

FREE CHECKLIST · DECEMBER 31 YEAR END

Year-end bookkeeping checklist 2026

What to settle before December 31, what has to tie out in January, and the CRA dates that follow in 2027. For Canadian business owners with a December 31 year end.

1 Before the year closes

By December 31, 2026

A handful of decisions only count if you make them while the year is still open. A decision made on January 4 is a 2027 decision.



- [ ] **Equipment you want to claim this year has arrived and is ready to use.**
  Capital cost allowance (the tax version of depreciation) usually starts when a purchase is available for use, not on the invoice date. A laptop ordered December 20 and delivered January 8 is a 2027 asset.

- [ ] **Corporation: any bonus is a real obligation by December 31,** usually a directors' resolution in an owner-managed company.
  Pay it by June 29, 2027 (180 days) to keep the 2026 deduction. Source deductions come off it.

- [ ] **The holiday party is booked to its own account, not to meals.**
  Meals and entertainment are generally deductible at 50 percent. An event every employee at a location is invited to is an exception, for up to six a year.

- [ ] **The inventory count is planned** for December 31 or the last business day before it.
  Decide who counts, which sheet they use, and how anything received or shipped that day is treated. It is the one item you cannot redo later.

- [ ] **Corporation: the shareholder loan account is read line by line.** Decide what is salary, what is a dividend, and what you will repay.
  A 2026 loan generally stays out of your income only if it is repaid by December 31, 2027, and not as part of a series of loans and repayments.



2 Tie out every account

First weeks of January 2027

Match the balance in your books to the balance on each statement, transaction by transaction, until the two agree on December 31.

- [ ] Every **bank account and credit card**, to the December statement, including the ones nobody uses
- [ ] **Loans and lines of credit**, to the lender's year-end statement, with interest split from principal
- [ ] **Payment processors** such as Stripe, Square, and Shopify: sales, fees, and refunds, not the net payout
- [ ] **Payroll liabilities**, to what you withheld in December and remit in January
- [ ] The **GST/HST account**, to the returns you filed
- [ ] **Customers who owe you:** write off what you will never collect, with a note of why
- [ ] **Bills you owe:** anything for December that arrives in January goes in 2026

3 Put each item in the right year

Cut-off, for accrual books

Each sale and each expense goes in the year it belongs to, whatever day the money moved. If you keep your books on the accrual basis (recording income when you earn it and expenses when you incur them), these are the places it usually goes wrong.

	WHAT HAPPENED	WHERE IT BELONGS
☐	Work done in December, invoiced on January 5	2026 income
☐	January rent paid on December 28	A 2027 expense, held as a prepaid until then
☐	A December utility bill that arrives in January	A 2026 expense
☐	A customer deposit for work you start in February	Not income yet. It is a liability until you do the work
☐	Stock received on December 31 and not yet paid for	In the 2026 count, and in the bills you owe

Then lock it. When 2026 is reconciled and reviewed, set a closing date in QuickBooks or Xero, so nothing can be posted into the year without a deliberate change.

☐ **A receipt is attached** to every line over a few hundred dollars.

A bank statement shows that you paid someone. It rarely shows what you bought, which is the part the CRA asks about.

☐ **Not registered for the GST/HST?** Add up your taxable sales for the last four calendar quarters.

Past $30,000, you are no longer a small supplier and have to register. The timing is in our GST/HST registration guide on numinor.ca.

4 File and pay on time

For a December 31, 2026 year end

	WHAT	RULE	DATE
☐	T4, T4A, and T5 slips	Last day of February	**March 1, 2027** February 28 is a Sunday
☐	Corporation: pay the balance owing	Two months after year end, or three for a Canadian-controlled private corporation (CCPC) that meets the CRA's conditions	**End of February 2027, or March 31, 2027**
☐	Annual GST/HST filer, corporation	Three months after year end	**March 31, 2027**
☐	Sole proprietor: pay the balance owing	April 30	**April 30, 2027**
☐	Annual GST/HST filer, sole proprietor	Pay by April 30, file by June 15	**April 30 and June 15, 2027**
☐	Sole proprietor: file the income tax return	June 15	**June 15, 2027**
☐	Corporation: pay a 2026 bonus to keep the 2026 deduction	Within 180 days of year end	**June 29, 2027**
☐	Corporation: file the T2 return	Six months after year end	**June 30, 2027**
☐	T5018, if you are in construction and paid subcontractors	Six months after the end of the reporting period you chose	**Depends on your period**
☐	Repay a 2026 shareholder loan	One year after the year end	**December 31, 2027**

The three-month payment date for a CCPC depends on conditions about the small business deduction and the prior year's taxable income. Confirm it with whoever prepares your return rather than assuming it.

5 Keep the records

Through the end of 2032

If the CRA asks about 2026 in 2029, these are what you send.

- [ ] **Export the year** to one folder named for it: the year-end reports, the general ledger, and the reconciliations.
- [ ] **Generally, keep it six years** from the end of the last tax year it relates to. For the 2026 return, that is the end of 2032.
  File a return late, and the six years run from the date you filed it.
- [ ] **Keep some records indefinitely:** long-term assets, the share register, and anything that would matter if the business were sold or wound up.
- [ ] **Keep them in Canada,** at your place of business or your home, unless the CRA has given you written permission otherwise.
  Records kept outside Canada and opened from Canada do not count as kept in Canada.

We can close 2026 for you.

We reconcile every account to December 31, sort out the shareholder loan with you before the year closes, prepare your slips for March 1, and hand your tax preparer a year that ties out. Bookkeeping plans start at $299 a month (Starter) and $499 a month (Growth), plus HST. Those are base prices. They vary with transaction volume and complexity, and final pricing is scoped on the call.

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