

How to Open a Small Business in Canada

Follow these 12 essential steps to launch your business successfully.

1. Market Research

- ☐ Identify your target market and customer needs
- ☐ Research competitors and industry trends
- ☐ Determine your unique selling proposition (USP)

2. Business Plan

- ☐ Outline your business idea, goals, and strategies
- ☐ Include financial projections and operational plan
- ☐ Plan marketing and sales activities

3. Choose Your Name

- ☐ Select a business name that is unique and memorable
- ☐ Ensure it meets provincial/federal naming rules
- ☐ Check domain availability if creating a website

4. Select Your Structure

- ☐ Decide between sole proprietorship, partnership, or corporation
- ☐ Consider liability, taxation, and growth potential
- ☐ Understand obligations for each structure



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5. Register Your Business

- ☐ Register your business with the appropriate provincial or federal authority
- ☐ Obtain a business number
- ☐ File any additional registrations required for your structure

6. Licenses and Permits

- ☐ Identify licenses and permits required for your industry and location
- ☐ Apply through municipal, provincial, or federal channel
- ☐ Keep documentation accessible for compliance

7. GST/HST

- ☐ Determine if you must register (over \$30,000 annual revenue)
- ☐ Register for a GST/HST number online or via CRA
- ☐ Understand filing and remittance requirements

8. Build a Budget

- ☐ Estimate startup costs: equipment, inventory, marketing, and operational expenses
- ☐ Create a cash flow plan
- ☐ Allocate funds for unexpected costs



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9. Tax Requirements

- ☐ Understand federal and provincial taxes (income, payroll, sales)
- ☐ Learn about deductions, credits, and reporting obligations
- ☐ Set up accounting or bookkeeping systems

10. Business Insurance

- ☐ Consider liability, property, and professional insurance
- ☐ Evaluate coverage based on business type and risks
- ☐ Review policies annually

11. Industry Regulations

- ☐ Research compliance requirements for your sector
- ☐ Follow health and safety, employment, zoning, and IP laws
- ☐ Keep records of regulatory compliance

12. Secure Financing

- ☐ Explore funding options: loans, grants, and alternative lenders
- ☐ Prepare documentation to support applications
- ☐ Ensure you have sufficient working capital for launch and operations



Pro Tip

- Stay organized and maintain accurate records
- Seek advice from accountants, lawyers, or business mentors
- Review and update your plan as your business grows



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