Millwork Company Tax Checklist

Gondaliya CPA Professional Corporation | Year end 2026 | Incorporated millwork companies

Equipment and capital cost allowance

- [ ] Fixed asset register lists every machine with its acquisition date
- [ ] Commissioning date recorded so available for use can be proved
- [ ] Capital cost allowance class confirmed for each asset
- [ ] Class 29 used for manufacturing and processing equipment
- [ ] Clean energy generation property recorded in Class 43.1 or 43.2
- [ ] Zero-emission vehicles recorded in Class 54 or 55
- [ ] Reinstated accelerated investment incentive applied where it fits
- [ ] Immediate expensing considered on qualifying property
- [ ] Class 10.1 ceiling of $39,000 applied to 2026 vehicle acquisitions
- [ ] Recapture and terminal loss modelled before any disposal
- [ ] Purchases timed against the fiscal year end rather than the calendar

Manufacturing and processing rate

- [ ] Labour hours split between manufacturing and installation
- [ ] Timesheets support the split for each pay period
- [ ] Building use split between manufacturing and other purposes
- [ ] Records retained showing the basis for the allocation
- [ ] Manufacturing and processing rate claimed on qualifying income
- [ ] SR&ED reviewed on jig, fixture and process development work
- [ ] SR&ED project files kept contemporaneously, not reconstructed
- [ ] SR&ED claim filed within eighteen months of the year end

Small business deduction and passive income

- [ ] Planned against a $500,000 federal business limit, not $600,000
- [ ] Business limit shared correctly across associated corporations
- [ ] Adjusted aggregate investment income measured each year
- [ ] Grind checked from $50,000, with the limit gone at $150,000
- [ ] Passive investments held separately from operating assets
- [ ] Association rules reviewed before any new corporation is added
- [ ] Active business income supported as active, not passive

Owner pay and family remuneration

- [ ] Salary, bonus and dividend mix reviewed this year
- [ ] Family members paid for real work at market rates
- [ ] Job descriptions and timesheets on file for every family employee
- [ ] Tax on split income exclusions tested before dividends are declared
- [ ] Bonuses paid within the period the Act allows for the deduction
- [ ] Shareholder loan balance reviewed quarterly
- [ ] Shareholder loans repaid within the period the Act allows
- [ ] IPP against RRSP considered for the owner-manager

Slips, records and filing

- [ ] T4 slips prepared for every employee including family
- [ ] Source deductions remitted on time for your remitter type
- [ ] Installers tested against the employee and subcontractor factors
- [ ] T5018 filed six months after your reporting period ends, not 31 March
- [ ] Reporting period chosen and applied consistently year to year
- [ ] T2 filed within six months of the fiscal year end
- [ ] Balance paid within three months for an eligible CCPC
- [ ] Objection deadline diarised at 90 days on any assessment
- [ ] Job costing files kept with labour, material, offcuts and scrap
- [ ] Six years of records retained, including payroll records

Bring three things to your free consultation

1. Your fixed asset register with acquisition and commissioning dates
2. A sample of subcontractor invoices
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.