

Twelve things to settle on a Canadian POD business

For sellers licensing designs through print-on-demand platforms. Rules current to 27 October 2026.

- ☐ **Report the royalty, not the retail price**
What the platform paid you, not what the customer paid the platform.
- ☐ **Record it gross and expense the fees separately**
Netting them off hides the revenue and the deduction at once.
- ☐ **Delete any inventory figure from the accounts**
You never take title, so there is nothing to count, value or write down.
- ☐ **Stop claiming production and shipping costs**
The platform bears those. That is why your royalty is a fraction of retail.
- ☐ **Test registration against your own supplies**
Sections 148 and 240(1). The platform charging tax does not register you.
- ☐ **Work out the place of supply properly**
Section 142 and Schedule IX, not the shipping address on the order.
- ☐ **Convert each payout at its own date**
One blended annual rate produces a figure nobody can reconstruct.
- ☐ **Treat foreign withholding as a credit, not a fee**
Review it for credit eligibility before anything is deducted.
- ☐ **Find the contracts for commissioned artwork**
A licence and an assignment of copyright are different assets.
- ☐ **Separate software, artwork and stock licences**
Each has its own treatment. Some amortise, some expense now.
- ☐ **File the T2 with the right schedules**
Schedule 125 for revenue; Schedule 9 where a related corporation is involved.
- ☐ **Keep every record for six years**
Payout statements, fee breakdowns, FX worksheets and artwork contracts.

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