Scaffolding Company Tax Checklist

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

Scaffold inventory and capital assets

- [ ] Asset register lists tube, frame, clamps, planks and decking
- [ ] Scaffold inventory capitalised rather than expensed as supplies
- [ ] Class 8 applied at 20% to scaffold inventory and yard equipment
- [ ] Small tools below the threshold allocated to Class 12
- [ ] Purchase and available-for-use dates recorded for each addition
- [ ] Half-year rule and the reinstated incentive applied correctly
- [ ] Recapture modelled before selling or trading inventory
- [ ] Purchases staggered across the year where cash flow allows

Holdbacks, billing and revenue

- [ ] Holdback schedule kept by contract, not one balance
- [ ] Substantial performance and lien expiry dates recorded
- [ ] Holdback receivable tracked apart from ordinary receivables
- [ ] Holdback payable to subcontractors tracked on the same basis
- [ ] Progress billings matched to work actually performed
- [ ] Rental days separated from erect-and-dismantle hours
- [ ] Work in progress adjusted at the fiscal year end

Business limit and structure

- [ ] Planned against a $500,000 federal business limit, not $600,000
- [ ] One business limit allocated across every associated corporation
- [ ] Association tested before adding a rental or labour entity
- [ ] Adjusted investment income measured against the $50,000 grind
- [ ] Specified investment business risk reviewed on a rental entity
- [ ] Intercompany rent supported by a formal agreement at market rate

Owner pay and shareholder accounts

- [ ] Salary, bonus and dividend mix reviewed this year
- [ ] Year-end bonuses paid within 180 days under subsection 78(4)
- [ ] Family wages supported by timesheets and market rates
- [ ] Tax on split income exclusions tested before dividends are declared
- [ ] Business-only bank account used for all company money
- [ ] Shareholder loan balance reviewed and documented monthly
- [ ] Shareholder loan repaid within the period the Act allows

- [ ] Directors' minutes recording pay and loan approvals

GST/HST, slips and records

- [ ] Registered and filing on the correct reporting period
- [ ] Input tax credits claimed on equipment, vehicles and yard costs
- [ ] Bare rentals and operated services treated correctly
- [ ] Vehicle logbook maintained for business kilometres
- [ ] Class 10.1 ceiling of $39,000 applied to 2026 vehicle acquisitions
- [ ] Meals and entertainment limited to 50%
- [ ] T4 slips filed by the last day of February
- [ ] T5018 filed six months after your reporting period ends
- [ ] T2 filed within six months of the fiscal year end
- [ ] 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 scaffold asset list with purchase dates
2. Your current holdback schedule
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.