

# Steps to Starting a Small Business in Niagara

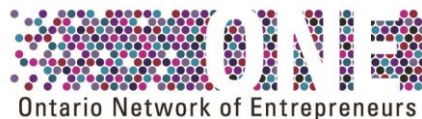
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[www.stcatharines.ca/smallbusiness](http://www.stcatharines.ca/smallbusiness)

The St. Catharines Enterprise Centre is a member of



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Website: <http://www.stcatharines.ca/en/investin/Seminars-and-Workshops.asp>

Hours: Monday to Friday, 8:30 a.m. to 4:30 p.m.

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## 1. VISIT THE ST. CATHARINES ENTERPRISE CENTRE

(All services are free and confidential with the exception of some business seminars & events)

Resources Available: Business Consultations (by appointment)  
Business Plan Review (by appointment)  
Market Research Assistance (by request)  
Reference Library & Databases  
Business Seminars & Events (advanced registration required)  
General Business Information Requests  
And more...

**Contact the Enterprise Centre today to see how we can support you!**

## 2. PREPARE THE BUSINESS PLAN

This plan is especially required when applying to any financial institution, but is important for any business start-up. Prepare your business plan in the start-up stage of your small business, then consult and revise it on an ongoing basis.

Why write a Business Plan?

- To precisely define your business and give you a better understanding of the industry
- To show potential strengths, weaknesses and opportunities of your business
- To identify your goals and give you focus
- To allow you to measure your success
- To serve as your company's resume
- To help obtain financing or attract investors

**The bottom line: the purpose of a business plan is to improve the success rate of any venture.**

Request our guide, *Detailed Components of a Business Plan*, for more information. Sample business plans may also be available. You can also make an appointment to have your plan reviewed.

## 3. ATTEND OUR BUSINESS SEMINARS AND EVENTS

You can view a schedule of our upcoming seminars and events online at [www.stcatharines.ca/seminars](http://www.stcatharines.ca/seminars). Most seminars are free, but **REGISTRATION IS MANDATORY.**

Call 905-688-5601 ext. 1767 or email [enterprisecentre@stcatharines.ca](mailto:enterprisecentre@stcatharines.ca) to reserve your spot. *Presentations/seminars may also be available for your classroom/group, please call for details.*

#### 4. CHECK MUNICIPAL REGULATIONS

Municipalities across the Niagara Region will have specific regulations regarding business operation. These can differ municipality by municipality. Ensure that you check with the various departments listed below for regulations affecting your business in the city/town you will be operating from. *A LISTING OF MUNICIPAL OFFICES WITHIN THE NIAGARA REGION IS PROVIDED ON THE BACK OF THIS GUIDE.*

##### a) LICENSING

Municipalities across the Niagara Region will license certain types of businesses. Check with the local City Hall to determine if Municipal Licensing is required. The municipality you contact will be determined by your business address.

In St. Catharines, please contact:

**Clerks Division**

City Hall

Phone: 905-688-5601 ext. 1517 or 1513

<http://www.stcatharines.ca/en/livein/BusinessLicences.asp>

##### b) ZONING

To ensure that the building, land or establishment where you will be operating your business is appropriately zoned, contact your municipality's Zoning Administrator. If you run a home-based business, there is likely a Home Occupation By-Law which you must adhere to.

In St. Catharines, please contact:

**Planning and Building Services**

City Hall

Phone 905-688-5601 ext. 1636 or 1637

##### c) BUILDING DEPARTMENT

Should you be installing or erecting a sign for your business, or making renovations to your business premise, check with your City Hall's Building Department for any required building permits.

In St. Catharines, please contact:

**Planning and Building Services**

City Hall

Phone 905-688-5601 ext. 1660

##### d) FIRE DEPARTMENT

As part of the building, zoning and licensing requirements, you may require inspection from the Fire Department. Regulations can include, but are not limited to: fire extinguishers, exit signs, emergency lighting, and commercial cooking equipment

The easiest way to ensure that your business or property is in compliance with the Fire Code is to arrange an onsite inspection prior to opening for business.

