Holding Company Timing Checklist

Ten checks before you decide the timing

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Too early costs money, too late costs the exemption. Work through these ten items before your consultation, and bring the answers with you.

- [ ] 1 **Total your retained earnings**
  Beyond what the business actually needs.
- [ ] 2 **Check how long surplus has sat**
  Two unused years is the clearest signal.
- [ ] 3 **Total investment income across the group**
  The grind starts at $50,000 combined.
- [ ] 4 **Note any sale or succession horizon**
  The QSBC period runs 24 months.
- [ ] 5 **Test QSBC status now**
  The operating company must qualify throughout.
- [ ] 6 **Assess liability exposure**
  Job site, lease, supplier or platform risk.
- [ ] 7 **List owners and share classes**
  More owners means more to agree in advance.
- [ ] 8 **Confirm net profit level**
  Below $100,000 the cost usually outweighs it.
- [ ] 9 **Decide federal or provincial**
  Based on where the group operates.
- [ ] 10 **Budget for the second T2**
  One return per corporation, every year.

PRO TIP

One trigger is enough to act on. Waiting for a second usually means the sale timeline has already tightened, and the 24-month holding period cannot be shortened.

What happens next

1. Free consultation
2. Flat fee, HST included
3. Timed and set up

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