

Here's a comprehensive **Corporate Tax Preparation Checklist** for businesses in Canada. This checklist covers most things a client will need to know and gather before bringing their tax information to our accountants for preparation and filing:

1. **Organizational Details:**

- **Business Structure:** Determine the legal structure of your corporation (e.g., sole proprietorship, partnership, or corporation).
- **Business Number (BN):** Ensure you have a valid Business Number issued by the Canada Revenue Agency (CRA).
- **Incorporation Documents:** Gather your articles of incorporation, bylaws, and any other relevant legal documents.

2. **Financial Records:**

- **Financial Statements:** Collect your year-end financial statements, including the balance sheet, income statement, and cash flow statement.
- **Bank Statements:** Obtain bank statements for all business accounts.
- **Sales and Expense Records:** Compile records of sales, expenses, and other financial transactions.
- **Payroll Records:** If you have employees, gather payroll records, including T4 slips and payroll summaries.

3. **Corporate Tax Information:**

- **Previous Year's Tax Returns:** Provide copies of your corporation's previous year's T2 tax return.
- **Shareholder Information:** List the names and ownership percentages of all shareholders.
- **Director Information:** Include details of directors (if different from shareholders).
- **Business Address:** Ensure accurate information about your corporation's registered address.

4. **GST/HST Information:**

- **GST/HST Registration:** Verify your GST/HST registration status and provide your GST/HST account number.
- **GST/HST Returns:** Gather records related to GST/HST collected and paid during the year.

5. **Assets and Depreciation:**

- **Fixed Assets:** List all fixed assets (e.g., equipment, vehicles, buildings) and their purchase dates.

- **Depreciation Schedule:** Provide details on asset depreciation and any capital cost allowance (CCA) claims.

**6. Liabilities and Debts:**

- **Loans and Debts:** Document outstanding loans, mortgages, and other liabilities.
- **Interest Expenses:** Keep track of interest paid on loans and debts.

**7. Tax Credits and Deductions:**

- **Research and Development (R&D) Credits:** If applicable, gather R&D expenditure details.
- **Small Business Deduction:** Understand eligibility for the small business deduction.
- **Other Tax Credits:** Be aware of other available tax credits (e.g., investment tax credits, eco-energy credits).

**8. Shareholder Loans and Dividends:**

- **Shareholder Loans:** Record any loans made to or from shareholders.
- **Dividends:** Document dividends paid to shareholders.

**9. Record Keeping:**

- **Maintain Proper Records:** Understand the importance of keeping accurate records for audit purposes.
- **Retention Period:** Know how long you need to retain financial records (usually six years).

**10. Consult with Professionals:**

- **Accountant:** Schedule a meeting with your accountant to review your financials and discuss tax planning.
- **Legal Advisor:** Consult a legal advisor for any legal or compliance-related matters.

Remember that tax laws and regulations can be complex, so seeking professional advice is crucial. Your accountants will use this information to prepare your Corporate Income Tax Return (T2) accurately. If you have specific industry-specific considerations or unique circumstances, discuss them with our accounting team.