The Owner-Manager's Year-End Tax Checklist

A friendly, plain-English list from The Tax Gazebo. It's general information for educational purposes only — not personalized tax or financial advice. Check with your own advisors for guidance specific to your circumstances, and confirm current dates and limits before you act.

Before your corporation's year-end (whatever date that is)

- ☐ Decide your **salary vs. dividend mix** for the year — mind RRSP room, CPP, and income smoothing.
- ☐ Consider whether to **declare a bonus**; an accrued bonus can be deductible now if it's paid within the required window.
- ☐ Time any **major equipment or capital purchases** to land before year-end where the write-off actually helps.
- ☐ Check **shareholder loan balances** — repay on time to avoid an unwanted income inclusion.
- ☐ Pay **reasonable salaries to family members** who genuinely work in the business (income splitting, done right).
- ☐ Review **passive investment income** — too much can grind your small-business deduction.
- ☐ Make sure **mileage logs, home-office details, and receipts** are current, not reconstructed in April.

Before December 31 (personal)

- ☐ **Tax-loss selling** — trades must settle in time, so don't leave it to the 31st.
- ☐ Make any **charitable donations** you want to claim this year.
- ☐ **RESP** contributions (to capture the grant) and **FHSA** contributions.
- ☐ Plan **TFSA** withdrawals now if you'd like to re-contribute on January 1.
- ☐ Bundle **medical expenses** into the most favourable 12-month window.
- ☐ Pay deductible **investment interest and expenses** by year-end.
- ☐ Confirm your **tax instalments** are made and on time.

The conversations worth booking with your accountant

- ☐ Is my **salary / dividend mix** still right for this year?
- ☐ Should I **bonus down** to manage the small-business limit or passive income?
- ☐ Am I offside on **shareholder loans** or anything else CRA might flag?
- ☐ If I'm thinking of **selling** — does the Lifetime Capital Gains Exemption apply?
- ☐ Does **incorporating still fit**? *(See "When Should You Incorporate? — The Bucket.")*

One more thing. If any of these raise a question, bring it to the gazebo — reply to any of my emails, or ask at **thetaxgazebo.ca/ask**. The best questions become future articles and episodes.