Snow Removal Business Tax Checklist

Gondaliya CPA Professional Corporation | Year end 2026 | Incorporated snow removal businesses

Prepaid contracts and revenue timing

- [ ] Contract list shows every prepaid seasonal agreement and its term
- [ ] Money received before delivery carried as a liability at year end
- [ ] Retainers recognised over time, event fees when the work is done
- [ ] Deferred revenue released month by month across the season
- [ ] Route sheets tie the work performed to the period it was earned
- [ ] Schedule reconciled to signed contracts rather than estimated

Instalments and cash flow

- [ ] Instalments recalculated on expected taxable income, not last winter
- [ ] Quarterly dates diarised: 15 March, 15 June, 15 September, 15 December
- [ ] Instalment reduction considered after a mild season, with interest risk noted
- [ ] Off-season cash gap funded from reserves rather than high-interest credit
- [ ] Emergency fund sized from past maintenance and breakdown costs

Salt, materials and inventory

- [ ] Salt pile counted on the last day of the fiscal year
- [ ] Unused salt carried as inventory at cost, not expensed
- [ ] Usage logs reconciled to purchase invoices
- [ ] Municipal salt reports kept with the count sheets
- [ ] Input tax credits claimed in line with the records held

Equipment and capital cost allowance

- [ ] Asset register lists every plow, salter, spreader and truck
- [ ] In-service date recorded so available for use can be proved
- [ ] Plows, salters and spreaders recorded in Class 8 at 20%
- [ ] Trucks and trailers recorded in Class 10 at 30%
- [ ] Class 10.1 ceiling of $39,000 applied to 2026 vehicle acquisitions
- [ ] Reinstated accelerated investment incentive applied where it fits
- [ ] Recapture and terminal loss modelled before any disposal
- [ ] Buy, lease and rent compared against expected utilisation

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Crews, payroll and owner pay

- [ ] Each plow operator tested against control, tools, risk and integration
- [ ] Source deductions remitted on time for your remitter type
- [ ] Records of Employment issued promptly on seasonal layoff
- [ ] Employment Standards notice and recall rules followed
- [ ] Family members paid for real work at market rates with timesheets
- [ ] Tax on split income exclusions tested before dividends are declared
- [ ] Salary and dividend mix reviewed against RRSP room and CPP cost
- [ ] Shareholder loan balance reviewed quarterly and repaid in time

Compliance, records and filing

- [ ] GST/HST registered once revenue passed $30,000 on the rolling test
- [ ] Quick method considered against regular method
- [ ] Planned against a $500,000 federal business limit, not $600,000
- [ ] Adjusted investment income measured against the $50,000 grind
- [ ] Municipal licences and salt permits current
- [ ] Liability insurance premiums documented as business expenses
- [ ] T2 filed within six months of the fiscal year end
- [ ] Objection deadline diarised at 90 days on any assessment
- [ ] Six years of records retained, including payroll records
- [ ] No pricing or territory discussions with competitors, ever

Bring three things to your free consultation

1. Your contract list showing what has been prepaid
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.