



The First 10 Steps You Need To Take When Starting A Business in Canada



Get a credit card that you will ONLY EVER USE FOR BUSINESS EXPENSES

You can get a business credit card, or if you are not ready for that step, simply get a regular credit card, and use it *exclusively for business expenses*. Start this NOW. This way, you will have a concise list of all the costs you purchased for your business. This one simple thing will save you hours of work later, and potentially hundreds (even thousands) of dollars of bookkeeping services down the road.



Register your business name with your province

Not only is it important to confirm another business is not using the business name, but many provinces need you to register your business with the provincial government in order to operate. Each province has their own regulations regarding this. For example, when you register your business name in Ontario, they will issue you an Ontario Master Business License and also a provincial business identification number. Registering your business with your province is fairly quick and easy, and does not cost a great deal.



Get a business bank account that you ONLY EVER USE FOR BUSINESS EXPENSES AND INCOMES

Just like the credit card you started in step 1, get a business bank account and use it *exclusively for business transactions*. It will be the other concise list of all the expenses and incomes for your business. You can transfer your own funds in, and draw funds out, but do so in specific conscious noted transfers. Do not use it for personal purchases. Set this bank up now and you will be ready when it comes time to sign up for business insurance monthly pre-authorized debits, etc. This will save time later, as you will not need to go back and switch any payment methods.



Learn the difference between an Incorporated Business and a Non-Incorporated Business, and find out the basics of how they are taxed.

There are a lot of misconceptions on how businesses are taxed. People tend to draw their conceptions from both types of business structures at the same time, but they are actually very different. Knowing just the basics of how a corporation is taxed vs how personal business income is taxed could save you thousands in taxes.

Find out more on the differences and how they are taxed at StartABusinessRight.ca



Find an accountant that offers business advisory services. Ask for input on the best way to structure your business.

Not all accountants offer the same services. Some are focused on compliance only. The value you can get from an accountant is not in only *doing* your taxes, but in *planning* your taxes. Find out the details of what you can claim as expenses, and what you will be taxed on. Confirm that they are able to meet with you mid-year to review how your business is doing, and to discuss proactive tax planning. Accountants are not bookkeepers. These are two different roles.

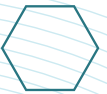
Get a checklist of what to ask your accountant at StartABusinessRight.ca



Learn about GST/HST. Understand how it saves you money. Decide if you want to register for GST/HST

Businesses registered for GST/HST are given back the GST/HST they spend on their business purchases. But, they also have to collect it on their sales. Done correctly, being registered for GST/HST will save you thousands of dollars. It takes extra work to track, and is costly if you are late filing and remitting, so be aware of the details if you choose to register earlier than required.

Learn more about GST/HST at StartABusinessRight.ca



Learn about the Federal CRA Business Number. Register if needed.

The Federal CRA (Canada Revenue Agency) Business Number is not the same thing as the Provincial Business Identification number. The Federal CRA Business Number is 9 digits. You need to register for it ONLY if you need to register for one of the CRA Business Program Accounts; GST/HST, Employee Payroll Taxes, Corporation Taxes, etc. If you register for GST/HST you will be issued a 9 digit CRA Business Number, with the tail ending "RT0001" at the end. Then if you need to register for an employee payroll tax account, you use that same 9 digit CRA Business Number, with the tail ending "RP0001" at the end. Some provinces use this number for their own use too. For example, WCB in Nova Scotia use your 9 digit CRA Business number and put their own tail on it; "NW0001".



Create a Calendar for Business Deadlines. Have it close by and accessible.

As your business gets started, you will begin learning about different payment deadlines, such as Sales Tax, Payroll tax, Workplace Insurance, Hotel Tax, etc. Keep your Business Calendar close at hand (digital or paper, whatever works for you), and put in the deadlines as you learn about them.



Connect with your local Business Development Centre to learn about grants, regulations, supports, etc, specific to your area. Connect with your Industry Association if there is one for your industry.

Both of these associations are invested in your success as a business and provide free services and information specific to what you need to know. You will need to research the regulations specific to your jurisdiction and industry, and these two associations are a great resource.

Get the "Ultimate New Business Research Checklist" at StartABusinessRight.ca



Decide how to keep track of your paperwork and data.

Having a dedicated credit card and bank is a great place to start, but you still need to track the details and keep the paperwork. Be intentional and decide a process and create a plan now. Get a file box, keep a large plastic envelope in your car, create a dedicated home for the paperwork now and stick to using it. File by month. It will save a huge amount of time down the road. Online Tools are great too, such as Receipt Bank, for saving your paperwork digitally on the fly for later. Connect with a bookkeeper to see what applications and processes they suggest, and to review your work. Do not wait until the end of the year to look at the totals, you will want to look at them monthly. Also, write down your odometer reading and start a mileage log. You will need to know what your percentage of km for business were at the end of the year, so start that now. There are apps for this too!

Find out all the best tools, tips, and hacks at StartABusinessRight.ca

