

BN, NEQ, GST/QST numbers, account numbers, and so on... How to Make Sense of It All?

By Stéphanie Séguin



At both the federal and provincial levels, contacting the public authorities regarding a simple request for information may be easier said than done. Which one of us hasn't cooled his heels at the end of the line, while waiting for the proper subject matter, the proper department, and the proper extension number only to hear the famous "all our agents are busy, please stay on the line..."? The old proverb—**slow and steady wins the race**—is true; maintaining one's calling priority is essential! Once someone has answered us, we are asked to identify ourselves so that our file can be located quickly. We feverishly search the pile of paperwork in front of us for the identification number requested. But which one is it?

The following practical guide will help you recognize and find the all-purpose numbers and identifiers used by government departments and agencies for fiscal purposes. It also explains how these numbers are used and the procedure for obtaining them. We will deal only with numbers attributed to incorporated entities.

Business Number ("BN")

Numéro d'entreprise

The BN is a numbering system which simplifies dealings between businesses and the federal government.

The BN has two components:

- a registration number (9 digits)
- an account identifier (6 characters) which is subdivided into two components:
 - type of account (2 characters)
 - account number (4 digits)

Here is an example:

registration number

319873012

account identifier

RP 0002

type of account account number

The registration number identifies your business and is unique. This number will remain the same, no matter the type or number of accounts you have.

There are four types of accounts:

RC : Corporate income tax

RM : Import/Export

RP : Payroll deductions

RT : GST/HST



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The account number indicates the number of accounts associated with a type of account which a business has. In the example above, the business has a second payroll deductions account.

There are several ways to get your BN. However, before registering, you must have certain information on hand, including, among other information, the name of the business, the location where it will operate, its legal structure and its fiscal year end. Furthermore, you should consider several factors to determine when to register, such as your legal obligations, the nature of your business and of your sales. It is strongly recommended that you open your accounts with the Canada Customs and Revenue Agency (the "CCRA") shortly before the start of your business activities so that you will be ready to fulfill your obligations, such as making payroll deductions on your employees' salaries and filing tax returns.

In order to obtain your BN, you must complete Form RC1, *Request for a business number*, which is available on the CCRA website at www.ccra-adrc.gc.ca or at www.businessregistration.gc.ca. You can register by telephone, in person, by mail, by fax or through the Internet.

In general, new corporations automatically receive a BN from the CCRA within 45 days after their date of constitution at the federal or provincial level. Persons doing business in Canada must register for the GST. Moreover, persons doing business in Quebec must register for the QST.

For businesses located in Quebec, the BN does not include the GST/QST account, because pursuant to an agreement between the federal and provincial governments, the Ministère du Revenu du Québec ("MRQ") administers the tax on behalf of the CCRA. If you plan to register your business only for the GST/QST in Quebec, you do not need to complete Form RC1 which relates to the GST, but rather Form LM-1, *Application for registration*, which is available on the MRQ's website at www.revenu.qc.ca.

If you register for a GST/QST account with the MRQ **before** you apply to the CCRA for a BN account, the CCRA will use the GST account number attributed to you by the MRQ as the principal number for your BN accounts.

If you open a GST/QST account with the MRQ **after** you register for the BN with the CCRA, the MRQ will give you a GST account number based on your BN.

Quebec Enterprise Number ("QEN")

Numéro d'entreprise du Québec

The QEN, sometimes called the registration number, is a numbering system which allows you to identify yourself when contacting the various departments and agencies of the government of Quebec.

The QEN is comprised of ten (10) digits and is assigned to you when you register your business in the business register maintained by the Inspector General of Financial Institutions (the "IGFI"). Registration is compulsory for all incorporated entities which carry on business in Quebec. As soon as a business is registered, it is automatically included in the IGFI's register.



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If your business is a company that is constituted under Part 1A of the *Companies Act* (Quebec), in order to register it you must file an Initial declaration. If your business is a corporation constituted that is under the *Canada Business Corporations Act* or if it is a foreign corporation which carries on business in Quebec or has its head office there, you must file a Declaration of registration. You can access these forms (in French only) on the IGFI's website at <https://ssl1.igif.gouv.qc.ca>.

Other Quebec Numbers

Registration number GST/QST number Source deductions number

After its constitution, an incorporated entity may be required to register with the MRQ for one or more purposes, such as the GST/QST or source deductions if the corporation is an employer.

To register for these various purposes, you must complete Form LM-1 and file it with the MRQ. Once the application has been processed, the MRQ will assign the following numbers to your business:

- **Registration number (if the business is incorporated)**

This number is comprised of ten (10) characters and is used for income tax purposes.

Example: 9-ZZBM-4208-1

- **GST/QST number**

QST: This number is comprised of sixteen (16) characters and is used for the purposes of the Quebec Sales Tax.

Example: 3251992370 TQ0001

GST: This number is comprised of nine (9) digits and is used for the purposes of the Goods and Services Tax. This number is the same as the BN.

Example: 346881217

- **Source deductions number**

This number is comprised of sixteen (16) characters and is used for the purposes of source deductions other than the income tax which the employer is required to withhold.

Example: 1092346698 RS0001

We hope this quick reference guide will help you find your way in the maze of numbers and identifiers used by the fiscal authorities in Quebec and Canada. Do not hesitate to contact us if you have further queries.

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