

Twelve things to settle before your first Canadian payday

For foreign companies with staff working physically in Canada. Rules current to 15 October 2026.

- ☐ **List who works physically in Canada, and where**
By province, with start dates. This sets every other answer.
- ☐ **Register the Business Number and payroll account**
Form RC1, before the first payment. Form RC59 for a representative.
- ☐ **Determine your remitter type**
Regular below \$25,000 average monthly withholding, accelerated above.
- ☐ **Set up federal and provincial income tax deductions**
Provincial rates follow the employee location, not head office.
- ☐ **Apply CPP or QPP correctly**
Pensionable earnings above the \$3,500 exemption, matched by employer.
- ☐ **Apply EI where employment is insurable**
Employer share is roughly 1.4 times the employee rate.
- ☐ **Apply for certification well in advance**
NREC under 153(1.1) on Form NR301. Allow about three months.
- ☐ **Consider Regulation 102 waivers per employee**
Where full certification is not available for the company.
- ☐ **Check social security agreements**
A coverage certificate exempts CPP and EI only, never income tax.
- ☐ **Register for the provincial regimes**
Ontario EHT above \$490K, BC above \$500K, Revenu Quebec separately.
- ☐ **File T4 slips by February 28**
Even where certification removed the withholding obligation.
- ☐ **Keep day-level records six years**
Timesheets, waiver approvals and proof of timely remittance.

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