



BUDAPEST CHAMBER
OF COMMERCE
AND INDUSTRY



Roadmap to U. S. market entry

Seminar for Hungarian companies

26 March 2024



BUDAPEST CHAMBER
OF COMMERCE
AND INDUSTRY



Opening and Welcoming Remarks

Dr. *Ádám Balog* – First Vice President of Budapest
Chamber of Commerce and Industry

26 March 2024





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SelectUSA program and investment summit overview

**Mr. Neil Pickett – Senior Commercial Officer of U.S.
Commercial Service**

26 March 2024





2024
SelectUSA
Investment
Summit

Promoting Business Investment
in the United States

Promote business investment in the United States

- Geographically neutral in the United States
- Housed in the U.S. Department of Commerce; Represented by the Commercial Service at U.S. Embassies and Consulates around the World
- Clients: Firms and U.S. Economic Development Organizations (EDOs)

What we do for firms and EDOs:

- Facilitate Business Inquiries
- Act as Ombudsman and Advocate
- Connect Investors with State/Local EDOs





SelectUSA Services

SelectUSA works on an interagency basis to provide a firm actionable information and counseling and help...

- Information & Counseling
- Collect publicly available data and analysis for its due diligence
- Understand basic U.S. tax and legal concepts
- Navigate federal rules or regulations
- Learn about incentives available to businesses in the United States
- Connect with U.S. state, city, or regional economic development offices
- Incorporate a business in the United States

SelectUSA works across the federal government on a case by case basis to:

Address foreign investor concerns and issues

Connect with a federal agency/ office to seek insight into a specific case

Offer to facilitate direct communication between the relevant federal agency and the client, as appropriate

Identify federal regulations or processes to U.S. policy makers, that may negatively impact the U.S. business climate

Investor inquiries with SelectUSA are treated as business confidential, and the Ombudsman function is conducted by SelectUSA headquarters.





What incentives and programs are there for foreign investors?



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Federal Programs/Incentives

The Federal **Interagency Investment Working Group (IIWG)** was **established** to help coordinate activities across the many agencies that promote business investment and respond to specific issues that affect investment decisions. The IIWG is focused on continually improving federal investment programs and resources, bringing to bear the expertise and tools each agency has to offer.

<https://www.trade.gov/selectusa-iiwg>

Federal Programs Database

- **[Agribusiness Programs](#)**
- **[Aerospace Programs](#)**
- **[Energy Programs](#)**
- **[Chemical Programs](#)**
- **[Travel Programs](#)**

SelectUSA Investor Guide

The first-step resource for companies interested in making business investments in the United States.

<https://www.trade.gov/selectusa-investor-guide>



Federal Support: Programs and Incentives

EB-5 Visa for Immigrant Investors – EB-5 is a visa preference category that is available to immigrants seeking to enter the United States in order to invest in a new commercial enterprise that will benefit the US economy and create at least 10 full-time jobs.

<https://www.uscis.gov/working-in-the-united-states/permanent-workers/eb-5-immigrant-investor-program>

Business Tax Credits in Renewal Communities (RCs) and Empowerment Zones (EZs) – Special federal tax incentives exist for businesses that hire local residents, upgrade their equipment needs, and build or rehabilitate commercial property in specially-designated areas. https://www.hud.gov/sites/documents/19175_TAXGUIDE2003.PDF

Renewable Energy Investment Tax Credit – This credit reduces federal income taxes for qualified tax-paying owners based on capital investment in renewable energy projects. <https://www.whitehouse.gov/cleanenergy/clean-energy-updates/2022/11/29/>



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State Programs/Incentives

<https://selectusa.stateincentives.org>
and click on any state on the map to
visit their economic development
website.

Each state's website will list the state-
level programs and incentives they
offer.

