



Canada Revenue  
Agency

Agence du revenu  
du Canada

# Keeping Records

## Before you start

### Is this guide for you?

Use this guide if you are:

- a person carrying on a business;
- a person who is required to pay or collect taxes or other amounts such as payroll deductions and the goods and services tax/harmonized sales tax (GST/HST);
- a person who makes an application for a GST/HST rebate or refund;
- a trust;
- a municipal corporation;
- a university;
- a college;
- a non-profit organization;
- a hospital;
- a school authority;
- a registered charity;
- a registered Canadian amateur athletic association;
- a payroll services provider; or
- a third party record keeper.

### Forms and publications

If you need any forms or publications, visit our Web site at [www.cra.gc.ca/forms](http://www.cra.gc.ca/forms). You may want to bookmark this address.

You can also order forms and publications by calling us at **1-800-959-2221**.

### Recent changes

Throughout the guide, we use the name “Canada Revenue Agency”, and the abbreviation “CRA” to reflect the new structure of the Canada Customs and Revenue Agency (CCRA).

Wherever we refer to an Information Circular or Interpretation Bulletin, we are referring to the current version of the circular or bulletin. We have deleted reference to release numbers. For example, we refer to IC78-10R3 as IC78-10.

### Do you need more information?

This guide uses plain language to explain the most common requirements for keeping books and records. If, after reading this guide, you need more information, call us at **1-800-959-5525** or contact your **tax services office**.

Visually impaired persons can get our publications in braille, large print, or etext (computer diskette), or on audio cassette by visiting our Web site at [www.cra.gc.ca/alternate](http://www.cra.gc.ca/alternate) or by calling **1-800-267-1267** weekdays from 8:15 a.m. to 5:00 p.m. (Eastern Time).

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## Chapter 1 – General Information

All the information in this chapter applies to record keeping related to income taxes, GST/HST, payroll, trusts, registered pensions, registered charities, registered Canadian amateur athletic associations, municipal corporations, hospitals, and non-profit organizations. This chapter applies to records in paper format, electronic format, or a combination of both.

See Chapter 2, Chapter 3, and Chapter 4 for additional information on keeping electronic records, payroll records, and GST/HST records.

### Why should you keep complete and organized records?

#### You are required by law

You are required to keep complete and organized records as stated in the:

- *Income Tax Act* (ITA);
- *Excise Tax Act* (ETA);
- Canada Pension Plan (CPP);
- *Employment Insurance Act* (EIA); and
- *Air Travellers Security Charge Act* (ATSCA).

For further information see:

[www.cra.gc.ca/about/faq-e.html#taxact](http://www.cra.gc.ca/about/faq-e.html#taxact)

#### There are benefits for you

Complete and organized records will:

- help you identify the sources of your income;
- remind you of expenses you can deduct and tax credits you can claim;
- make it easier for you to determine your taxes owing;
- provide you with information on the past and present financial positions of your business or other organization;
- help you make good business decisions;
- assist you in getting loans from banks and other lenders;
- help to prevent problems if we audit your returns; and
- possibly help you in selling your business or bringing in new partners.

### Consequences of not keeping adequate records

There are penalties if you:

- do not keep adequate records;
- do not provide CRA officials access to your records, when requested; or
- do not give information to CRA officials, when asked.

See Information Circular IC78-10, *Books and Records Retention/Destruction*, and GST/HST Memoranda Series 15.1, *General Requirements for Books and Records*, for more information on possible penalties and legal action.

### What are records?

**Records** are accounting and other financial documents that are kept in an organized way.

Records were traditionally kept in paper format, and were called “books and records.” Today many kinds of electronic records are kept by computer systems.

Records include ledgers, journals, vouchers, financial statements and accounts, and income tax records. They are generally supported by source documents. Records normally summarize the information contained in the source documents.

Records can include a statement of account, a book, a chart or table, or a return. The records can be either in writing, on paper, or in an electronic format created by a computer system.

**Source documents** reflect binding agreements between parties to transactions. They generally represent the proof of transactions and are relied upon whenever disagreements arise between the parties of the transaction.

