

QUESTIONS AND ANSWERS

NEW BUSINESS LICENCE BYLAW #859

Q1: WHY WAS THE BUSINESS LICENCE BYLAW UPDATED?

This new Bylaw will better support the business community by:

- Requiring fewer forms to obtain a licence;
- Creating a more equitable rate structure;
- Providing value through the availability of an online directory, as well as market research; and
- Better measures to ensure compliance

Q2: WHEN DOES THE NEW BUSINESS LICENCE BYLAW COME INTO EFFECT?

The new Business Licence Bylaw is effective as of July 10, 2018; after Council 3rd and final reading.

Q3: DOES THIS BYLAW REPLACE THE OLD BUSINESS LICENCE BYLAW?

Yes. Business Licence Bylaw #859 replaces Bylaw #624 as well as the amendment #645.

Q4: WHAT ARE THE MAIN CHANGES?

- Fewer form requirements;
- A tiered rate structure based on size of business;
- Higher fines for noncompliance;
- Availability of an online business directory; and
- Availability of market research data

Q5: WHAT IS THE NEW RATE STRUCTURE?

- The new tiered structure provides five different types, or classes, of business licences.
- The class of a business is determined by a points system; the more that a business has, the more points it will receive.
- For workers who are employed for more than six months a year:
 - One full time employee is one point
 - One part-time employee is half of a point
- For seasonal employees, less than six months a year:
 - One full-time seasonal employee is half of one point
 - One part-time seasonal employee is a quarter of one point
 - For locally-based businesses, rates range from \$50 for a micro business, to \$500 for a business with more than 15 full-time employees.
 - For non-locally-based businesses, rates range from \$125 to \$1,000.

- The only exception is Airbnb businesses, which will be considered a class 4 (micro business); large accommodation e.g. hotels will be based on class

Business Licence Fees			
	Class of Business	New Business or Renewal after February 1	Renewal on or before January 31
Resident	Class 1 (Large): 15.25 points or more	\$500.00	\$450.00
	Class 2 (Medium): 5.25 – 15 points	\$300.00	\$250.00
	Class 3 (Small): 3.25 – 5 points	\$200.00	\$150.00
	Class 4 (Micro): 1-3 points	\$100.00	\$50.00
	Class 5 (Hobby): less than 1 point	\$50.00	\$25.00
Non-Resident	Class 1 (Large): 15.25 points or more	\$1,000.00	\$900.00
	Class 2 (Medium): 5.25 – 15 points	\$750.00	\$650.00
	Class 3 (Small): 3.25 – 5 points	\$500.00	\$400.00
	Class 4 (Micro): 1-3 points	\$250.00	\$150.00
	Class 5 (Hobby): less than 1 point	\$125.00	\$75.00

Q6: WHO NEEDS A BUSINESS LICENCE?

As a general rule, anyone conducting any kind of business activity regularly or semi-regularly requires a business licence. For additional inquiries and further information, please contact the City’s Economic Development Officer.

Q7: WHY DO BUSINESSES REQUIRE A LICENCE? WHAT IS IT FOR?

The City requires a businesses to obtain a licence to:

- Ensure business activities are occurring in locations zoned for that activity;
- Ensure that businesses are operating in good standing with the City; and
- Continuously review business activity, to ensure that we are meeting the needs of investors and the private sector.

Q8: ARE THERE SOME BUSINESSES THAT DON’T REQUIRE A LICENCE?

Yes. A business licence is not required if you are:

- An Inuk artist
- A hawker or peddler (someone who sells art around town) selling art on behalf of Inuk artists
- A crown corporation operating under the municipal, territorial, or federal government
- An Inuk hunter, fisherman or berry-picker

Q9: IS THERE A PENALTY IF YOU DON’T HAVE A BUSINESS LICENCE?

Yes. The new Business Licence Bylaw has fines for non-compliance.

Q10: WHAT IS THE PENALTY?

Businesses will pay five times the price of a business licence for that business.

Q11: IF I ONLY WORK ONE-WEEK IN IQALUIT, DO I NEED A BUSINESS LICENCE?

No. You only need a business licence if you conduct business physically in Iqaluit for more than one week.

Q12: IF I DON'T LIVE IN IQALUIT, BUT OCCASSIONALLY HAVE A CONTRACT IN IQALUIT, DO I NEED A BUSINESS LICENCE?

It depends on how much work you do here. If you are in Iqaluit for more than one week per year doing work on contracts, you will need a business licence. You would be considered a non-resident seasonal business.

Q14: IF I PAID \$250 FOR A BUSINSS LICENCE THIS YEAR, AND MY NEW LICENCE IS ONLY \$100, WILL I RECEIVE A REFUND?

No. Refunds are not issued under the previous or current bylaw.