C2ER State Business Incentives Database
COUNCIL FOR COMMUNITY AND ECONOMIC RESEARCH

HOME PROGRAMS ABOUT MEDIA LOG IN

Welcome to the State Business Incentives Database!
Your one stop resource for information about incentive programs in all 50 states

Incentive Programs Currently Offered in Each State, by Number of Programs

Number of Programs in the U.S.: 2,412

Top 5 Program Types in the U.S. (by Number of Programs)

Program Type	Number of Programs
Tax credit	662
Grant	566
Loan/Loan Participation	477
Tax exemption	309
Other	229

New programs enacted since 2023:

- Small Business Emergency Bridge Loan Program
- Georgia Venture Capital Program
- High-Tech Companies Sales and Use Tax Exemption
- The East Palestine Emergency Support Program
- Agricultural Overtime Repayable Award Program
- CHIPS Manufacturing and Research Grant
- Technical Assistance for Underrepresented Businesses Program
- Virginia Offshore Wind Supplier Development Grant (VOWSD)

[View All State Programs](#)

American Samoa Guam Northern Mariana Islands Puerto Rico U.S. Virgin Islands

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Tax Incentives: State, Local & Regional EDOs

State



TEXAS ECONOMIC DEVELOPMENT COUNCIL



Regional



Regional Economic Development

Washington, DC | Maryland | Virginia



GREATER HOUSTON PARTNERSHIP
houston.org

Local





Where should I invest?



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Finding Your Consumer Base

Private sector resources, such as www.zoomprospector.com have searchable data and can assist with your site selection.

ZoomProspector Connecting businesses with communities

COMMUNITIES PROPERTIES ECONOMIC DEVELOPERS [Promote Your Community](#)

More than 1,000 variables to find the right community for your business.

Site selectors and investors have always turned to the U.S. national site selection portal, ZoomProspector.com, for robust, high quality data that drills all the way down to zip code level, because that's what businesses need to make successful location decisions. To learn more [click here](#).

[Search Communities](#)

Search and filter communities
Research hundreds of criteria to find communities that meet your specific needs.

Analyze and rank communities
Analyze locations based on 1000+ place data variables, then rank by highest or lowest.

Share your results. Get social.
Search results and rankings are easily shared by email, URL and popular social networks.

ZoomProspector Connecting businesses with communities

COMMUNITIES PROPERTIES ECONOMIC DEVELOPERS [Promote Your Community](#)

SEARCH COMMUNITIES

[Back](#) [Money](#)

% of Households wit... **More than** 10

Household Expendit... **More than** 15

- Select an option - **More than**

Share results **15,977** Results

RANK RESULTS BASED ON:

Rank By **Top 10**

Lindenwood township
Population: 19,674
[Claim This Community](#)

[View List](#)

© Mapbox © OpenStreetMap Improve this map



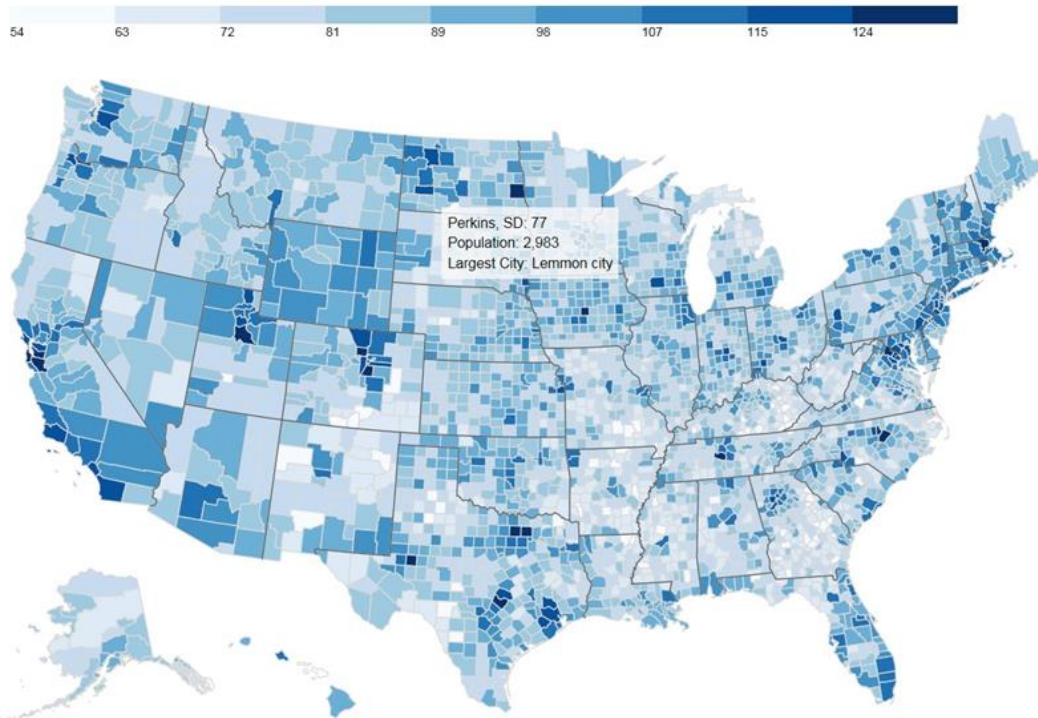
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Stats America