In St. Catharines, please contact:

**Fire and Emergency Management Services**

64 Geneva Street

Phone: 905-684-4311

## 5. CHECK REGIONAL AND PROVINCIAL REGULATIONS

### a) NIAGARA REGIONAL POLICE SERVICE

Certain types of businesses must register with the Niagara Regional Police Service (partial listing below):

- Adult Entertainment
- Salvage Yards
- Scrap Metal Dealers  
Auto Wrecking Yards  
Second Hand Stores
- Second Hand Goods Dealers
- Vehicles for Hire (eg: Taxicabs, Tow Trucks, Limousines, Sightseeing Shuttles, Bike Rentals)

For more information, contact: **Niagara Regional Police Licensing Department**  
(905) 688-4111 ext. 5070

[www.niagarapolice.ca/en/whatwedo/licensingbylawenforcementunit.asp](http://www.niagarapolice.ca/en/whatwedo/licensingbylawenforcementunit.asp)

Forms available at <http://www.niagarapolice.ca/en/whatwedo/licencingforms.asp>

### b) PUBLIC HEALTH DEPARTMENT

The Niagara Regional Public Health Department will want to inspect equipment and premises of certain businesses (partial listing below):

- Food Service (ie: restaurants, food trucks, etc.)  
Hairdressing Salons
- Tanning Salons
- Tattoo/Body Piercing
- Convenience Stores

For a complete list and/or more information, contact:

**Niagara Regional Public Health Department** (905) 688-3762

[www.niagararegion.ca/living/health\\_wellness/contact\\_us/default.aspx](http://www.niagararegion.ca/living/health_wellness/contact_us/default.aspx)

### c) PROVINCIAL LICENCES

Certain Businesses may require special Provincial Licenses. A partial listing is provided below.

- Day Care Services                      Ministry of Education - Toronto Region (West)
  - 1-877-510-5333, [www.edu.gov.on.ca](http://www.edu.gov.on.ca)
- Liquor Licenses                         Alcohol and Gaming Commission of Ontario
  - 1-800-522-2876, [www.agco.on.ca](http://www.agco.on.ca)
- Travel Agents                          Travel Industry Council of Ontario (TICO)
  - 1-888-451-8426, [www.tico.ca](http://www.tico.ca)
- Music License                          Performances of music in public require a license from SOCAN
  - 1-866-307-6226, [www.socan.ca/licensees](http://www.socan.ca/licensees)
- Motor Vehicle Dealers                Ontario Motor Vehicle Industry Council
  - 1-800-943-6002, <https://www.omvic.on.ca/portal/>

Use BizPal online to determine permits and licenses that may be applicable to your business.  
Visit: <http://www.stcatharines.ca/en/investin/BizPal.asp>

## 6. DECIDE ON THE FORM OF BUSINESS

There are 3 main forms of business structure including:

**SOLE PROPRIETORSHIP** - refers to an unincorporated business with one (sole) owner.

- The owner must be an individual. It is not a corporation.
- This is the easiest form of business to set up.

**GENERAL PARTNERSHIP** - refers to an unincorporated business with 2 or more owners.

- The general partnership may consist of individuals, corporations, or other unincorporated businesses. This is not the same as a limited partnership.

**CORPORATION** - an entity with rights and responsibilities as a *distinct person* under the law.

- A corporation is owned by the shareholders and managed by directors chosen by the shareholders.
- The owners of a corporation are not personally responsible 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 following legal elements within the corporate name: "Limited", "Incorporated" or "Corporation" or corresponding abbreviations "Ltd.", "Inc." or "Corp."
- A corporation may operate under a name other than its legal corporate name by filing a Registration Form 2 under the Business Names Act. The operating name cannot have the legal elements of "Limited", "Incorporated", "Corporation", "Ltd.", "Inc." or "Corp." within the name.

## 7. REGISTER YOUR BUSINESS NAME

Refer to handout: *Business Name Registration for more information*

- Registration of your business name (Master Business License) is mandatory under the Business Names Act if you operate a business under a name other than your own.
- This registration is also required to open a business bank account.
- Registration costs \$60.00 and is valid for 5 years.
- Name Search is optional and costs a minimum of \$8.00 per name searched, depending on the depth of the search selected.
- Registering your business name does **NOT** give you exclusive use of the name.

**There are 2 ways you can register your business name:**

Online: Visit: <http://www.ontario.ca/page/business-name-registration>  
Select "Search, register and renew online"  
Questions can be directed to 1-800-565-1921  
Fees can be paid by credit card only

In Person: **Service Ontario Centre**  
301 St. Paul Street (MTO Building), 2nd Floor/Mezzanine, St. Catharines, ON  
1-800-267-8097  
Fees can be paid in cash, by debit card or cheque

\*If you choose to use your legal name (for example: John Smith) with no additional words as your business name, a name registration is not required.

