
Starting a Business in Niagara

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Introduction

The Niagara Falls and St. Catharines Area Small Business Enterprise Centres are available to assist persons starting or expanding a small business in the Niagara Region. Services include: research assistance, access to an extensive business resource library and databases, and free consultations.

The following is a brief outline of procedures that should be undertaken by business owners to ensure compliance with Municipal, Regional, Provincial and Federal regulations.

Contact the Small Business Enterprise Centres for further information:

St. Catharines and Area Small Business Enterprise Centre

St. Catharines City Hall
50 Church Street, 2nd Floor
Phone: 905-688-5601 ext. 1761
E-mail: smallbusiness@stcatharines.ca

Niagara Falls Area Small Business Enterprise Centre

Niagara Falls City Hall
4310 Queen Street, 2nd Floor
Phone: 905-356-7521 ext. 5001
E-mail: jpotts@city.niagarafalls.on.ca

What You'll Learn

This unit is divided into the following sections:

- Section 1: Municipal Regulations
- Section 2: Regional Requirements
- Section 3: Business Registration
- Section 4: Licensing
- Section 5: Taxation
- Section 6: Hiring Employees
- Section 7: Insurance
- Section 8: Other Requirement
- Section 9: Checklist

Section 1: Municipal Regulations

Municipal Regulations

Municipalities across the Niagara Region 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 license certain types of businesses. Check with the local City Hall to determine if municipal licensing is required.

- **Zoning**

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

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

- **Building Department**

Check with your City Hall's Building Department for any required building permits before installing or erecting a sign for your business, or before making renovations.

- **Fire Department**

As part of the building, zoning and licensing requirements, you may require inspection from the Fire Department. For further information, contact your local Fire Inspection Department.

- **Property Taxes**

Most property tax levies are paid directly by the property owner. To determine your property tax, contact your Municipality's Finance Department.

**Municipal Offices
in the Niagara
Region**

Fort Erie:

Town of Fort Erie
1 Municipal Centre Drive
Fort Erie, ON L2A 2S6
905-871-1600
www.forterie.on.ca

Grimsby

Town of Grimsby
160 Livingston Avenue
P.O. Box 159
Grimsby, ON L3M 4G3
905-95-9634
www.town.grimsby.on.ca

Lincoln

Town of Lincoln
4800 South Service Road
Beamsville, ON L0R 1B1
905-563-8205
www.townoflincoln.com

Niagara Falls

City of Niagara Falls
P.O. Box 1023
4310 Queen Street
Niagara Falls, ON L2E 6X5
905-356-7521
www.city.niagarafalls.on.ca

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
www.notl.org

Pelham

Town of Pelham
20 Pelham Town Square
P.O. Box 400
Fonthill, ON L0S 1E0
905-892-2607
www.town.pelham.on.ca

Port Colborne

City of Port Colborne
66 Charlotte Street
Port Colborne, ON L3K 3C8
905-835-2901
www.portcolborne.com

St. Catharines

City of St. Catharines
50 Church Street
P.O. Box 3012
St. Catharines, ON L2R 7C2
905-688-5601
www.city.stcatharines.on.ca

Thorold

City of Thorold
8 Carleton Street South
P.O. Box 1044
Thorold, ON L2V 4A7
905-227-6613
www.thorold.com

Wainfleet

Township of Wainfleet
19M Highway 3
P.O. Box 40
Wainfleet, ON L0S 1V0
905-899-3463
www.township.wainfleet.on.ca

Welland

City of Welland
411 East Main Street
Welland, ON L3B 3X4
905-735-1700
www.city.welland.on.ca

West Lincoln

Township of West Lincoln
318 Canborough Street
P.O. Box 400
Smithville, ON L0R 2A0
905-957-3346
www.westlincoln.com

Section 2: Regional Requirements

Regional Requirements

- **Niagara Regional Police Service**
For certain types of businesses—e.g. selling used goods, operating a taxi service, operating a limousine service or operating a tow truck—you must register with the Niagara Regional Police Service. For a complete list, contact the NRP Licensing Department at 905-688-4111 ext. 4436.
- **Public Health Department**
For certain types of businesses, e.g. food service, tanning salons, accommodations, the Niagara Regional Public Health Department will want to inspect your equipment and premises. For more information contact 905-356-1538.

