Gondaliya CPA
Your Growth Partner

Musician Tax Checklist

Gondaliya CPA Professional Corporation · Registered Ontario CPA Firm

Twelve things to settle before you file

For Canadian musicians and performers. Rules current to 4 November 2026.

- [ ] **Characterise every income stream first**
  Royalties on your own catalogue are generally business income.
- [ ] **Report every advance in the year you received it**
  Subparagraph 12(1)(a)(i) applies on receipt, not on delivery.
- [ ] **Claim the reserve for the part not yet earned**
  Paragraph 20(1)(m). Unavailable on the cash method, under 20(7).
- [ ] **Offset grants by the expenses they required**
  Subsection 56(3)(b). Keep the grant letter with its conditions.
- [ ] **Ask your technician to itemise every invoice**
  Restoring is deducted now. Improving is capital under 18(1)(b).
- [ ] **Put instruments and amps into Class 8**
  Twenty per cent, halved in the first year by Regulation 1100(2).
- [ ] **Claim tools under $500 in full**
  Class 12, and the half-year rule does not reach them.
- [ ] **Test the home studio under the first limb**
  Principal place of business, 18(12). No metering rule exists.
- [ ] **Keep the vehicle log as you drive**
  Dates, destinations, purpose and odometer. Not rebuilt in April.
- [ ] **Add merch to the GST/HST count**
  $30,000 across every stream together, not gig income alone.
- [ ] **Pay by 30 April even though you file by 15 June**
  Interest runs from 1 May regardless of the later filing date.
- [ ] **Keep employment and self-employment apart**
  Paragraph 8(1)(p) for orchestra work. A business computation for the rest.

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

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