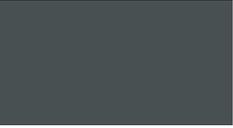


NIAGARA FALLS
SMALL BUSINESS ENTERPRISE CENTRE

GUIDE TO STARTING A BUSINESS

A GUIDE TO BUSINESS REGULATIONS, LICENSES AND
OTHER CONSIDERATIONS





NIAGARA FALLS SMALL BUSINESS ENTERPRISE CENTRE

The Niagara Falls Small Business Enterprise Centre (SBEC) is your first stop for information on starting and growing your small business. The SBEC is part of the Small Business Centres Ontario. Small business centres across Ontario provide entrepreneurs with a full range of support services.

Resources and services available include:

- One-on-one business consultations (by appointment)
- Business name search and registration assistance
- Assistance with various licensing and registration needs
- Business seminars, workshops, and events
- Grants and funding opportunities

Information provided by the Niagara Falls Small Business Centre and its staff is not meant to replace professional advice of an accountant or lawyer.

www.niagarafallsbusiness.ca

MUNICIPAL REGULATIONS

Municipalities across the Niagara Region will have specific regulations regarding business operation within their municipality. Ensure that you check with the various departments listed below for any regulations affecting your business.

LICENSING

Municipalities across the Niagara Region (and Province of Ontario) will license certain types of businesses. Each municipality will have a different licensing by-law and the types of business licenses will vary from municipality to municipality.

In Niagara Falls, you can contact the Licensing Coordinator in the Clerk's Department at 905-356-7521 extension 4278 or email clerk@niagarafalls.ca

A complete listing of Municipal licenses in Niagara Falls can be found at niagarafalls.ca/clerks

If required, your application will be circulated to the necessary departments, including Building, Fire, Police and Public Health.

ZONING AND PLANNING

To ensure that the building, land or establishment where you will be operating your business is appropriately zoned, contact your municipalities zoning administrator. If you operate a home-based business, there is a home occupation by-law that you must adhere to.

In Niagara Falls, you can contact the Zoning Administrator in the Planning Department at 905-356-7521 extension 4235 or email planning@niagarafalls.ca.

You may also want to have your lawyer and accountant evaluate any leases or purchase and sale agreements you are contemplating to ensure you are aware of all the legal and financial implications associated with your decision.

FIRE

You may also require inspection from the Fire Department. For further information, contact your local Fire Inspection Department.

In Niagara Falls, you can contact the Fire Inspection Department at 905-356-1321.

BUILDING

If you are installing or erecting a sign for your business, or making renovations to your business premise, make sure to connect with the Building department for any required building permits and inspections.

Building Services is responsible for processing all building permits, reviewing applications for compliance with the Ontario Building Code, and the site inspection of all construction projects.

Building Services is also responsible to ensure that minimum standards of property maintenance are enforced through the Property Standards By-law in order to protect the members of the public. The Department responds to complaints from members of the public. Inspections are then required to confirm a by-law violation. In addition, the Building Division is responsible for the issuance of Sign Permits.

In Niagara Falls, the City's Building Department can be reached by telephone at 905-356-7521 extension 4001 or email building@niagarafalls.ca.

REGIONAL REGULATIONS

NIAGARA REGION BUSINESS LICENSING

Certain businesses previously licensed by the NRPS are to be licensed, inspected and enforced by the Niagara Region. This includes:

- Adult Entertainment
- Salvage Yards
- Scrap Metal Dealers and Collectors
- Auto Wrecking Yards
- Second Hand Stores
- Second Hand Goods Dealers
- TNC (Transportation Network Company, ie. RideShare)
- Vehicles for hire (including taxicabs, tow trucks, limousines, sightseeing shuttles and specialty vehicles)

If required, you can apply for a regional business license online at

niagararegion.ca/business

PUBLIC HEALTH

The Niagara Regional Public Health Department will inspect the equipment and conditions for certain businesses:

- Food service (including restaurants, food sales establishments, refreshment vehicles, convenience store)
- Hairdressing salons and barber shops
- Tanning salons
- Tattoo and body piercing studios
- Water haulers
- Public pools

For more information you can contact the Public Health Department at 905-356-1538 or visit niagararegion.ca/health

The Public Health department offers consultations for those planning to open the above mentioned establishments. To request a consult visit niagararegion.ca/health

The Public Health department also offers the safe food handler safety and certification program. Information can be found at their website

PROVINCIAL REGULATIONS

PROVINCIAL LICENSING

Certain businesses may require special Provincial licenses. A partial list is provided below:

- Day Care Services – Ministry of Children and Youth Services
 - 1-800-561-0568 | www.children.gov.on.ca
- Liquor/Cannabis Licenses – Alcohol and Gaming Commission of Ontario
 - 1-800-522-2876 | www.agco.ca
- Custom's Brokers – Canada Border Services Agency
 - 1-800-461-9999 | cbsa-asfc.gc.ca
- Travel Agents – Travel Industry Council of Ontario (TICO)
 - 1-888-451-8426 | www.tico.ca
- Music License – Performances of music in public require a license from SOCAN
 - 1-866-307-6226 | www.socan.ca
- Motor Vehicle Dealers – Ontario Motor Vehicle Industry Council
 - 1-800-943-6002 | omvic.on.ca

A full list can be found at ontario.ca/business

ONTARIO TRADES

In Ontario, specific trades require appropriate certifications in order for you to start the business. There are 23 trades designated as compulsory.

To legally work in a compulsory trade, you must hold a Certificate of Qualification or Provisional Certificate of Qualification issued by Skilled Trades Ontario or be registered as an apprentice with the Ministry of Labour, Training, Skills Development and have a Registered Training Agreement.

Each trade will have differing requirements. To learn how and where to obtain required qualifications and certificates, and learn more about compulsory trades you can visit skilledtradesontario.ca

OWNERSHIP STRUCTURE

Sole Proprietorship

A sole proprietorship is an unincorporated business and easily created. It is the most common structure chosen by new businesses.

In a sole proprietorship, the owner is an individual and has personal liability for all functions and debts of the business. The business' money and responsibilities are the sole proprietors. The sole proprietors assets are tied to the business and profits from the business are considered part of the owner's personal income.

General Partnership

A general partnership is an unincorporated business with two or more owners. Partners often have a contractual agreement that determines percentage of ownership, sharing revenues, expense, and responsibilities. All partners' assets are tied to the business and profits from the business are considered part of the owners' income.

OWNERSHIP STRUCTURE

Corporation

A corporation is a separate legal entity owned by its shareholders and managed by directors chosen by the shareholders. The owners of the corporation have limited personal liability.

- A corporation is owned by the shareholders and managed by directors chosen by the shareholders.
- The owners of a corporation are not personally liable for the debts of the corporation.
- The corporation is responsible for its debts.
- The purpose of a business corporation is to make a profit for its owners.
- A business corporation is distinguished by the use of the following legal elements within the corporate name: "Limited", "Incorporated" or "Corporation" or the corresponding abbreviations "Ltd.", "Inc." or "Corp."

To incorporate you must:

- Decide on provincial or federal incorporation
- Complete a NUANS report
- File the Articles of Incorporation
- Create a Minute Book

Shareholders' agreements can benefit your corporation if multiple owners are involved. Shareholders' agreements outline the decision-making process, dispute resolution, transfer of shares and exit from the business.

The costs to incorporate can range from \$200 to \$500 (additional costs may apply). Working with a lawyer is advised. The cost of a lawyer for incorporation is approximately \$1,500 or more.

It is possible for a corporation to be comprised by a single person. The single person in the corporation fills all roles and is the only shareholder. All the rules associated with a corporation must be followed including proper record keeping and filing all necessary legal documents.

BUSINESS NAME REGISTRATION

If you chose to operate as a Sole Proprietorship or General Partnership, registration of your business name (Certificate of Business Name Registration) is mandatory under the Business Names Act if you operate a business under a name other than your own.

- The Certificate of Business Name Registration serves as your proof of ownership
- Registration is required to open a business bank account
- Registration costs \$60 and is valid for five years
- Registering your business name does not give you exclusive use of the name

If you choose to operate your business using your legal name with no additional words in your business name, a business name registration is optional.

Register online on the Ontario Business Registry: www.ontario.ca/business

In-person registration is available at the SBEC.

FEDERAL REGULATIONS

HARMONIZED SALES TAX (HST)

HST is a consumption tax in Ontario. The HST tax rate of 13% is comprised of Ontario's 8% portion, and a 5% federal portion.

You meet the CRA small supplier definition if you generate revenue of \$30,000 or less in the last four consecutive calendar quarters and in any single calendar quarter.

You can register voluntarily if your taxable sales are less than \$30,000, but once registered you must begin collecting and remitting the HST. There is no charge for this Business Number (BN).

Contact the Canada Revenue Agency for more information about claiming your input tax credits.

More information can be found at [canada.ca/en/revenue-agency](https://www.canada.ca/en/revenue-agency)

INCOME TAX

If you are operating as a sole proprietor you will be required to report both your business and professional income on your individual tax return. You will be allowed to claim and deduct your business expenses.