Section 3: Business Registration

Register Your Business

There are several ways to set up your business. You may choose to operate your business as a sole proprietorship, in partnership with others, or as a corporation. Each has its own advantages and disadvantages. Refer to Unit 6, “Legal Issues”, Section 1: Methods of Carrying on Business, to help you identify the differences between each type of business structure.

Business Name Registration

The Business Names Act applies to **all** types of businesses that operate using a name other than the owner’s full name. Each registration will secure the name of a business for a five-year period. Registration cost is currently \$60.00. To ensure that the name of the business is not already in use, you can perform a title search. The cost of each title search is \$8.00. You’ll be advised whether the name is currently in use and provided the addresses for any duplicates that may exist.

There are 3 ways to register your unincorporated business name:

- **Ontario Business Connects Locations**

Niagara Falls Area Small Business Enterprise Centre
City Hall
4310 Queen Street
Niagara Falls, ON L2E 6X5
Tel: 905-356-7521, ext. 5001

Government Information Centre
MTO Building
301 St. Paul Street 1st Floor
St. Catharines, ON L2R 7R4
Tel: 905-704-2111

St. Catharines Land Registry Office
59 Church Street, 1st Floor
St. Catharines, ON L2R 3C3
Tel: 905-684-6351

St. Catharines/Niagara Business Self-Help Office
50 Church Street, 2nd floor
P.O. Box 3012
St. Catharines, ON L2R 7C2
Tel: 905-688-5601, ext. 1761

- **Internet**
On-line at www.cbs.gov.on.ca/obc. You must have VISA or MasterCard. The registration fee is \$60.00. The registration is sent to you via regular mail, which takes approximately 2 weeks. Name searches are not available on-line.
- **Mail**
Fill out the appropriate forms and mail them with \$80.00 for registration and \$12.00 per name searched. Your Master Business License will be mailed to you within 2 to 4 weeks. Mail to: Ontario Business Connects, P.O. Box 1028 Stn B, Toronto, ON M5T 3H3. For more information call 1-800-361-3223.

**Articles of
Incorporation**

- **Provincial**
Persons wishing to incorporate a business provincially must file with:

Companies and Personal Property Security Branch
Ministry of Consumer and Commercial Relations
393 University Avenue
(375 University Avenue, 2nd floor - in person)
Toronto, ON M7A 2H6
General Inquiries: 416-314-8880 or 1-800-361-3223

- **Federal**
Persons wishing to incorporate a business federally must file with:

Corporations Canada
Industry Canada
151 Yonge Street
Toronto, ON M5C 2W7
416-954-2714 or 1-800-328-6189
On-line applications and instructions are available at:
www.corporations.ic.gc.ca

Section 4: Licensing

Necessary Licenses

In addition to Municipal and Regional licensing requirements, you may be required to obtain additional licenses to operate your business.

- **Provincial Licenses**

Special Provincial Licenses may be required for certain businesses, e.g. restaurants (liquor licenses), day care centres, commercial vehicle operations, auto mechanics, etc. For more information, visit:

<http://www.bizpal.ca/entrepreneurs.shtml>

or visit the Small Business Enterprise Centres.