## 8. PROVINCIAL AND FEDERAL TAXES

### a) HARMONIZED SALES TAX (HST)

You must register for HST if your gross annual sales are more than \$30,000. 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 CRA for more information about claiming input tax credits (ITCs).

**Canada Revenue Agency**  
1-800-959-5525  
[www.businessregistration.gc.ca](http://www.businessregistration.gc.ca)

### b) INCOME TAX

If 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, but not your personal expenses.

For more information refer to the Canada Revenue Agency's *Business and Professional Income Guide* including the *T2125 Form*, or contact the Canada Revenue Agency directly for more information about taxation as it applies to your business.

**Canada Revenue Agency**  
1-800-959-5525  
<http://www.cra-arc.gc.ca/E/pbg/tf/t2125/README.html>

### c) CORPORATE INCOME TAX

All corporations—including non-profit organizations, tax-exempt corporations, and inactive corporations—have to file a T2 return for every tax year, even if there is no tax payable.

The tax year of a corporation is its fiscal period. You will need to file your return within six months of the end of each tax year to avoid any penalty.

For more information see *T2 Corporation – Income Tax Guide - Guide T4012* on the Canada Revenue Agency website.

**Canada Revenue Agency**  
1-800-959-5525  
[www.cra-arc.gc.ca/tx/bsnss/tpcs/crprtns/rtrn/menu-eng.html](http://www.cra-arc.gc.ca/tx/bsnss/tpcs/crprtns/rtrn/menu-eng.html)

## 9. INSURANCE

Insurance needs for businesses vary greatly. The following list is included to remind you not to overlook the complex areas of business insurance.

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.

Basic insurance:

- fire insurance (extended coverage on buildings and contents);  
liability insurance (depending on the type of business);  
burglary protection (theft coverage);
- dishonesty insurance (covers thefts by employees); and
- home and vehicle insurance for home occupations or for commercial use of vehicles

## 10. IMPORTING/EXPORTING

If you import goods into Canada or export goods to other countries, you should register your business. Your import/export account 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**

1-800-959-5525

Or visit: [www.cra.gc.ca](http://www.cra.gc.ca) or [www.businessregistration.gc.ca](http://www.businessregistration.gc.ca)

The Canadian Border Services Agency manages the access of people and goods to and from Canada. They have a Small and Medium-Sized Enterprise Centre online with resources that will help SMEs meet the border and trade information needs and comply with CSBA requirements.

### **Canada Border Services Agency**

1-800-461-9999

[www.cbsa-asfc.gc.ca/sme-pme/menu-eng.html](http://www.cbsa-asfc.gc.ca/sme-pme/menu-eng.html)

## 11. FINANCING AND GRANTS

You will need a business plan in order to access and qualify for most financing and grant opportunities offered to startup businesses. Your business plan should include a cash-flow projection component that outlines your projected startup budget, your personal investment, and 24 months of projected revenue and expenses. Your startup budget will show how much financing your business needs and what exactly you will be using the funding for.

These factors will then help you determine where you should start looking for financing and what grants you should be applying for.

### **Canada Business Network**

1-888-576-4444

[www.canadabusiness.ca](http://www.canadabusiness.ca)

## 12. EMPLOYEE REGULATIONS

### a) EMPLOYER NUMBER

You will need a Federal Employer Number from CRA if you are 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:

**Canada Revenue Agency**  
1-800-959-5525  
[www.businessregistration.gc.ca](http://www.businessregistration.gc.ca)

### b) WORKPLACE SAFETY AND INSURANCE BOARD

Most businesses in Ontario that employ workers (including family and sub-contractors) must register and make remittance to the Workplace Safety and Insurance Board (WSIB). It's the law. The 2015 average premium rate for most employers was \$3.52 for every \$100 of insurable earnings.

You will need to contact WSIB within 10 days of hiring your first full or part-time worker. Employers who do not register are subject to prosecution and penalties. Owners, partners and executive officers are not automatically covered under the WSIB.

Businesses within the construction industry require MANDATORY coverage for owner/operators and all employees.

