



Licensing and Registering Your Business

This publication is intended to provide general information only and is not a substitute for legal advice.

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The Government of Alberta licenses or registers businesses under the *Fair Trading Act*, *Charitable Fund-raising Act*, *Cemeteries Act* and the *Cooperatives Act*.

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BUSINESSES REQUIRING A LICENCE

The following types of businesses and persons are required to be licensed or registered by Service Alberta (municipal licensing or approvals may also be required):

- Auctions
- Cemeteries
- Cemetery pre-need contract sales and salespersons
- Charitable organizations
- Collection and debt repayment agencies
- Collectors and debt repayment agents
- Cooperatives
- Direct (door-to-door) sellers
- Energy marketing companies and energy marketers
- Employment agencies
- Fund-raising businesses
- Mausoleums
- Monument sales and monument salespeople
- Payday Lenders
- Prepaid contractors
- Retail home sales (mobile homes, modular homes, packaged homes)
- Travel clubs

It is an offence to operate a business without the required licence. Other types of businesses may be licensed through other government departments, municipalities or agencies. Some businesses do not need any type of licence.

Although a business may hold a licence or a registration, it is not an endorsement of the company nor does it guarantee the quality of goods or services offered.

APPLYING FOR A LICENCE OR REGISTRATION

If you are not sure if your particular business requires a provincial business licence or registration or to get a copy of the licensing or registration forms, visit our website at www.servicealberta.ca (click Businesses/Charities) call Service Alberta toll-free at 1-877-427-4088 or contact a Service Alberta licensing officer:

Calgary

301, 7015 MacLeod Trail South
Calgary, Alberta, T2H 2K6
(403) 297-5743

Edmonton

3rd Floor, 10155-102 Street
Edmonton, Alberta, T5J 4L4
(780) 422-1335

Be sure to provide all the information required on the application form and attach all the required documents. If you do not provide what is needed, your licence may be delayed or refused.

Security

Some businesses are required to provide a security as part of the licensing requirements as an additional protection for consumers.

A consumer may be able to claim on the business's security if it has been negligent in performing its services. For more information on the need for and amount of security required, contact Service Alberta.

Direct sales licence

The Fair Trading Act and applicable regulations require specific information to be included in a direct sales contract worth more than \$25. A direct sale is one that is negotiated or concluded away from the seller's normal place of business (i.e. in a customer's home).

Visit the Service Alberta website or call toll-free in Alberta at 1-877-427-4088 for more information on direct door-to-door sales.

Additional contract requirements are also required for prepaid contracting and energy marketing businesses. When you apply for a business licence, you will be provided with the information you need for your type of business.

Operating without the correct licence could affect your direct sales contract. Consumers have a legal right to cancel the contract within one year from the date they signed the contract if:

- The business is not properly licensed;
- The contract doesn't contain the required information; or
- The goods are not delivered or if the services have not commenced within 30 days of the contract date or an amended contract date.

RESPONSIBILITIES AS A LICENSEE

Once you are licensed, you must notify Service Alberta of any changes to your business that might affect your licence or registration; such as:

- A change in ownership. Provincial licences are not transferable. You must notify Alberta Government Services within 15 days of a change of ownership.
- A change of business location or mailing address (within 15 days of the change).

- Any change in the services offered by the business (e.g. a prepaid contractor licensed to build decks and fences expands to constructing garages or a vacuum salesperson decides to sell cookware). Some licences are specific to products or services. Please note that until your licence is amended to reflect the change in services, you are not licensed to carry out those additional services. To do so is an offence under the *Fair Trading Act*.

BUSINESS LICENCE SEARCH

You can check to see if a business is licensed by Service Alberta by using the Business Licence search feature on our website at www.servicealberta.ca. The following information is available:

- Whether a business is licensed by Alberta Government Services
- The legal business and company name
- The address of the business
- The provincial licence type
- Whether the business has posted a security or is required to post one

CORPORATE REGISTRY SERVICES

Service Alberta is responsible for the *Business Corporations Act*, *Partnership Act*, *Companies Act*, *Societies Act*, *Religious Societies Land Act*, *Cooperatives Act* and the *Cemetery Companies Act*. Companies, corporations or partnerships will register their business to confirm the existence and ownership of the business and to determine the business's liabilities and responsibilities. Registration of a trade name or sole proprietorship officially records the owner and the name of the business. For more information on business registrations, call Service Alberta toll-free at 1-877-427-4088 or visit our website at www.servicealberta.ca

You may want to get advice from a lawyer or accountant to help you determine the type of business registration, if any, that is most appropriate for you.

REGISTRATION OF A BUSINESS NAME

To register a corporation, partnership or trade name, you must file information with a registry agent or law firm that is trained and authorized to complete one or more types of business registration.

Service Alberta registers societies and non-profit companies directly.

To find an authorized service provider for trade name, partnership or corporation registration:

- Look under Licence and Registry Services in the yellow pages of the telephone book
- Contact your local registry agent
- Call Corporate Registry at (780) 427-2311

Three main business types

The three main types of business organizations registered with Corporate Registry Services are trade names or sole proprietorships, partnerships and limited companies or corporations.

Trade name or sole proprietorship

This is considered the simplest type of business. It can only have one owner.

Partnership

Joint partners sign a formal agreement that indicates who is responsible for the obligations and liabilities of the business. There are three kinds of partnership: ordinary partnership, limited partnership and limited liability partnership.

Limited company or corporation

The words limited, incorporated or corporation (or their abbreviations Ltd., Inc. or Corp.) indicate the business is incorporated. This means a distinct legal entity or corporate person has been established that is separate from the business owners. A corporation is normally formed to protect the shareholders from certain liabilities and obligations or to provide some tax advantages.

A current version of this and other consumer tipsheets are available at the Service Alberta website www.servicealberta.ca. Most public libraries have Internet access if you don't have access at home.

If you need more copies of this tipsheet, you have permission to photocopy.

FOR MORE INFORMATION

For More Information on Licensing Requirements in the Funeral, Insurance, Automotive, or Real Estate Industry contact:

Alberta Funeral Services Regulatory Board

Edmonton: (780) 452-6130
Toll free in Alberta: 1-800-563-4652
E-mail: afsrb@telusplanet.net
www.afsrb.ab.ca

Alberta Insurance Council

Edmonton: (780) 421-4148
Calgary: (403) 233-2929
E-mail: info@abcouncil.ab.ca
www.abcouncil.ab.ca

Alberta Motor Vehicle Industry Council

Edmonton: (780) 466-1140
Toll free in Alberta: Investigations: 1-877-313-3833
Licensing: 1-877-979-8100
www.amvic.org

Real Estate Council of Alberta

Calgary: (403) 228-2954
Toll free in Alberta: 1-888-425-2754
E-mail: recainfo@reca.ab.ca
www.reca.ab.ca

If you are looking for information about starting or expanding your business, or about government programs or services, contact

The Business Link Service Centre

Edmonton: (780) 422-7722
Toll free: 1-800-272-9675
www.cbbsc.org/alberta