

ServiceOntario

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Companies and Personal Property
Security Branch

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BUSINESS INFORMATION GUIDE

- A **business name registration** refers to a registration under the *Business Names Act*. It expires after 5 years and must be renewed. The Ministry of Government and Consumer Services (MGCS), Companies and Personal Property Security Branch, maintains a registry of business names of sole proprietorships, general partnerships, Ontario limited liability partnerships, extra-provincial limited liability partnerships, extra-provincial limited liability companies and business names registered for a corporation operating with a name other than its corporate name. A business name registration should not be confused with an incorporation (see corporation) or a business licence (see business licence).

A Corporation may operate under a name other than its legal corporate name by filing a Form 2 under the *Business Names Act*. The operating name cannot have the legal endings of Incorporated, Inc., Corporation, Corp., Limited or Ltd.

- A **business identification number (BIN)** is the number assigned by the Companies and Personal Property Security Branch, Ontario Business Information System (ONBIS) to your business name registration. This is not your federal business number issued by the Canada Revenue Agency.
- A **business number (BN)** is a federal numbering system that replaces the multiple numbers businesses require to deal with government. The business number includes Goods and Services Tax (GST), payroll deductions and/or corporate income tax.
- A **Business Licence** is required by particular businesses in order to operate in Ontario. This is *in addition* to the business name registration. For example, “Joe’s Garage” is required to register its business name with the Companies and Personal Property Security Branch and obtain a licence in order to operate as a garage. To determine if your business will be affected by local regulations, licences, municipal business tax or zoning requirements contact the clerk of the city, town, village or rural municipality where your business will be located. These numbers can be found in the Blue Pages of the Telephone Directory under the appropriate heading (e.g. Licences and Permits).
- A **Master Business Licence (MBL)** is issued when a business name is registered under the *Business Names Act*. The Master Business Licence can be used as proof of business name registration at financial institutions and to facilitate any other business-related registration with the Ontario government.
- **Sole Proprietorship** refers to an unincorporated business with one (sole) owner. The owner must be an individual. It is NOT a corporation. The business name of a sole

proprietorship is registered by filing a Form 1 under the *Business Names Act*.

- **General Partnership** refers to an unincorporated business with 2 or more owners. The general partnership may consist of individuals, corporations or other unincorporated businesses. This is not the same as a limited partnership. The business name of a general partnership is registered by filing a Form 1 under the *Business Names Act*.
- A **Limited Partnership** is a special type of partnership that consists of at least one general partner and one or more limited partners. It is not incorporated. Generally speaking, subject to the *Limited Partnerships Act*, general partners have unlimited liability, while limited partners have limited liability up to the amount that they contribute or agree to contribute to the limited partnership. Filing a Declaration, Form 3, with the Registrar under the *Limited Partnerships Act* forms a limited partnership. Extra-provincial limited partnerships must also file a declaration with the Ministry of Government and Consumer Services to carry on business in Ontario.
- A **Limited Liability Partnership** is a partnership, other than a Limited Partnership, that is formed or is continued as a Limited Liability Partnership in Ontario under **Section 44.1** of the *Partnerships Act*.
- An **Extra-Provincial Limited Liability Partnership** is defined in **subsection 1.1(1)** of the *Partnerships Act* as a limited liability partnership formed under the laws of another jurisdiction but does not include an extra-provincial limited partnership within the meaning of the *Limited Partnerships Act*. The law under which an EP LLP is formed determines how it is governed and the personal liability of its partners as per **subsection 44.4 (4)** of the *Partnerships Act*.
- An **Extra-Provincial Limited Liability Company** is defined in **subsection 2.1(1)** of the *Business Names Act* as an unincorporated association, other than a partnership, formed under the laws of another jurisdiction that grants to each of its members limited liability with respect to the liabilities of the association. For more information regarding interpretation, consult a lawyer.

If you need a lawyer, you may wish to contact the Lawyer Referral Service of the Law Society of Upper Canada. You will be referred to a lawyer for up to a half-hour free legal consultation, either in person or over the phone. Please note that this is a toll service and phoning the Lawyer Referral Service line will automatically generate a \$6.00 charge on your phone bill, in the month following your call. You must be 18 years of age to access this service. The number is 1-900-565-4577 (1-900-565-4LRS).

- A **Corporation** is an incorporated entity with its own rights and responsibilities as a distinct person under the law. A business corporation is owned by the shareholders and managed by directors chosen by the shareholders. The owners of a corporation are not personally responsible for the debts of the corporation. The corporation is responsible for its debts. A corporation should not be confused with an unincorporated business name registered under the *Business Names Act*.
- A **Business Corporation** is a business entity incorporated under the Ontario *Business Corporations Act*. The purpose of a business corporation is to make a profit for its owners. A business corporation is distinguished by the use of the following legal

endings within the corporate name: Incorporated, Inc., Corporation, Corp., Limited, Ltd.

- A **Not-For-Profit Corporation** carries on its activities without the purpose of gain for its members. It is incorporated under the *Corporations Act* as a corporation that does not issue shares. It must have not-for-profit purposes, and use any profits to promote those purposes. The most common types are: charitable (including religious organizations), social clubs, service clubs, sporting and athletic organizations, professional and trade associations, ratepayers' associations, and other community organizations. A not-for-profit corporation may have Incorporated, Inc., Corporation or Corp. as a legal ending but it is not a requirement.

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(aussi disponible en français)