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# BUSINESS REGISTRATION IN CANADA

A PRESENTATION FOR THE CANADIAN ABORIGINAL AND  
MINORITY SUPPLIER COUNCIL (CAMSC)

DENISE ROBERTSON, MILLS & MILLS LLP

SEPTEMBER 30, 2025

# SPEAKER

Denise Robertson is a Partner at Mills & Mills LLP and serves as Chair of the firm's Business Law Group. Since joining the firm in 2005, Denise has built a practice advising private businesses on a wide range of legal issues. Her practice focuses on providing practical legal guidance to help clients navigate complex regulatory environments and achieve long-term success.

Denise has extensive experience supporting sole proprietors and privately-held businesses in a variety of sectors. She also regularly supports businesses expanding into Canada.

Denise is a frequent speaker on topics of interest to private business owners including starting a business, buying and selling businesses, the importance of putting agreements in writing and minimizing legal risk during business growth.

In this session, Denise will share foundational knowledge on registering a business in Canada. She will highlight practical steps, common challenges, and key resources available to refugee entrepreneurs, offering valuable insights to help participants confidently begin their business journey.



**Denise Robertson**

Partner and Group Chair of the Business Law Group

Mills & Mills LLP

# DISCLAIMER

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This Presentation is not meant to be an authority or to take the place of legal advice relating to specific facts or situations.

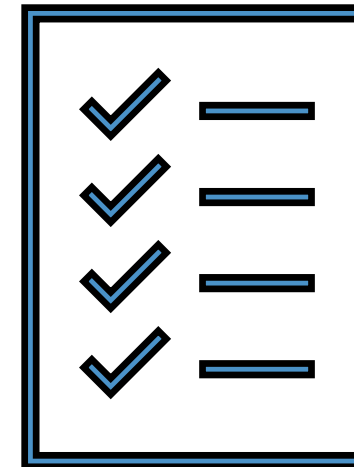
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# AGENDA

1. Importance of Business Registration
2. Forms of Business Organization
3. Advantages and Disadvantages
4. Guide to Registration
5. Regulatory Compliance
6. Common Pitfalls and How to Avoid Them
7. Resources and Support Available



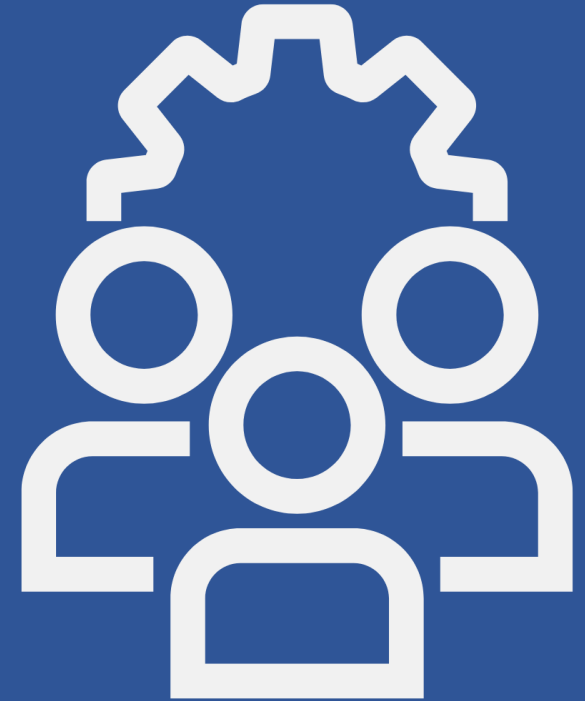
# IMPORTANCE OF REGISTRATION

- Legal Recognition and Protection
- Tax Compliance and Benefits
- Access to Funding and Banking
- Credibility on the Market
- Operational Growth

# FORMS OF BUSINESS ORGANIZATION

There are two basic forms of business organization available in Canada:

- 1. Unincorporated Business**
- 2. Incorporated Business**



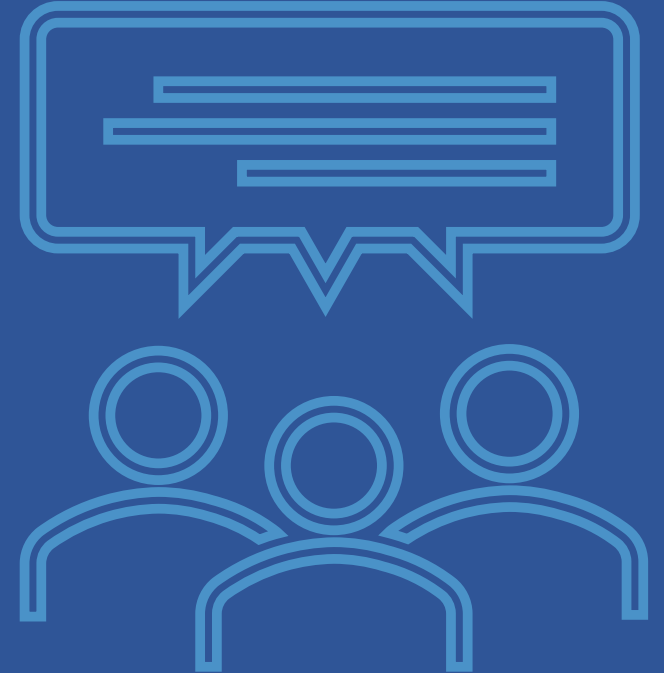
# UNINCORPORATED BUSINESS

- (a) Sole proprietorship - a business owned by one person. The owner has complete control over the business, and receives all of the profits, but is personally liable for all of the debts and liabilities of that business, and this liability extends even to personal property and assets.
  
