Gondaliya CPA
Your Growth Partner

Trade School Tax Checklist

Gondaliya CPA Professional Corporation · Registered Ontario CPA Firm

Twelve things to settle before you file

For Canadian trade and vocational schools. Rules current to 3 November 2026.

- [ ] **Compute the occupational-skills revenue share**
  CRA reads "operated primarily" as more than 50% of total revenue.
- [ ] **Test the definition every year, not once**
  Section 1 of Part III of Schedule V. Registration is not the test.
- [ ] **Characterise each programme in writing**
  Section 8 for trade credentials, section 6 for accreditations.
- [ ] **Check section 11 before section 8 for language**
  Second-language instruction needs no link to a trade.
- [ ] **Invoice separately sold materials separately**
  Bundled with instruction is exempt; sold alone is generally taxable.
- [ ] **Write down one apportionment method**
  Subsection 141.01(5): fair, reasonable, consistent through the year.
- [ ] **Claim no public service bodies rebate**
  Section 259 is closed to a for-profit school. Budget the cost.
- [ ] **Price the Form GST29 election properly**
  Kept in your records, never filed. Best where employers pay.
- [ ] **Split flight training at the federal minimum**
  Build-up time and private licence training are taxable.
- [ ] **Put the shop in Class 8, the yard in Class 17**
  Leasehold improvements are Class 13, buildings Class 1 at 4%.
- [ ] **Pay on the balance-due day, not the filing day**
  Two months after year end, three for an eligible CCPC.
- [ ] **File the T2202 by the last day of February**
  If you are a designated educational institution. Calendar year.

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