

## Quiz: Starting to work – Working for yourself

6 questions

1. Even if you don't have employees or operate out of a physical commercial space, the work you do when you're self-employed is considered a small business. There are multiple types of businesses. What is the difference between a sole proprietorship and a partnership?
  - ☐ There is no difference. Both terms mean that you run a small business.
  - ☐ A partnership is a registered business, while a sole proprietorship is not a registered business.
  - ☐ A sole proprietorship has only 1 owner, and a partnership has more than 1 owner.
  - ☐ A sole proprietorship only ever has 1 client, and a partnership has multiple clients.
2. Employers will deduct their employees' contributions to either the Canada Pension Plan (CPP) or the Quebec Pension Plan (QPP) from their pay and contribute a certain amount in their name. Do you have to contribute to the CPP or QPP as a self-employed worker?
  - ☐ Yes
  - ☐ No
3. Registering for a Canada Revenue Agency (CRA) business number and goods and services tax/harmonized sales tax (GST/HST) account will allow you to charge GST/HST. A self-employed business needs to charge GST/HST only if it has earned more than \$30,000 over the last 4 calendar quarters.
  - ☐ True
  - ☐ False
4. Keeping good records is essential for and beneficial to self-employed individuals. Which of the following statements about record keeping for self-employed individuals are not true? (Choose all that apply.)
  - A. Complete and organized records may mean lower taxes for you.
  - B. Successful use of records may show the trends in your business.
  - C. Good records can show expenses you may deduct and tax credits you may be eligible for.
  - D. Complete bookkeeping only requires keeping track of business expenses.
  - ☐ A, B, and C
  - ☐ B and C
  - ☐ A and C
  - ☐ D
5. You have until June 15 to file your tax return as a self-employed individual. If you have an amount owing, do you have to make this payment by the April 30 deadline?
  - ☐ Yes
  - ☐ No

6. You may need to pay for a number of things to earn your income. These are your business expenses. Deductible expenses include which of the following? (Choose all that apply.)
- A. Advertising
  - B. Insurance
  - C. Some travel expenses
  - D. Business licences and memberships
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- ☐ A, B, and C
  - ☐ B, C, and D
  - ☐ A, B, C, and D
  - ☐ A, C, and D

## Answer Key: Starting to work – Working for yourself

1. A sole proprietorship has only 1 owner, and a partnership has more than 1 owner
2. Yes
3. False
4. D
5. Yes
6. A, B, C, and D