Source documents include sales invoices, purchase receipts, contracts, guarantees, bank deposit slips, and cancelled cheques. They also include cash register slips and credit card receipts, purchase orders, work orders, delivery slips, emails, and general correspondence in support of the transaction.

### Methods of keeping records

The CRA recognizes:

- books, records, and supporting documents produced and retained in paper format;
- books, records, and supporting documents produced on paper, and subsequently converted to and stored in an electronically accessible and readable format; and
- electronic records and supporting documents produced and retained in an electronically accessible and readable format.

Supporting documents are required in each of the above cases and may be kept in either paper or electronic format (including electronic imaging formats).

#### Records in paper format

You have to retain all those records that are in paper format, unless you retain them in acceptable microfiche, microfilm, or electronic image formats. Electronic imaging software is a popular method of keeping scanned images of paper documents, books, or records. See Chapter 2 for details on acceptable electronic imaging or microfilming of source documents.

## Records in electronic format

We consider you to have electronic records if you create, process, maintain, and store your information in an electronic format.

You are required to retain your electronic records in an electronically readable and accessible format, even if you have paper printouts of the electronic records.

If any of your source documents are initially created, transmitted, or received electronically, they must be retained in an electronic format.

Scanned images of paper documents, records, or books of account that are maintained in electronic format are acceptable if proper imaging practices are followed and documented.

See Chapter 2 for more information on electronic record keeping.

## Who has to keep records?

In the context of this guide, “person” includes any individual, partnership, corporation, or trust.

Adequate records have to be kept by:

- persons carrying on a business or engaged in commercial activity;

### Note

Even inactive corporations and holding companies have to keep certain records.

- persons required to pay or collect taxes or other amounts, such as payroll deductions and the GST/HST, under the ITA, the ETA, the EIA, the CPP, and the ATSCA;
- persons required to file an income tax or GST/HST return;
- persons who apply for GST/HST rebates or refunds;
- payroll service providers;
- trusts;
- non-profit organizations;
- registered charities;
- registered Canadian amateur athletic associations;
- a registered agent of a registered political party;
- an official agent for a candidate in a federal election;
- universities;
- colleges;
- municipal corporations;
- hospitals; and
- school authorities.

## Requirements for records

As a general rule, the CRA does not specify the books and records you need to keep.

Your records, whether in paper or electronic format, have to:

- be reliable and complete;
- provide you with the correct information you need to calculate your tax obligations and entitlements;
- be supported by source documents to verify the information contained in the records;
- include other documents, such as appointment books, logbooks, income tax and GST/HST returns, and certain accountants’ working papers, that assist in determining your obligations and entitlements; and
- be kept in English or French.

### Note

Persons carrying on more than one business have to keep separate records for each business.

See Chapter 2 of this guide for additional requirements for electronic records.

## What additional records do corporations have to keep?

In addition to the above “Requirements for records,” corporations have to keep:

- the minutes of meetings of the directors of a corporation;
- the minutes of meetings of the shareholders of a corporation;
- any record of a corporation containing details about:
  - the ownership of the shares of the capital stock of the corporation; and
  - any transfers of these shares;
- the general ledger or other books of final entry, in paper or electronic format, containing the summaries of the year-to-year transactions of the corporation; and
- any special contracts, agreements, or other documents necessary to understand the entries in the general ledger or other books of final entry.

Corporations should also retain related documentation to support their transactions. This is particularly important for businesses engaged in international non-arm’s length transactions. These businesses should retain documentation related to their transfer pricing policies.

## What additional records do trusts have to keep?

In addition to the above “Requirements for records,” trusts have to keep:

- the testator’s will and codicil, if any;
- the probated list of assets and liabilities, if any;
- any trust agreement;
- any letter of wishes of the settlor;
- any books of account for income beneficiary and capital beneficiary for trust purposes required by trust law;

- any record of year-to-year allocations or designations to the beneficiary; and
- any record of transfer of trust income and capital interests.

### What additional records do registered charities and registered Canadian amateur athletic associations have to keep?

The “Requirements for records” listed earlier in this chapter apply to all registered charities and registered Canadian amateur athletic associations.

