

# Canadian Small Business Income Tax Checklist

*If your small business is not incorporated, you must report your business income and expenses on a separate schedule as part of your T1 Personal Tax Return.*

*If your small business is incorporated, you have a corporation and must file a T2 Corporate Tax Return. This is separate from your T1 Personal Tax Return which you must also file.*

## Self-Employed Tax Return

- Income and expense summary for the current filing year
- Income and expense summary for the last year you filed
- Last year's tax return (or last year filed) including but not limited to:
  - Capital Cost Allowance Schedule
  - Business-use-of-home expenses
  - Motor Vehicle Expenses
- Any correspondence and documents received from the Canada Revenue Agency or provincial government, including (but not limited to):
  - Notice of Assessment or Notice of Reassessment for last two years of tax return filing, GST/HST/ or QST/PST Sales Tax Account, and Payroll Tax Account
  - Workers Compensation Board
- A copy of all installments made for income tax, GST/HST, QST/PST, and payroll. *Include the type, the amount and the date paid*
- Copies of GST/HST or QST/PST forms filed during the filing year and the last year filed, as well as forms received but not filed
- Copy of all NETFILE confirmations
- T4 and T5 slips and summaries, including:
  - Statement of source deductions made during the last year you filed and any received during the current filing year
  - Calculations of source deductions and net pay for each employee in the filing year (if you have employees)
  - Taxable benefits paid to or on behalf of employees in the filing year (if you have employees)

## Bookkeeping and Accounting Documents

- Copies of all bank and credit card account statements for the month before and after your year-end
- Bank and credit card reconciliations: List of all payments received and cheques written prior to year-end that had not cleared the bank
- Accounts Receivable: List of outstanding customer/client amounts owed to you at year-end (include amounts you do not expect to collect)
- Accounts Payable: Outstanding amounts you owe to your suppliers and vendors at your year-end
- Inventory Count: List of all unsold goods including counts and costs of all items on hand
- A detailed Asset Listing of all assets acquired since the business' inception, including date of purchase and original cost
- Invoices for all Capital Assets purchased or sold in the current filing year. *A capital asset is anything that you purchased that lasted more than one year (e.g. computers, printers, furniture, etc.)*
- Copies of any loan documents or lease agreements in place during the current filing year
- Copy of any electronic bookkeeping or accounting files (*e.g. Simply Accounting, QuickBooks, Quicken, Excel*). Please be sure to include any login and password information that will be required to access the file(s)

## T2 Corporate Tax Return (Last Fiscal Year)

*All of the above in the Self-Employed Tax Return checklist, plus the following:*

- Financial Statements for the current fiscal year and prior fiscal year (if applicable)
- Copy of prior year's T2 Corporate Return (if applicable)
- Copy of Certificate of Incorporation: Certificate that you received when your company was incorporated
- Copy of your Shareholders or Central Securities Register: *Listing of all of the existing shareholders of all classes of shares and any changes to the shareholders over time*
- Copy of the Corporation's most recently filed Annual Report: *It lists changes to officers and directors and contains any shareholder or director's annual resolutions*
- All forms, slips and other documents required to complete your current fiscal year return aside from the summary of income and expenses above