

## Reporting Taxes

Proprietors and partners are taxed personally on their share of income after business expenses. Business income includes money you earn from a profession, trade, manufacturing activity or any other activity you take on in the quest for profit and there is evidence of profit or loss.

Most business income is reported using the **accrual method** of accounting on a calendar-year basis. This means you have to report income in the fiscal period you earn it, regardless of when you receive payment. Similarly, you deduct allowable expenses in the fiscal period in which you incur them, whether or not you pay for them in that period.

As an employer you should keep records of sales and expenses using a journal, deposit slips, bank statements, cancelled cheques and receipts.

As an employer you must withhold:

- Income tax
- Canada Pension Plan Contributions
- Unemployment Insurance Premiums

As the owner of the business you must also file an Income Tax Return. Individuals fill out a T1 General Income Tax and Benefit Return. Corporations fill out a T2 Corporate Income Tax Return. Both of these tax returns are used to determine your income and your income tax obligations under Canadian law.

As an employer you may also qualify for tax credits when filing income tax. Tax credits are allowed against income to provide tax relief and encourage economic development. Tax credits may be available for small business, employment, investment, manufacturing and more.

For more information contact:  
*The Canada Revenue Agency*  
Ph. 1-800-959-5525 (Toll Free)  
[www.cra.gc.ca](http://www.cra.gc.ca)

## The Canada-Saskatchewan Business Service Centre

The Canada-Saskatchewan Business Service Centre is your gateway to the world of information about business. Their role is to help you find the facts you need to start or grow a business in Saskatchewan. There is no charge for the service.

### The CSBSC helps entrepreneurs get answers on:

- Starting a business
- Developing a business plan
- Marketing strategies
- Trade and export requirements
- Financing a business
- Locating suppliers
- Tax and regulatory matters
- Government Information

### TeleCentre

Phone one of the friendly, well-informed Business Information Officers. Call 306-956-2323 in Saskatoon or 1-888-576-4444 toll free between 8 am and 5 pm weekdays.

### In Person

You can browse through the resource library, or a Centre representative can help you. There are four public workstations at the Centre for business use. The Centre is located at [#2 - 345 – 3rd Avenue South](#) in Saskatoon.

### Internet Website

Bookmark the **business inforsource** website at [www.canadabusiness.ca/sask](http://www.canadabusiness.ca/sask) for access to a world of business information at your fingertips.

### E-mail

Contact **business inforsource** at [saskatchewan@cbssc.ic.gc.ca](mailto:saskatchewan@cbssc.ic.gc.ca) with your comments or questions.

Saskatoon Open Door Society Inc.



Employment Services Unit

## Small Business Start-Up Resources & Information



## Step 1: Pick a Business Type

### Proprietorship

- The simplest form of business. The owner, a single individual, assumes all responsibility and all profit or losses.  
Ex. Daycare or cleaning business

### Partnership

- A form of business where two or more people combine resources and form an agreement to make a profit.  
Ex. A restaurant or cleaning business

### Corporation

- A form of business that becomes its own legal entity separate from the investors.  
Ex. WalMart, McDonald's, Tim Horton's

## Step 2: Register With the Province of Saskatchewan

### Proprietorships & Partnerships

\$50.00 Mandatory Name Search  
\$65.00 Registration Fee

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Total Cost: \$115.00

### Corporations

\$50.00 Mandatory Name Search  
\$265.00 Registration Fee

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Total Cost: \$315.00

Saskatoon Open Door Society Inc.



## Step 3: License and Register Your Business

	Cleaning Business	Restaurant	Daycare
<b>Municipal Business License</b> - This license is required in each municipality you operate your business Cost: \$95	✓	✓	Not required. A special Child Day Care License is needed instead.
<b>PST License &amp; Registration Number</b> - Businesses that sell goods and taxable services are required to become licensed as a retailer and are responsible for collecting and remitting tax on a regular basis Cost: Free	✓	✓	✓ Cost: Free
<b>Business Number</b> - If your annual gross revenue exceeds \$30,000 you must register the business with the Canada Revenue Agency in order to receive GST compensation Cost: Free	✓	✓	Not required. The Child Day Care License replaces this.
<b>Building/Fire Inspection</b> - Before purchasing or leasing future business locations, buildings must be inspected for safety compliance Required if not home-based.		✓	✓

## For More Information Contact These Organizations:

<b>General Questions:</b> <i>The Canada-Saskatchewan Business Service Centre</i> Ph. 1-888-576-4444 (Toll Free)	<b>Municipal Business Licenses:</b> <i>City of Saskatoon</i> 222 - 3rd Avenue North Saskatoon, SK S7K 0J5 Ph. 306-975-7710 or 306-975-2658	<b>Building Inspections:</b> <i>Saskatoon Fire &amp; Protective Services</i> 125 Idylwyld Drive South Saskatoon, SK S7M 1L4 Ph. 1-306-975-2520
<b>Registration With the Province:</b> <i>Corporations Branch</i> 200, 1871 Smith Street Regina, SK. S4P 4W5 Fax: (306) 787-8999 www.corporations.justice.gov.sk.ca	<b>Business Numbers:</b> <i>Saskatoon Tax Services</i> Goods and Services Tax 340 - 3rd Avenue North Saskatoon, SK. S7K 0A8 Ph. 1-800-959-5525 (Toll Free)	<b>PST License &amp; Registration:</b> <i>Department of Finance</i> Education and Health Tax 2350 Albert Street Regina, SK. S4P 4A6 Ph. 1-800-667-6102 (Toll Free)