Section 5: Taxation

Provincial Sales Tax (PST)

Businesses that sell PST-applicable goods must obtain a Vendor's Permit. A Vendor's Permit is also referred to as a PST or RST number. There is no charge for this permit. For information on Vendors' Permits and purchase exemptions, contact:

Ministry of Finance
119 King Street West, P.O. Box 2112
Hamilton, ON L8N 3Z9
1-800-263-9229

Goods and Services Tax (GST)

A business that has gross annual sales/revenues exceeding \$30,000 must register for a Business Number from Revenue Canada (no charge for permit) and charge their customers Goods and Services Tax (GST). If sales are under \$30,000 per year, it's optional to obtain a GST#. There is no charge to register for a Business Number. See the *Guide for Canadian Small Business* from Revenue Canada for details, or contact:

Canada Revenue Agency
32 Church Street
St. Catharines, ON L2R 3B9
1-800-959-5525

Employer Health Tax (EHT)

If your business has a cumulative annual payroll in excess of \$400,000, or if you're considered an associated employer, you are required to remit Employer Health Tax. Contact the Ministry of Finance for more information:

Ministry of Finance
119 King Street West, P.O. Box 2112
Hamilton, ON L8N 3Z9
1-800-263-9229

**Corporate Income
Tax**

If you've incorporated your business, you're required 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, ON L2R 3B9
1-800-959-5525

Section 6: Hiring Employees

Employer Number All businesses with employees are required to make payroll deductions for: Income Tax, Canada Pension Plan and Employment Insurance. You'll need a federal Employer Number if hiring employees. A kit for new employers can be obtained from:

Canada Revenue Agency – St. Catharines Tax Services Office
32 Church Street, PO Box 3038
St. Catharines, ON L2R 3B9
1-800-959-5525 or 905-688-5996

Workplace Safety and Insurance Board (WSIB) 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.** You'll need to contact WSIB within 10 days of hiring your first full-time or part-time worker. Employers who don't register are subject to prosecution and penalties. Owners, partners and executive officers are not automatically covered under the WSIB insurance plan, but can apply for optional insurance. For further information, contact 905-687-8622 or 1-800-263-2484.

Employment Standards The Employment Standards Act provides for minimum terms and conditions of employment in most industries. For more information contact the Ministry of Labour at 1-800-531-5551, or visit their website at <http://www.labour.gov.on.ca/english/>.

Section 7: Insurance

Insurance Requirements

- **Business Insurance**
Depending on the type of business that you plan to operate, various kinds of insurance are available to protect you and your business. Contact an insurance agent to determine the types of insurance that will apply to you.
- **Workplace Safety and Insurance Board (WSIB)**
Refer to the description and contact information provided in Section 6.

Section 8: Other Requirements

Trademarks, Copyrights and Patents

A trademark is a word, phrase, logo, picture, shape, mode of wrapping or packaging—or a combination of any of the above—that's used to specifically distinguish goods or services.

A copyright protects original literary, artistic, dramatic and musical works.

A patent gives the inventor the right to exclude others from making, selling or using the invention for 17 years. A patent is valid in Canada only. Patents must therefore be applied for in the various countries where you wish the item to be protected from duplication. It's advised that persons contemplating obtaining a patent should consult a patent agent or patent attorney, as the process is complex and can take anywhere up to 2½ years before the patent is granted.

For more information, please contact the Canadian Intellectual Properties Office (CIPO) at 819-997-1936, or visit their website at www.cipo.gc.ca.

Import/Export

If you're exporting, an export number is required by the Canada Customs and Revenue Agency. For more information contact 1-800-959-5525. You should also check with the Department of Foreign Affairs and International Trade for any necessary Import/Export Permits.

Both the Federal and Provincial governments have programs in place to assist new exporters. Refer to the "Articles and Resources" unit for a listing of websites and Exporting/Importing articles, or visit a Small Business Enterprise Centre.

Section 9: Checklist

- Municipal**
- Clerks Department (Municipal License)
 - Planning Department (Zoning)
 - Building Department (Sign/Building Permit)
 - Fire Department
- Regional**
- Public Health Department Inspection
 - Niagara Regional Police Services (Licensing Department)
- Provincial**
- Register Business Name (Master Business License) or Incorporate
 - Obtain Vendor Permit (PST#)
 - Check for any special Provincial licenses (MTO, Liquor License, etc.)
- Federal**
- Business Number (GST#)
 - Register employees with Revenue Canada
 - Call Workplace and Safety Insurance Board (WSIB)
 - Import/Export Permits
- Other**
- Business Insurance