Stats America provides data that will help investors with their site requests and strategic planning

Innovation Index



The Innovation Index shown on this map measures a region's innovation performance and potential. The data includes both innovation inputs and outputs in order to measure both innovation capacity and innovation outcomes.

<http://www.statsamerica.org/ii2/map.aspx>



**How much will it cost open a
business in the USA?**

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Assessing Total Business Costs

ASSESS COSTS EVERYWHERE



HOME



CASE STUDIES



TOOLBOX



ABOUT ACE



FEDERAL
RESOURCES



ACE INFOGRAPHIC

Consider All the Advantages of Manufacturing or Sourcing in the U.S.A.

Assess Costs Everywhere (ACE) provides manufacturers with the top reasons for investing and sourcing in the United States. With its analytic framework, links to public and private resources, and case studies, ACE is now available to help businesses assess total costs more accurately and enable informed decision-making.



LABOR COSTS



TRAVEL & OVERSIGHT



SHIPPING



INVENTORY



TRADE FINANCING COSTS



PRODUCT QUALITY



ENERGY & REAL ESTATE



INTELLECTUAL PROPERTY



REGULATORY COMPLIANCE



POLITICAL & SECURITY RISKS



OVERVIEW

The *Assess Costs Everywhere (ACE)* tool provides detailed information on calculating the cost of doing business

<http://acetool.commerce.gov/>

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Total Cost of Ownership Estimator

The screenshot shows the 'Input page for Total Cost of Ownership Estimator™' on the Reshoring Initiative website. The page includes a navigation menu with links for News / Events, TCO Estimator, Resources, Blog, Why Reshore, and Get Involved. A sidebar on the left contains links for Completed Forms, My Case Studies, and Logout. The main content area contains a form with the following sections:

- General Information:**
 - Name For Calculations: Example
 - *Is your data a real case or are you experimenting with the TCO Estimator? Real case Experimenting
 - *Which of the sources you are analyzing is currently a source and thus your data is based on experience not conjecture: (check one or both)
 - U.S. Offshore
 - *Is or would the work being analyzed be produced:
 - Offshore: In-house (in your own facility), or outsourced (sourced from a supplier)
 - U.S.: In-house (in your own facility), or outsourced (sourced from a supplier)
 - Industry: Plastics and Rubber Products
 - Product Description: [Empty field]
- Table:**

No.	Input data factor	U.S.	Offshore	Common	Explanation
1	*Country of Origin		Mexico		Country determines freight rates.
2	*Unit price, \$	\$100.00	\$70.00		For in-house production insert standard cost or Cost of Goods Sold.
3	*Units/year, quantity			12000	
4	*Product category			Part	Product Category determines duty rate. The program duty rates for parts is 4% and for tools is 8%. If your products' duty rate is different from one of these: still select a product category, insert your duty rate in the cell the next row.
5	Duty rate, if other than one of the default rates		%		For selecting a duty rate other than the default values. 1 # would then override the default rates.
6	*Unit weight, lbs			2	
7	*Unit weight, packaging, lbs	0.1	0.2		Offshored will typically weigh more. Export packaging is more complex and has to meet standards of the country of destination and origin. Must deal with longer and more varied conditions.

The Total Cost of Ownership (TCO) Estimator is a tool that enables companies to compare the costs and risks of manufacturing their product in the U.S. versus other countries.

