

When you operate a business in Ontario, you are responsible for charging, collecting, and remitting the appropriate taxes. Your business type, location and legal structure will determine which taxes will apply to you, and what you will need to submit. If you are self-employed, or if your business is a partnership, you are responsible for including your business income and expenses on your personal tax return. If your business is incorporated, you are required to file a separate corporate tax return.

Reporting Self-Employed Income

If you are self-employed and not incorporated, you must report your business income on your T1-General income tax return. Any money that you make through your business must be claimed on your tax return and business expenses that you are claiming should also be included.

Reporting Corporate Income

Corporations have requirements for filing taxes that differ from the requirements for sole-proprietorships and partnerships. If you own or operate a corporation, you will be required to file a corporate income tax return with the Canada Revenue Agency.

Business Number & HST

Your Business Number is your single account number for dealing with the federal government regarding taxes, payroll, import/export and other activities. If you plan to hire employees, or if you will be importing and/or exporting products or services, you must register for a business number.

If you sell goods and services in Ontario, you may need a business number to charge, collect and remit the Harmonized Sales Tax (HST). Most businesses that make less than \$30,000 in any 12 month period are not required to register for HST; however, you can register voluntarily and claim input tax credits. Speak with the Canada Revenue Agency (CRA) for more information.

Contact CRA:

1-800-959-5525

www.businessregistration.gc.ca

Charging Sales Tax Outside of Ontario

When you sell products or services to customers that are located in other provinces, territories or countries, you may be required to charge taxes based on their location. The regulations may vary depending on the method of selling (e.g. online sales, mail orders, phone orders). To find out what the requirements are for selling to non-Ontario customers, contact the appropriate tax office for the province, territory or country where your customers are located.

Municipal Taxes

Each municipality sets tax rates that may apply to your business, including rates for commercial property tax. To learn more about local tax requirements that will affect your business, contact your local municipal tax office: **1-800-959-8281 for individuals, or 1-800-959-5525 for business and self-employed**

To be used for general information only. Sourced from Canada Business Ontario, with information from:

<i>Taxation Act, 2007</i> (Provincial)	<i>Corporations Returns Act</i> (Federal)
<i>Income Tax Act</i> (Provincial)	<i>Excise Tax Act</i> (Federal)
<i>Income Tax Act</i> (Federal)	<i>Employment Insurance Act</i> (Federal)