**Workplace Safety and Insurance Board**  
1-800-387-0750  
[www.wsib.on.ca](http://www.wsib.on.ca)

### c) EMPLOYMENT STANDARDS

The Employment Standards Act (ESA) provides for minimum terms and conditions of employment in most industries.

The poster (now available in 20 languages), "What You Should Know About the Ontario Employment Standards Act", outlines employees' rights and employers' responsibilities at work and must be posted in most workplaces.

**Ontario Ministry of Labour**  
905-704-3994 (St. Catharines office)  
or 1-800-531-5551  
<http://www.labour.gov.on.ca/english/es/index.php>



**d) MINIMUM WAGE INCREASE**

Minimum wage is the lowest wage rate an employer can pay an employee. Most employees are eligible for minimum wage, whether they are full-time, part-time, casual employees, or are paid an hourly rate, commission, piece rate, flat rate or salary.

For more information, please visit

<http://www.labour.gov.on.ca/english/es/pubs/guide/minwage.php>

<b>Minimum Wage Rate</b>	<b>Current Rates: Rates as of October 1, 2015</b>	<b>Announced Rates as of October 1, 2016</b>
General Minimum Wage	\$11.25 per hour	\$11.40 per hour
Student Minimum Wage	\$10.55 per hour	\$10.70 per hour
Liquor Servers Minimum Wage	\$9.80 per hour	\$9.90 per hour
Hunting and Fishing Guides Minimum Wage	\$56.30 Rate for working less than five consecutive hours in a day  \$112.60 Rate for working five or more hours in a day whether or not the hours are consecutive	\$56.95 Rate for working less than five consecutive hours in a day  \$113.95 Rate for working five or more hours in a day whether or not the hours are consecutive
Homeworkers Wage	\$12.40 per hour	\$12.55 per hour

## MUNICIPALITY LISTING

Place	Address	Phone Number	Website
Fort Erie	Town of Fort Erie 1 Municipal Centre Drive Fort Erie, ON L2A 2S6	905-871- 1600	<a href="http://www.forterrie.on.ca">www.forterrie.on.ca</a>
Grimsby	Town of Grimsby 160 Livingston Avenue P.O. Box 159 Grimsby, ON L3M 4G3	905-945-9634	<a href="http://www.town.grimsby.on.ca">www.town.grimsby.on.ca</a>
Lincoln	Town of Lincoln 4800 South Service Road Beamsville, ON L0R 1B1	905-563-8205	<a href="http://www.lincoln.ca">www.lincoln.ca</a>
Niagara Falls	City of Niagara Falls P.O. Box 1023 4310 Queen Street Niagara Falls, ON L2E 6X5	905-356-7521	<a href="http://www.niagarafalls.ca">www.niagarafalls.ca</a>
Niagara-On-The-Lake	Town of Niagara-on-the-Lake 1593 Four Mile Creek Road P.O. Box 100 Virgil, ON L0S 1T0	905-468-3266	<a href="http://www.notl.org">www.notl.org</a>
Pelham	Town of Pelham 20 Pelham Town Square P.O. Box 400 Fonthill, ON L0S 1E0	905-892-2607	<a href="http://www.pelham.ca">www.pelham.ca</a>
Port Colborne	City of Port Colborne 66 Charlotte Street Port Colborne, ON L3K 3C8	905-835-2900	<a href="http://www.portcolborne.ca">www.portcolborne.ca</a>
St. Catharines	City of St. Catharines 50 Church Street P.O. Box 3012 St. Catharines, On L2R 7C2	905-688-5600	<a href="http://www.stcatharines.ca">www.stcatharines.ca</a>
Thorold	City of Thorold 3540 Schmon Parkway P.O. Box 1044 Thorold, ON L2V 4A7	905-227-6613	<a href="http://www.thorold.com">www.thorold.com</a>
Wainfleet	Township of Wainfleet 31940 Highway 3 P.O. Box 40 Wainfleet, ON L0S 1V0	905-899-3463	<a href="http://www.township.wainfleet.on.ca">www.township.wainfleet.on.ca</a>
Welland	City of Welland 60 East Main Street Welland, ON L3B 3X4	905-735-1700	<a href="http://www.welland.ca">www.welland.ca</a>
West Lincoln	Township of West Lincoln 318 Canborough Street P.O. Box 400 Smithville, ON L0R 2A0	905-957-3346	<a href="http://www.westlincoln.com">www.westlincoln.com</a>