Section 85 Incorporation Checklist

Ten steps before you incorporate

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Work through these ten before your consultation. Almost all of it has to happen before the assets move, not afterwards when the return is being prepared.

- [ ] 1 **Asset inventory taken**
  Cost, UCC and value for every item.
- [ ] 2 **Goodwill valued**
  Written support from a qualified appraiser.
- [ ] 3 **Eligible assets sorted**
  Cash and receivables separated out.
- [ ] 4 **Elected amounts modelled**
  Per asset class, floor to fair market value.
- [ ] 5 **Boot decided**
  Any cash out kept within the elected amount.
- [ ] 6 **Share structure agreed**
  With your lawyer, before incorporation.
- [ ] 7 **Section 22 considered**
  Where receivables are transferring.
- [ ] 8 **Section 167 diarised**
  GST/HST election within 30 days.
- [ ] 9 **First year end chosen**
  Up to 53 weeks from incorporation.
- [ ] 10 **Form T2057 filed**
  Both parties signed, earliest deadline met.

PRO TIP

Speak to us before you incorporate, not after.
Once the assets have moved at market value, the conversation changes from planning to damage.

What happens next

1. Assets valued
2. Fixed fee quoted
3. Incorporated

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