

The business mainly focuses on Latino residents between 25 and 55 years of age in Hampton Roads since they are a rapidly growing population in this area. This demographic

comprises working-class individuals, business people, and families who need cheap and efficient tax services but are limited in some ways. Some of the issues this community members face include language barriers, lack of confidence in conventional banking systems or little knowledge of American tax laws and responsibilities (Murphy, 2024).

Additionally, this demographic often represents individuals navigating dual responsibilities: caring for their households in the U.S. and, at the same time, supporting their families back in their home countries. Considering cultural differences, this dual financial burden is an excellent reason to have proper and cheap tax preparation services. This group also includes undocumented immigrants or those holding temporary work visas who seek legal advice on how to deal with federal and state tax laws so as not to fall foul of the law or be charged heavily (National Conference of State Legislatures, 2023). The business employs language, consultation, and culture in response to these needs. It also ensures the company develops a healthy relationship with the community members.

## **Growth Potential**

The Hampton Roads area is ideal for this business because of the growing Latino community and the rising impact of Hispanic culture in the area's commerce and events. The region's suburban and urban location allows access to many people, from those living in large cities to those in suburban areas. The first step is to establish a base to help the business improve its services and gain a good reputation within the market area.

Over time, the business can gradually move to new adjacent areas, including Richmond and Northern Virginia, home to a large Latino community. These expansions can be done through collaboration with community-based organizations, local merchants, and cultural interest organizations to establish credibility in the new markets. In addition, the business can use its

already-built reputation in Hampton Roads to convince other areas of its credibility and reliability when venturing into these areas.

Mobile tax services for the rural and semi-urban population are also an expansion strategy, along with online service platforms to reach out to Latinos who prefer to consult online. These in-person and online classes also help provide the business with the most significant number of clients possible, regardless of their ability to travel. Since Latino entrepreneurship is growing, it can create new opportunities for the business to expand the range of services offered, for instance, bookkeeping services and quarterly tax services needed by small business owners (Small Business Administration, 2024).

## **Marketing and Sales Strategy**

### **Marketing Approach**

The Hampton Roads Latino Tax Services marketing plan focuses on online marketing and community engagement. The target audience will be reached through online advertising. Facebook and Instagram will be utilized to post bilingual ads, while Spanish-language sites will allow the business to reach out to the masses. Further, the business will continue working in social networks, creating an opportunity to communicate with the target audience and share helpful tax information. The outreach will enhance the community events and the learning institution's online presence. The business will sponsor local cultural events/festivals to gain the public's attention and conduct free tax awareness campaigns. Associations with local charities and immigrant-supporting organizations will help strengthen the brand's authority and expand its audience.

## **Sales Tactics**

Consultative selling is one of the significant trends of the sales strategy, which implies individual meetings with clients. Each conversation with clients will be based on trust and cultural sensitivity to make clients feel special and appreciated. The business will also use referral discounts to promote word of mouth, which works well within the community.

## **Distribution Plan**

Hampton Roads Latino Tax Services will mostly rely on face-to-face in-office services. Since not all clients can afford to spend much time on mobility or physically attend consultations, the business will provide virtual consultations. This has created a flexible and convenient service delivery model to suit clients' needs. The targeting strategies that the business will employ include modern and cultural marketing strategies to appeal to the Latino community in Hampton Roads and to market the company as the primary provider of tax services to this community.

## **Financial Projections**

### **Three-Year Forecast**

The financial projections for Hampton Roads Latino Tax Services are to establish the services as a sustainable and growing business. The revenue goal for the first year of operation is \$150,000, based on serving approximately 300 clients at an average service fee of \$500, considering the tiered pricing model. This conservative estimate considers fluctuations in demand during the year and the first promotional campaigns. Within the third year, the business should be able to generate \$ 300,000 in annual sales. This growth projection is consistent with the growing need for culturally sensitive financial products in the Latino population and the diversification of the client base by word-of-mouth and territorial (Murphy, 2024).

## **Expense Breakdown**

Initial startup costs are estimated at \$50,000. This includes \$10,000 for office space setup, \$15,000 for marketing, and \$25,000 for employee salaries and training. Costs of operation in the first year will include rent, utilities, marketing, and wages. Much of the marketing expenses will be spent on internet advertising and promotional campaigns to create brand awareness as soon as possible. In the second and third years, the expenses will rise slightly higher because of the expansion of operations in the business. New employees will be recruited to satisfy the clients, and the promotion of services will cover the adjacent areas. Nevertheless, there are certain costs associated with it, which are as follows: The primary source of revenue generation for this business is the sales of its products, and since it has already been established that there are always loyal customers for any product, the company anticipates that profitability will increase because of efficient operational methods.

## **Funding Request**

### **Funding Needed**

The Hampton Roads Latino Tax Services will require an initial investment of \$50,000. This funding will pay for overhead costs and guarantee that the business is prepared for success during its first year of operations.

### **Breakdown**

- **Office Setup:** \$10,000 will be used to acquire and equip an office in Hampton Roads. This includes desks, computers, tax preparation software, and other necessities that may be required.

- **Marketing:** \$15,000 will be used to ensure that the company has a strong marketing strategy. This entails placing digital advertisements for Latinos on Facebook and Instagram, sponsoring community events, and providing bi-lingual promotional material prints.
- **Salaries and Training:** \$25,000 will be used to recruit and train recruiting and training substantive staff, an essential bilingual tax specialist, and a community relations officer. This training will mainly focus on tax compliance and customer service to guarantee efficient service delivery.

The funding will cover start-up costs and enable the business to address Hampton Roads's culturally incompetent health services (Murphy, 2024; Small Business Administration, 2024). Investors will be interested in supporting a business with social capital and high growth potential.

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## Appendix

### Business Logo