In addition, they have to keep records:

- that confirm that they qualify for registration under the ITA;
- that allow the CRA to verify all charitable, athletic, and political donations that give donors tax credits or deductions;
- of donations of property to a registered charity when the donor directed that the charity keep the property for at least 10 years;
- of the minutes of meetings of their executives;
- of the minutes of meetings of their members; and
- of the by-laws that govern them.

### Your responsibilities for record keeping

The following responsibilities are in addition to the “Requirements for records” listed earlier in this chapter:

- If you are required to keep records, you are responsible for keeping, maintaining, retaining, and safeguarding your records.
- If you hire a third party to maintain your records, you still are responsible for the above requirements. Third parties include bookkeepers, accountants, Internet transaction managers, and Application Service Providers (ASP).
- You are also responsible if third party changes occur that affect your records. Such changes might include software and/or hardware conversions and upgrades, bankruptcies, take-overs, transfers, or migration to or from other third parties.
- Other documents that assist in determining your tax obligations and entitlements are considered records and must be made available to the CRA. These include supporting documents such as certain accountants’ working papers.
- You are responsible for making your records available to CRA officials. They may inspect, audit, or examine your records, as well as your property and processes. They may also examine the records of others to confirm the accuracy of your records.

- When CRA officials are examining your records, you, your employees, or your third party record keeper should be present and should co-operate by providing reasonable assistance and answering all questions relating to your business. In addition, CRA officials are authorized to make or have made copies of any records including electronic records.

See “Audit trails required for electronic records” in Chapter 2.

### Where do you have to keep your records?

Your records must be kept at your place of business or at your residence in Canada, unless we give you permission to maintain them at a specific location outside Canada.

If you want to request permission to maintain your records outside Canada, write to your **tax services office**. After conducting a review, we will let you know in writing whether or not we have given you permission, and what, if any, terms and conditions apply.

Where we have given you permission to maintain your records outside of Canada, they must be made available in Canada for review by CRA upon request. Otherwise, you must allow CRA officials to review the records by traveling to the country where they are maintained at the expense of your business.

#### Exception

In the case of registered charities, the records have to be kept at a location inside Canada.

See “Where do you have to keep your electronic records?” in Chapter 2 for additional information about electronic records.

### How long do you need to keep your records?

As a general rule, you must keep all of the records and supporting documents that are required to determine your tax obligations and entitlements for a period of **six years from the end of the last tax year to which they relate**.

The six-year retention period under the ITA begins at the end of the tax year to which the records relate. The tax year is the fiscal period for corporations and the calendar year for all other taxpayers. The rules are similar for GST and HST under the ETA, as well as for the EIA, the CPP, and the ATSCA.

Records and supporting documents concerning long-term acquisitions and disposal of property, the share registry, and other historical information that would have an impact upon sale or liquidation or wind-up of the business must be kept indefinitely.

#### Note

The CRA may specifically require you to keep records for an additional period of time. If this is the case, you will receive details by registered letter or by a demand served personally by CRA officials.

The following are special situations:

- If you **file an income tax return late**, keep your books and records for six years from the date you file the return.
- Keep all your records necessary for dealing with a **notice of objection or appeal** until the notice of objection or appeal is disposed of and the time for filing any further appeal has expired, or until the six-year period mentioned above has expired, whichever is later.
- When a **non-incorporated business or other organization ends**, the records have to be kept for six years from the end of the tax year in which it ceased to exist.
- When a **corporation is dissolved**, the following records have to be kept for two years after the date of dissolution:
  - all records and supporting documents to verify the tax obligations and entitlements; and
  - all the additional records that corporations have to keep, as listed above.
- When a **corporation amalgamates or merges**, business records must be retained as if the new corporation is a continuation of each of the original corporations.
- The legal representative of a **deceased taxpayer or trust** can destroy the records after receiving a clearance certificate(s) to distribute any property under his/her control.

**Note**  
To request a certificate, complete Form TX19, *Asking for a Clearance Certificate*, and send it to your tax services office.