The T2125 Statement of Business or Professional Activities form is used to report business and professional income and expenses.

CORPORATE INCOME TAX

If you have incorporated your business you will have to remit income tax to the federal government. In most cases, new corporations will receive a Business Number from Revenue Canada within 45 days of incorporating.

For more information contact:

Canada Revenue Agency
32 Church Street, St Catharines
1-800-959-5525

[ontario.ca/page/business-and-economy](https://www.ontario.ca/page/business-and-economy)

IMPORTING AND EXPORTING

If you import goods into Canada or export goods to other countries, you should register for an import/export account number. This number is used to process customs documents. To avoid delays in releasing your goods at the border, open your account before you import or export goods.

Canada Revenue Agency
32 Church Street, St Catharines
1-800-959-5525 | businessregistration.gc.ca

Canada Border Services Agency
1-800-461-9999 | cbsa-asfc.gc.ca

INTELLECUAL PROPERTY

There are five types of intellectual property including:

- Trademarks are used to distinguish the goods or services of one person or company from those of another. Slogans, names of products, distinctive packages or unique product shapes are all examples of features that are eligible for registration as trade-marks.
- Patents cover new inventions (process, machine, manufacture, composition of matter), or any new and useful improvement of an existing invention;
- Copyrights provide protection for literary, artistic, dramatic or musical works (including computer programs), and three other subject-matter known as: performance, sound recording and communication signal;
- Industrial designs are the visual features of shape, configuration, pattern or ornament (or any combination of these features), applied to a finished article of manufacture

For more information the Canadian Intellectual Property Office (CIPO) can be contacted at 1-866-997-1936 or cipo.gc.ca

EMPLOYEE REGULATIONS

PAYROLL ACCOUNT

You will need a CRA payroll account if hiring employees. All businesses are required to make payroll deductions from their employees for: Canada Pension Plan (CPP), Employment Insurance (EI) and Income Tax.

For more information contact the Canada Revenue Agency at businessregistration.gc.ca

WORKPLACE SAFETY AND INSURANCE BOARD (WSIB)

Most businesses in Ontario that employ workers must register to WSIB. It's the law.

You will need to contact WSIB within 10 days of hiring your first employee. Owners, partners and executive officers are not automatically covered under the WSIB insurance plan, but you can apply for optional insurance. Owners/operators in the construction industry require coverage if you are engaging in commercial work

Contact the Workplace Safety and Insurance Board at 905-687-8622 or wsib.on.ca

EMPLOYER HEALTH TAX

If your business has a cumulative annual payroll in excess of \$450,000 or is considered an associated employer, you are required to register and remit Employer Health Tax.

Contact the Ministry of Finance – Tax Revenue Division at 1-866-668-8297 or fin.gov.on.ca

EMPLOYMENT STANDARDS

The Employment Standards Act (ESA) provides for minimum terms and conditions of employment in most industries. The ESA covers topics ranging from hours of work, payment of wages, overtime pay, and vacation among others.

For more information contact the Ministry of Labour at 1-800-809-4731 or labour.gov.on.ca

OTHER CONSIDERATIONS

INSURANCE

Insurance needs for businesses vary greatly. It is best to choose an insurance agent or broker familiar with your size of business and, in particular, an agent familiar with your type of operation. If you don't have an insurance agent, you may wish to ask other business owners in your area to recommend one.

The following list is included to remind you not to overlook the complex areas of business insurance. It is best, however, to discuss your specific requirements with your insurance agent.

Basic insurance:

- Life and disability insurance
- Property and liability insurance
- Comprehensive general liability insurance
- Business interruption insurance
- Combined commercial insurance
- Vehicle insurance
- Professional liability insurance

FINANCING

There are a variety of funding options for small businesses. Many small businesses start with the owner's personal investment. Bank loans, investor contributions, and grants may also be available.

The Canada Business Benefits Finder allows you to search for grant opportunities. It can be accessed at: innovation.isde.canada.ca.

The SBEC staff will also be able to assist you with currently available grants and introductions to local financing institutions.

Most applications for funding will require a business plan. Business plans demonstrate that the owner understands every aspect of the business and is able to generate profit.

Connect with the SBEC staff for business plan resources and support.

CONTACT INFORMATION

**NIAGARA FALLS SMALL BUSINESS ENTERPRISE CENTRE
CITY OF NIAGARA FALLS
4343 MORRISON STREET**

**SMALLBUSINESSOFFICE@NIAGARAFALLS.CA
905-356-7521 EXT. 5130**

