Heavy Equipment Operator Accounting Checklist

Gondaliya CPA Professional Corporation | Year end 2026 | Incorporated heavy equipment operators

Separating personal and business money

- [ ] Business-only bank account opened and used exclusively
- [ ] One credit card dedicated to business spending
- [ ] No personal costs posted to the business ledger
- [ ] Shareholder loan balance tracked and documented
- [ ] Repayment terms recorded for any owner draw
- [ ] Shareholder loan repaid within the period the Act allows
- [ ] Accounts reconciled monthly

Loans, leases and equipment

- [ ] Every machine loan split into principal and interest
- [ ] Amortisation schedule held for each financing agreement
- [ ] Lease payments distinguished from purchase financing
- [ ] Asset register lists each machine with purchase and in-service dates
- [ ] Excavators recorded in Class 38 at 30%
- [ ] Trucks and trailers recorded in Class 10 at 30%
- [ ] General equipment recorded in Class 8 at 20%
- [ ] Half-year rule and the reinstated incentive applied correctly
- [ ] Recapture and terminal loss modelled before any disposal

Revenue, WIP and receivables

- [ ] Progress billings matched to work actually completed
- [ ] Work in progress adjusted at the fiscal year end
- [ ] Holdback schedules maintained by contract
- [ ] Deposits tracked separately from earned revenue
- [ ] Disputed draws recorded rather than left off the books
- [ ] Aged receivables reviewed monthly
- [ ] Bad debts written off with documented collection attempts

Payroll, slips and workers

- [ ] Each worker tested against control, tools and integration
- [ ] T4 slips issued to employees, T4A where a contractor applies
- [ ] CPP and EI deducted correctly every pay period
- [ ] Source deductions remitted by the 15th for a regular remitter
- [ ] T5018 filed for subcontractor construction payments

- [ ] WSIB coverage confirmed for the correct worker category
- [ ] Timesheets and logs checked monthly

GST/HST, filing and records

- [ ] Registered once revenue passed the $30,000 threshold
- [ ] Reporting period confirmed and returns filed on time
- [ ] GST/HST timing on progress draws and holdbacks reviewed
- [ ] Bare rentals distinguished from operated rentals
- [ ] Input tax credit invoices showing registration numbers retained
- [ ] Fuel card charges matched to machine hour readings
- [ ] T2 filed within six months of the fiscal year end
- [ ] Instalments recalculated against expected taxable income
- [ ] Objection deadline diarised at 90 days on any assessment
- [ ] Six years of records retained, electronic records included

Bring three things to your free consultation

1. Your equipment loan and lease agreements
2. Your asset register with purchase and in-service dates
3. Your last filed corporate return

Educational information only, not tax or legal advice. Reflects CRA rules current to 2026.
Outcomes depend on your own facts. Please consult a licensed CPA before acting.