

Twelve things to settle before your year-end

For incorporated Canadian sleep clinics. Rules current to 8 October 2026.

- ☐ **Draw the capital line first**
Classify anything that looks like building or equipment work before it is posted.
- ☐ **Fit-out to Class 13**
Amortised straight-line over the lease term plus the first renewal period.
- ☐ **Record available-for-use dates**
Beside the purchase date, for every asset. ITA 13(26) to (32).
- ☐ **Do not halve the first year**
The half-year rule is suspended; take 2x the normal first-year allowance to 2027.
- ☐ **Assign the classes correctly**
Equipment to 8, workstations to 50, instruments under \$500 to 12, owned premises to 1.
- ☐ **Three separate ledger accounts**
Inventory, rental device fleet and clinic-use equipment are three different rules.
- ☐ **Rate every revenue stream**
Exempt, zero-rated or taxable, with the apportionment basis written down.
- ☐ **Check for mixed supply first**
Confirm the clinic is wholly exempt before capitalising a dollar of HST.
- ☐ **Review the clinician agreements**
They should describe fee sharing, not price an administrative service.
- ☐ **Set the payroll band**
From the average monthly withholding amount, under Regulation 108.
- ☐ **Measure, do not estimate**
Every business-use percentage needs a floor plan, an occupancy schedule or a log.
- ☐ **Pay the balance at two months**
Not with the return. ITA 157(1)(b), or three months for an eligible CCPC.

Gondaliya CPA performs compilation engagements under CSRS 4200, which provide no assurance. Audit and review engagements are referred out. Educational information only, not advice.