- (b) Partnership – an unincorporated business where there are two or more owners/partners. A Partnership Agreement is entered into to define the management responsibilities, interests in the business, and allocation of profits for each partner. Each partner is jointly and severally liable for the debts of the partnership.

# INCORPORATED BUSINESS

A corporation is a separate and distinct legal entity. Ownership of a corporation is through the ownership of shares in its capital stock and shareholders are not personally responsible for the corporation's debts.

A corporation can own property, enter contracts, sue or be sued independently of its shareholders.







# ADVANTAGES

Unincorporated Business	Corporation
Simple and inexpensive set-up	Limited personal liability
Full control	Possible lower tax rates
Tax Simplicity	Perpetual existence and simple to change ownership
Less compliance requirements	Supports credibility and growth
Easy banking	Business name protection

# DISADVANTAGES

Unincorporated Business	Corporation
Unlimited personal liability	Higher start-up and ongoing maintenance costs
No continuity	Increased ongoing compliance requirements
Hard to scale or sell	Tax on profits and tax on dividends
Limited access to funding and credits	Government legislation and regulation

# GUIDE TO REGISTRATION

1. Choose a business structure
2. Requirements for Sole proprietorship registration (Ontario)
  - Register a business name
  - CRA registrations
3. Requirements for Partnership Registration (Ontario)
  - Register a firm name and file a declaration
  - Prepare and sign a Partnership Agreement
4. Provincial Incorporation (Ontario)
  - Ontario NUANS name search
  - File Articles of Incorporation and pay government filing fee
  - Prepare organizing documents: By-laws, Consents, Organizing Resolutions, Share Subscriptions, Registers
  - File Initial return
  - Open bank account (Articles required)
  - Appoint accountant
5. Federal Incorporation (Canada)
  - Similar steps as provincial
  - File extra-provincial registration in applicable provinces

# GUIDE TO REGISTRATION

## Director Residency Considerations

*Canada Business Corporations Act*

Section 105(3) - At least twenty-five per cent of the directors of a corporation must be resident Canadians. However, if a corporation has less than four directors, at least one director must be a resident Canadian.

Section 2(1) - **Resident Canadian** means an individual who is

- (a) a Canadian citizen ordinarily resident in Canada,
- (b) a Canadian citizen not ordinarily resident in Canada who is a member of a prescribed class of persons, or
- (c) a permanent resident within the meaning of subsection 2(1) of the [Immigration and Refugee Protection Act](#) and ordinarily resident in Canada, except a permanent resident who has been ordinarily resident in Canada for more than one year after the time at which he or she first became eligible to apply for Canadian citizenship.

*Ontario Business Corporations Act* – as of July 2021, no residency requirement for directors

# REGULATORY COMPLIANCE

1. Regulatory and licensing requirements for your business
  - Municipal, provincial and federal levels
  - Consult Biz-pal and other resources
2. Annual requirements (Corporations)
  - Preparation of financial statements and Canada Revenue Agency tax filings
  - Annual meetings of directors and shareholders or written resolutions in lieu of meetings, Annual Returns, Individuals with Significant Control Registers
3. Business Name Renewals (Sole Proprietorships)
  - File a renewal every five years

# COMMON PITFALLS AND HOW TO AVOID THEM

1. Misunderstanding business structures
  - Review online resources
  - Re-evaluate needs as business grows
2. Not separating personal and business finances
  - Keep records and receipts of all business-related transactions
  - Personal guarantees
3. Missing deadlines or filings
  - Input important dates in a calendar
  - Ensure current contact information is up to date
4. Failure to maintain proper records and registrations
  - Corporate records and accounting records
  - Register in all provinces where you do business

# RESOURCES & SUPPORT AVAILABLE

## ➤ Websites/tools

- Government of Ontario - [Start a business in Ontario | ontario.ca](https://www.ontario.ca/start)
- Government of Canada - [Starting a business - Canada.ca](https://www.canada.ca/start)
- CRA - GST/HST for businesses - [GST/HST for businesses - Canada.ca](https://www.cra.gc.ca/gst/hst)
- BizPal - Home – [Home - BizPaL](https://www.bizpal.ca/)

## ➤ Local small business centres and newcomer services

## ➤ Jumpstart and CAMSC support opportunities

## ➤ Seek accounting, legal and other professional advice

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# THANK YOU

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# QUESTIONS?

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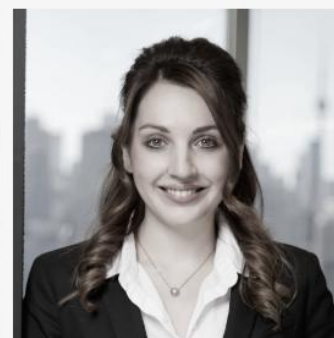


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