

Barbershop Tax Checklist

Ten checks for your shop

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Work through these across the year, not in April.
Who works for you and what reached the till drive the rest.

- ☐ **1 Chair status settled**
Renter or employee tested against CRA factors.
- ☐ **2 Agreements in writing**
Terms matching how the shop actually runs.
- ☐ **3 Tips recorded**
Card and cash tips in the payroll records.
- ☐ **4 Terminal reconciled**
Processor totals matched to reported revenue.
- ☐ **5 Threshold tracked**
Chair rent counted toward the \$30,000 limit.
- ☐ **6 Fit-out classified**
Class 13 for fixed, Class 8 for free-standing.
- ☐ **7 Packages deferred**
Prepaid cuts held until actually delivered.
- ☐ **8 Family wages supported**
Timesheets and job descriptions on file.
- ☐ **9 Shareholder loan watched**
Balance reviewed quarterly, not at year end.
- ☐ **10 Records retained**
Six years from the filing date.

PRO TIP

Chair rent creates risk of loss and supports contractor status.
A percentage split usually does not. Choose the structure deliberately.

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