

Country Fact Sheet Canada



General country information	
Form of government	Constitutional Monarchy
Administrative organisation	
Area (in km ²)	9093507 km2
Population	34,278,400 at January 1, 2011 (estimate)
Official language	English, French
Capital	Ottawa
Number of inhabitants in capital city	over 1.1 million

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Legal Forms

Legal Form in English	Description	Trade registered	Participants	Remarks
Proprietorship	A business structure in which an individual and his/her company are considered a single entity for tax and liability purposes. The owner does not pay income tax separately for the company, but he/she reports business income or losses on his/her individual income tax return. The owner is inseparable from the proprietorship, so he/she is liable for any business debts.	No	Proprietor	
General Partnership	A partnership is formed when two or more persons agree to carry on a business together. This agreement can be written or oral. The distinguishing feature of a partnership is the unlimited liability of the partners. Each partner is personally liable for all of the debts of the partnership. That includes any debts incurred by any of the other partners on behalf of the partnership. Any one partner is able to bind the partnership by entering into a contract on behalf of the partnership.		Partner	

Legal Form in English	Description	Trade registered	Participants	Remarks
Limited Partnerships	<p>A limited partnership consists of one or more general partners and one or more limited partners. The same person can be both a general partner and a limited partner, as long as there are at least two legal persons who are partners in the partnership. The general partner is responsible for the management of the affairs of the partnership, and has unlimited personal liability for all debts and obligations.</p> <p>Limited partners have no personal liability. The limited partner stands to lose only the amount which he has contributed and any amounts which he has obligated himself to contribute under the terms of the partnership agreement. Limited partnerships are often used as investment vehicles for large projects requiring a considerable amount of cash. Individual limited partners contributing money to a venture, but not having management powers, will not have any personal liability for the debts of the business</p>		General Partner Limited Partner	
Corporation	A corporation is a business or organization formed by a group of people, and it has rights and liabilities separate from those of the individuals involved.		Shareholder Director Officer	

Legal Form in English	Description	Trade registered	Participants	Remarks
Nova Scotia Unlimited Liability Companies	Generally speaking, for income tax purposes, corporations incorporated either federally or provincially are not permitted to flow profits and losses through to their U.S. shareholders. The one exception to this general rule is an entity called an unlimited liability company, which may be incorporated under the Companies Act, Nova Scotia. It is an anomaly and basically works as follows: a Nova Scotia unlimited liability company is treated as a Canadian corporation for Canadian tax purposes. However, for U.S. tax purposes, a U.S. shareholder of a Nova Scotia unlimited liability company may elect to treat it as a "flow through" entity/partnership. In other words, from a U.S. tax perspective, the income or loss of the Nova Scotia unlimited liability company will be attributed to the U.S. shareholder. Because a Nova Scotia unlimited liability company is taxed as a corporation in Canada and may be treated by a U.S. shareholder as a flow through entity, Nova Scotia unlimited liability companies are frequently used for tax purposes by U.S. entities carrying on business in Canada. The downside is that the shareholders do not have the benefit of protection from the corporation's debts. There is full recourse to shareholders. Liability is "unlimited".		Shareholder Director Officer	*Now also available in Alberta
Limited Liability Company (LLC)	A business structure that is a hybrid of a partnership and a corporation. Its owners are shielded from personal liability and all profits and losses pass directly to the owners without taxation of the entity itself.		Member	
Limited Liability Partnership (LLP)	Another name for a Limited Liability Company, often used by professional associations. The partner or investor's liability is limited to the amount he/she has invested in the company.		Partner	

Number of companies

Main Legal Form	Total number of companies	Thereof active companies	Remarks
At June, 2009 there were 2,289,329 businesses reported in Canada. A breakdown by legal form and activity is not available.			

Trade Register

Company Register	Companies Register Bulletin	Unique Identifiers	Access
In Canada companies are registered at the federal level or at the provincial level. There is no single registry for corporations.			

Land Register

Land Register	Information Available	Unique Identifiers	Access
Land Registry is handled at the municipal level and there are hundreds of land registry offices throughout the country.			
While public information, the registry office will not provide searches or documents via telephone request			
Searches are done in person, in office.			

Registration Office (B2C)

Registration Office for Individuals	Information Available	Unique Identifiers	Access
In Canada individuals are identified by a government issued Social Insurance Number; primarily for taxation purposes.			
This number and information from the issuing government body; Human Resources Development Canada is not publicly available.			

Annual Accounts

Measure of non-disclosure	Company Size	Access
In Canada privately owned companies are not required to make public their financial information.		
The Securities Act requires that publicly traded companies submit both annual and quarterly reports. Annual accounts for publicly traded companies are filed with 90 days of the fiscal year end.		

Solvency Data

Public Available Solvency Data	Explanation and Relevance	Access	Remarks
BANKRUPTCY- CONSUMER	usually takes between 6 and 9 months for a discharge		
PROPOSAL – CONSUMER	consumer proposes to pay a portion of his debt to creditors instead of filing for bankruptcy.		
BANKRUPTCY – COMMERCIAL	a company can file voluntary bankruptcy by order of its directors or be forced into bankruptcy by a creditor, or via a decision by creditors to decline a proposal.		
PROPOSAL – COMMERCIAL	operates much the same as a consumer proposal.		
INTENTION TO FILE PROPOSAL - COMMERCIAL	used by a company when it fears a creditor will try to move in and shut the company; acts as a stay of proceedings		
RECEIVERSHIP – COMMERCIAL	can be voluntary (by director's decision) or involuntary (forced by creditors) a person (receiver) is appointed to take possession of the firm's assets which will be sold for payment to creditors.		
CCAA (COMPANIES' CREDITORS ARRANGEMENT ACT)	firm is under court protection from creditors allowing it to restructure no central database in Canada to search for CCAA filings		
* With the exception of CCAA filings, all insolvency types are filed with the federal government on a subscriber/fee basis			