For more information, visit our Web site at [www.cra.gc.ca/tax/individuals/life-events/death](http://www.cra.gc.ca/tax/individuals/life-events/death) or consult T4011, *Preparing Returns for Deceased Persons* guide and T4013, *T3 – Trust Guide*.
- **Registered charities and registered Canadian amateur athletic associations** have to keep **duplicate donation receipts** for two years from the end of calendar year in which the donations were made. An exception to this rule applies to receipts for donated property, where the donor stipulated that the property be held for at least 10 years.
- When a **registered charity or a registered Canadian amateur athletic association has its registration revoked**, it has to keep the following records for two years after the date that registration was revoked:
  - all records and supporting documents; and
  - all the additional records that registered charities and registered Canadian amateur athletic associations have to keep, as listed above.

## Destroying records early

You may destroy your books of account and records at an earlier time than outlined above if you receive written permission from the CRA.

To get such permission, you (or an authorized representative) can:

- complete Form T137, *Request for Destruction of Books and Records*. See [www.cra.gc.ca/forms](http://www.cra.gc.ca/forms) to obtain a copy of Form T137; or
- apply in writing to your **tax services office**.

### Note

The permission only applies to records that are required to be kept under the legislation administered by the CRA. The CRA has no authority to approve the destruction of records that you are required to keep under other federal, provincial/territorial, and municipal laws.

If you destroy paper or electronic records without the express permission of the CRA, you may be subject to prosecution.

## Chapter 2 – Keeping Electronic Records

### What is electronic record keeping?

Keeping electronic records means using electronic business systems to create, process, store, maintain, and provide access to the financial records of a person.

These systems include, but are not limited to:

- custom and commercial accounting software;
- Point of Sale systems;
- Internet based electronic commerce (eCommerce) systems;
- electronic purchasing and restocking systems; and
- income tax and GST/HST returns preparation software.

Electronic records may be stored on a computer, a network of computers, or computers held by third parties. They can also be stored on diskettes, CDs, DVDs, tapes, or cartridges.

The computers and other storage devices may be located on your premises or elsewhere if the business or other organization operates in a Local Area Network or a Wide Area Network environment. The electronic records may also be maintained on a computer file server or on server space that is outside the premises.

Your electronic records must meet the requirements for all records, as listed in Chapter 1.

### What is eCommerce?

Electronic commerce (eCommerce) can be broadly defined as the delivery of information, products, services, or payments by computer (including the Internet), by telephone, or other electronic media.

It includes the many kinds of activities that are being conducted electronically. It is much more than the purchasing of goods and services electronically.

eCommerce can include any transactions that take place by:

- the Internet;
- telephone and fax;
- television shopping;
- secure private computer networks through electronic data interchange (EDI);
- credit and debit cards;
- electronic banking and payment systems; and
- automated banking machines (ABM).

## Requirements for electronic record keeping including eCommerce records

In addition to the “Requirements for records” in Chapter 1 you must ensure that:

- your electronic record keeping system has the capacity to capture, produce, and retain sufficient details to determine your tax obligations and entitlements;
- your computerized records are supported and maintained by a system capable of producing records that are accessible to CRA officials and readable by CRA software;
- you keep your records in an electronically readable and accessible format **even if**:
  - you retain paper copies of your electronic records; and
  - your original electronic source documents have been transferred to another medium such as microfilm or a scanned image;
- you maintain proper back-up records at all times and, preferably, store them at an off-site location within Canada;
- if any of the electronic records that you are required to maintain are lost, destroyed, or damaged, you report this situation to your tax services office. In addition, you must recreate the files within a reasonable period of time; and
- if your records have been encrypted, they can be decrypted and produced in an accessible and electronically readable format to CRA officials.

### Note

**Accessible copy** means that the taxpayer must provide a copy of the electronic records in an electronically readable and useable format to CRA officials to permit them to access the electronic records. The CRA can process electronic records on most industry standard file formats. The records have to be produced for inspection, no matter where they are stored.

**Electronically readable format** means information supported by a system capable of producing accessible and useable copy. If requested by CRA officials, you must be able to decrypt or unlock password-protected records and provide useable copy of your electronic records.

