

# Year-End Tax Review Checklist for Canadian Small Businesses

*Maximize savings, minimize stress, and stay ahead of CRA deadlines!*

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## 1. Review Financial Statements

- Reconcile **bank accounts**, credit cards, and loans.
- Verify **accounts receivable/payable** (aging reports).
- Confirm **inventory counts** (if applicable) and adjust valuations.
- Review **shareholder loans** (ensure they're properly documented).

*CRA Tip:* Discrepancies in shareholder loans can trigger audits.

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## 2. Confirm Tax Deadlines

*Mark these critical dates:*

Task	Deadline
T2 Corporation Return	6 months after the fiscal year-end
T4 Slips (Employees)	February 28
GST/HST Annual Return	3 months after the fiscal year-end
Instalment Payments	Quarterly (Mar 15, Jun 15, etc.)

- Schedule a **mid-year tax review** with your accountant.
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## 3. Maximize Deductions & Credits

- Home Office Expenses**
  - Calculate workspace % (e.g., 200 sq.ft. / 1,000 sq.ft. home = 20%).
  - Claim utilities, rent, maintenance, and internet (up to net business income).
- Vehicle Expenses**
  - Track **business km** (logbook required if claiming >\$3,000).
  - Choose method: **actual expenses** vs. **per-km rate** (2024: \$0.68/km).
- Capital Cost Allowance (CCA)**
  - Depreciate eligible assets (e.g., equipment, tech).
  - *Don't overclaim:* CRA may disallow aggressive depreciation.
- Charitable Donations**

- Keep receipts for donations made in the business's name.
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## 4. Update Business Records

- Employee/Contractor Documents**
  - Ensure T4s, T4As, and T5s are accurate.
  - Verify contractor invoices include GST/HST (if registered).
- Asset Purchases**
  - Add new equipment/software to your **CCA schedule**.
- Expense Receipts**
  - Digitize missing receipts (use apps like Expensify or Shoeboxed).

*CRA Rule:* Records must be kept for **6 years**.

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## 5. GST/HST Compliance Check

- Confirm GST/HST registration status (mandatory if >\$30k in 4 quarters).
- Reconcile **GST/HST collected** vs. **Input Tax Credits (ITCs)**.
- File overdue returns (penalty: **6% interest + 5% late fee**).

*Pro Tip:* Use accounting software (e.g., QuickBooks) to auto-track GST/HST.

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## 6. Plan for Next Year

- Adjust **tax instalments** if revenue fluctuates (use CRA's *Instalment Calculator*).
- Review **corporate structure** (e.g., sole proprietorship vs. incorporation).
- Set up a **tax savings account** for installments.
- Book a **2025 tax strategy session** with your CPA.

*Sources: Canada Revenue Agency (T2 deadlines, GST/HST rules), TaxTips.ca (deductions), CPA Canada (shareholder loans).*

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*This checklist is a general guide. Consult a tax professional for advice specific to your business.*

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