<http://www.reshorennow.org/>

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Minimum Wage Laws

U.S. DEPARTMENT OF LABOR

All DOL | WHD

SEARCH

A to Z | Site Map | FAQs | Forms | About DOL | Contact Us | Español

Wage and Hour Division

DOL Home > WHD > Minimum Wage Laws in the States

Minimum Wage Laws in the States

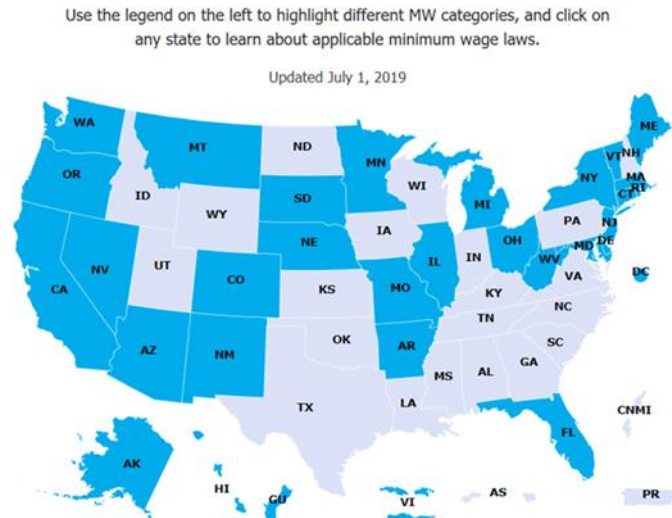
Map Legend

- Higher MW than federal
- Same MW as federal
- No state MW - federal applies
- Lower MW - federal applies
- Special MW

Select a State

Current State MW Table

Historical Table



By clicking on the map, you can learn the minimum wage and overtime laws for each state.

<http://www.dol.gov/whd/minwage/america.htm>



**What else should I be
concerned with?**



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Choosing a Business Structure

Business Structures Comparison Chart

SOLE PROPRIETORSHIP:	GENERAL PARTNERSHIP:
Advantages: <ul style="list-style-type: none">• Minimum legal restrictions• Ease of formation• Low start-up costs• Sole ownership of profits• Maximum freedom in decision-making	Advantages: <ul style="list-style-type: none">• Ease of formation• Direct rewards• Broader management base due to greater number of owners
Disadvantages: <ul style="list-style-type: none">• Unlimited liability• Less available capital• Relative difficulty in obtaining long-term financing	Disadvantages: <ul style="list-style-type: none">• Unlimited liability of general partners• Divided authority
No. of Owners Allowed: <ul style="list-style-type: none">• Only 1 owner	No. of Owners Allowed: <ul style="list-style-type: none">• At least 2; no upper limits
North Carolina Filing Requirement: <ul style="list-style-type: none">• Trade Name Registration	North Carolina Filing Requirement: <ul style="list-style-type: none">• Trade Name Registration
Formation: <ul style="list-style-type: none">• Taxable	Formation: <ul style="list-style-type: none">• Non-taxable, unless disguised sale or the partner is relieved from debt
Taxation Issues: <ul style="list-style-type: none">• Not subject to federal income tax at entity level; tax items reported on Schedule C of owner's personal return	Taxation Issues: <ul style="list-style-type: none">• Not subject to federal income tax at entity level; tax items passed through to the partners
Liquidation: <ul style="list-style-type: none">• Not applicable	Liquidation: <ul style="list-style-type: none">• Taxable to the extent cash distributions exceed a partner's tax basis

We suggest that you meet with a qualified attorney or accountant to discuss the advantages and disadvantages of the following business structures, and how they relate to your company.

Sole Proprietorship
General Partnership
Limited Partnership
Limited Liability Company (LLC)
"C" Corporation
"S" Corporation



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Registering a New Business



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[Business Guide](#) [Funding Programs](#) [Contracting](#) [Learning Center](#) [Local Assistance](#) [About SBA](#)

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Register your business

Register your business to make it a distinct legal entity. How and where you need to register depends on your business structure and business location.