**Useable copy** means that the electronic records can be processed and analyzed with CRA software. The useable copy must be in a non-proprietary, commonly used data interchange format, which is compatible with software used by the CRA.

**Non-proprietary, commonly used data interchange format** means those formats that allow files to be used with various software. For information on the types of commonly used file formats, contact your **tax services office**.

## Doing business on the Internet

If you use the Internet to carry on your business, your requirements and responsibilities are the same as those of regular businesses or other organizations as listed in Chapter 1 and Chapter 2.

In addition, you are responsible for retaining additional information generated by Internet-based transactions. This information forms an important part of the audit trail and is relevant for tax purposes.

The information is generated either:

- during transaction processing, for example, Web logs and emails used to confirm a sale or reservation; or
- as a result of security measures to preserve the authenticity and integrity of the resultant record, for example, electronic signatures.

If your business or other organization operates on the Internet and utilizes the services of transaction managers, Application Service Providers (ASP), re-billers, and other agents, you are responsible for ensuring this information is available.

We suggest that you retain this information or copies of this information as part of your records as these third parties may not retain your records for the period required by the CRA.

## Backing up electronic files

You must ensure that you do not accidentally lose, delete, or erase business information that has been recorded on rewritable media, such as computer hard disks, floppy disks, CDs, DVDs, tapes, and cartridges. To do this, you should ensure that this information has been properly backed up.

You should store the media containing the recorded information in an environment free from hazards that could affect the media. These hazards include magnetic fields, direct light, excessive moisture, and temperature extremes.

When you retain back up records in a different medium, you should follow the media manufacturer’s suggested procedures. You should give particular attention to the suggested shelf life of the medium.

If you contract with an outside party for the retention of your electronic records, you are responsible for ensuring that they are available to CRA officials on request.

## Requirements for backing up electronic files

When you retain backups of your electronic files, you have to ensure that the backed up data files can be restored in a format that will be accessible and useable by the CRA. (See previous information on commonly used formats that can be accessed by CRA equipment.)

See Information Circular IC05-1, *Electronic Record Keeping*, and GST/HST Memoranda Series 15.2, *Computerized Records*, for further information on ensuring the availability and reliability of backed up data.

## Imaging

### What is imaging?

Imaging means generating a readable reproduction of the original paper source document. Images can be created by scanning the paper source documents to electronic files or by creating microfiche or microfilm.

Imaging a paper source document generally involves:

- an accurate reproduction made with the intention of standing in place of the source document;
- interpreting the reproduction to ensure it provides the same information as the source document; and
- ensuring the reproduction is well defined and the significant details are not obscured by the limitations of the reproduction, for example, resolution, tonality, or hues.

### Requirements for an acceptable imaging program

You are required to keep the original version of records. You may, however, produce an electronic image of a paper document which then can be accepted as the original record provided you follow certain procedures. Imaging and microfilm (including microfiche) reproductions of books of original entry and source documents have to be produced, controlled, and maintained according to the latest national standard of Canada. For more information, see Information Circular IC78-10, *Books and Records Retention/Destruction*, and GST/HST Memoranda Series 15.1, *General Requirements for Books and Records*. Also, refer to the Canadian General Standards Board (CGSB) publication, CAN/CGSB-72.11-93, *Microfilm and Electronic Images as Documentary Evidence*, and its latest amendment.

Businesses using commercial software for smaller scale electronic scanning of their paper records and supporting documents should ensure that their scanned records meet the rules and guidelines set out in the latest national standard of Canada.

You can destroy paper books of account and source documents if they have been imaged in accordance with the above CGSB publication. These images become the permanent records. If you have any doubt, it would be best to obtain legal advice first.

If businesses cannot meet the Canadian General Standards, they should keep their original records.

