Incorporation Mistakes Checklist

The traps non-residents fall into, and how to clear each one | Open Corporation For $35

Mistake 1. Treating incorporation as a transaction

- ☐ Diarise the annual return in every jurisdiction you register in.
- ☐ Diarise the corporate tax return, due six months after year end.
- ☐ Update the register when directors or shareholders change.
- ☐ Missed filings can lead to administrative dissolution.

Mistake 2. Underestimating the registered office

- ☐ It must be a real street address, never a PO box.
- ☐ It must sit inside the jurisdiction of incorporation.
- ☐ Someone must be able to receive mail during working hours.
- ☐ Confirm any virtual office service actually satisfies the rule.

Mistake 3. Ignoring tax registration

- ☐ Incorporating does not register you for any tax account.
- ☐ Apply for the Business Number after the certificate arrives.
- ☐ Add GST/HST once sales pass $30,000 a year.
- ☐ Add payroll before anyone working in Canada is paid.

Mistake 4. Choosing the wrong jurisdiction

- ☐ Federal requires at least 25% resident Canadian directors.
- ☐ Ontario and British Columbia have no residency rule.
- ☐ Alberta requires at least 25%.
- ☐ Pick on where you will trade and who can be a director, not on fee alone.

Mistake 5. Overlooking banking

- ☐ Start the application the day the certificate arrives.
- ☐ Prepare passports, incorporation documents and the BN letter.
- ☐ Approach more than one bank; non-resident policies vary widely.
- ☐ Budget for monthly fees and international wire charges.

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Mistake 6. Buying on price alone

- ☐ Check what the quoted fee actually includes.
- ☐ Confirm whether the registered office is included or extra.
- ☐ Confirm whether CRA registration is included.
- ☐ Ask what support exists after the certificate is issued.

Mistake 7. Neglecting long-term functionality

- ☐ Put a shareholder agreement in place where there is more than one owner.
- ☐ Keep the minute book, bylaws and share register current.
- ☐ Register extra-provincially before trading in a new province.
- ☐ Review governance annually as the business changes.

Before you file, confirm

- ☐ The registered office address is real and in the right jurisdiction.
- ☐ The director residency rule for your chosen jurisdiction.
- ☐ The name search is complete and approved.
- ☐ The full first-year cost, including the annual filings.

Want this handled for you?

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