Content

[Find out if you need to register your business](#)

[Register with federal agencies](#)

[Register with state agencies](#)

[Register with local agencies](#)

The Small Business Administration (SBA) provides U.S. citizens and legal residents with resources and guidance necessary to register their business with state and federal agencies.

www.sba.gov

Back to all topics

Launch your business

- [Pick your business location](#)
- [Choose a business structure](#)
- [Choose your business name](#)
- [Register your business](#)**
- [Get federal and state tax ID numbers](#)
- [Apply for licenses and permits](#)
- [Open a business bank account](#)
- [Get business insurance](#)



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Licenses and Permits

U.S. Small Business Administration

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Launch your business

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[/ Business Guide / Launch your business / Apply for licenses and permits](#)

Apply for licenses and permits

Most small businesses need a combination of licenses and permits from both federal and state agencies. The requirements — and fees — vary based on your business activities, location, and government rules.

Content

[Federal licenses and permits](#)

[State licenses and permits](#)

The SBA website can also help you determine which licenses and permits are necessary for your business type. License requirements may vary from state to state and business type.

<http://www.sba.gov/licenses-and-permits>



**Where can I go for more
information?**

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FDI in the United States

Get the latest statistics on FDI and its contribution to U.S. jobs, exports, and innovation. This updated fact sheet now includes the rankings of the largest and fastest-growing sources of FDI in the United States.

U.S. FACT SHEET

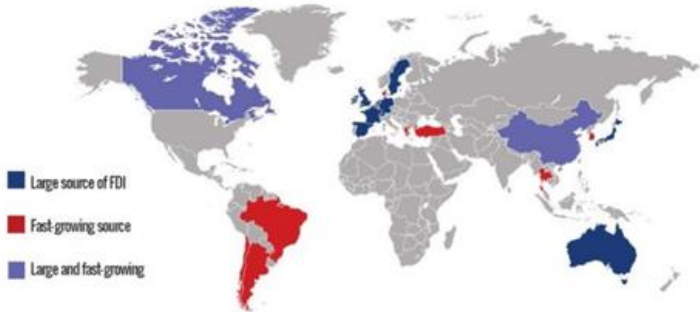


Country and State Fact Sheets

Explore how and where companies from around the world are investing in the United States, including trends, industry sectors, and overall investment levels.

EXPLORE

The United States offers the largest consumer market on earth with a GDP of \$21.3 trillion and 327 million people. Household spending is the highest in the world, accounting for nearly a third of global household consumption. At the same time, free trade agreements with 20 other countries provide enhanced access to hundreds of millions of additional consumers – and the United States continues to work with foreign partners to increase opportunities for U.S. exporters.



Source: Bureau of Economic Analysis.

2016 FDI stock in the United States greater than \$1 billion.

www.selectusa.gov



The SelectUSA Investment Summit

The SelectUSA Investment Summit is the highest-profile event dedicated to promoting foreign direct investment (FDI) in the United States. This signature event provides an unparalleled opportunity to bring together companies from all over the world, economic development organizations from every corner of the nation, and other parties working to facilitate business investment in the United States. Featuring senior government officials, C-Suite business executives, and other thought leaders, each summit focuses on a timely theme related to the U.S. investment environment, industry trends, and new opportunities.

SelectUSA's next Investment Summit will be held June 23-26, 2024,
at National Harbor.

<https://www.selectusa.gov>

The SelectUSA Tech program (June 23-26, 2024) at the SelectUSA Summit connects early-stage and startup companies to prospects for advancement in the U.S. market.

Companies interested in applying to SelectUSA Tech must fit the following criteria:

- Less than 10 years old (founded on or after January 1, 2014)
- Up to \$10 million in annual revenue
- Up to 40 total employees
- Developing a new technology product or service, or delivering an existing technology to a market in new ways
- Planning to expand to the U.S. within the next 2-3 years



SelectUSA Tech

The SelectUSA Tech program benefits for early-stage and startup companies:

- Approved tech startups will be given a special discount to attend the full 2024 SelectUSA Summit
- Exclusive space in the SelectUSA Tech Networking Pavilion to network, share, and present your technology
- Attend [SelectUSA Tech Investment Academy Sessions](#)
- An opportunity to apply to pitch in front of a panel of judges and an audience in one of the following pitching session categories:
 - CleanTech
 - HealthTech
 - Software/ICT
 - Open Tech
- Utilize the [networking app](#) to set up meetings with economic development officials, accelerators, incubators
- Join invite-only networking opportunities

To be considered, a complete Investment Summit application, including an application to pitch, must be submitted by May 17, 2024.

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Thank you!



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