The standards are available to view at selected libraries in Canada. The standards are also available for purchase from the CGSB:

By mail:

Sales Centre  
Canadian General Standards Board  
Gatineau QC K1A 1G6

In person:

Place du Portage Phase 3, 6B1  
11 Laurier Street  
Gatineau, Quebec

By Internet: [www.pwgsc.gc.ca/cgsb/home/estore-e.html](http://www.pwgsc.gc.ca/cgsb/home/estore-e.html)

By telephone, fax or e-mail:

National Capital Region: (819) 956-0425  
Rest of Canada: 1-800-665-2472

Fax: (819) 956-5644

E-mail: <mailto:ncr.cgsb-ongc@pwgsc.gc.ca>

## Managing electronic records and images

When original source documents and records are created and maintained in electronic format, they must be kept in an electronically readable format. For greater certainty, this means that the original systems records, reports, and images of the reports generated also must be maintained for the required time period, usually six years.

This also applies to situations where the original records and source documents were subsequently transferred to another medium such as electronically scanned images.

Electronic records, required to establish your tax obligations and entitlements, are generally consistent with the principles outlined in the Canadian General Standards.

To ensure the reliability, integrity and authenticity of your electronic records, consult the pending national standard publication, CAN/CGSB-72.34 2005, *Electronic Records as Documentary Evidence*. It will outline electronic record management policies, procedures, practices and documentation that will assist you in establishing the legal validity of your electronic records.

### Retention and disposal of electronic records

You are required to retain your electronic books, records and images in electronically readable format for the same periods given in Chapter 1 under "How long do you need to keep your records?" and "Destroying records early."

### Business system evaluation

The CRA may undertake a review of your business systems to:

- get an overview of the system. This includes configuration options and details of the flow of information through the system and subsystems;
- evaluate the retention and content of electronic data files;

- evaluate the reliability of internal controls; and
- identify the electronic data files that will be required for subsequent audits.

As part of your obligation to provide reasonable assistance to the CRA, you must, on request, provide information on your business systems. For further information on business systems, consult Information Circular IC05-1, *Electronic Record Keeping*.

## Audit trails required for electronic records

An audit trail is the information that is required to recreate a sequence of events related to a business transaction. The electronic records must show an audit trail from the source documents, whether paper or electronic, to the summarized financial accounts.

In addition, the trail may include a number of links to other associated processes and events, each of which may have its own audit trails. These include front-end systems (for example, eCommerce and Point of Sale), receipts, payments, stock inventories, preparation software for income tax and GST/HST returns, and email systems.

For example, in Internet-based e-commerce transactions, certain records could be an important part of the audit trail. These include Web logs; emails when used as part of the transaction; invoices and confirmations; and security measures such as digital signatures.

For transactions that are covered by an Electronic Data Interchange (EDI) trading agreement, the electronic record(s) including functional acknowledgments must be retained.

## Where do you have to keep your electronic records?

See Chapter 1 for the places where you have to keep your records.

In addition, if the electronic records are kept outside Canada and accessed electronically from Canada, they are not considered “books and records in Canada.”

However, if the electronic records are maintained outside Canada, the CRA may accept copies if:

- the CRA is assured that the copies of the records are true copies;
- they are made available to CRA officials in Canada in an electronically readable and useable format; and
- they contain adequate details to support the tax returns filed with the CRA.

If your systems are maintained on servers located outside Canada, you should access the servers or arrange for your staff to access the servers and provide systems electronic records as required by CRA officials.

## Do you need advice?

Contact your **tax services office** if you need information and advice on:

- the types of electronic file formats that are compatible with CRA software, including non-proprietary commonly used data interchange format;
- the Electronic Commerce Audit Program; or
- other electronic record keeping issues.

## Do you need more information?

For more information on electronic record keeping, consult Information Circular IC05-1, *Electronic Record Keeping*, and GST/HST Memoranda Series 15.2, *Computerized Records*.

## Chapter 3 – Keeping Payroll Records

All the requirements in Chapter 1 and Chapter 2 also apply to payroll records.

In addition, if you are an employer or payer who has to withhold or deduct CPP contributions, EI premiums, and income tax from remuneration or other amounts you pay, you must keep records that:

- show the time worked by each employee; and
- support the CPP contributions, EI premiums, and taxes that you withheld.

You also have to keep the following records:

- Form TD1, *Personal Tax Credits Return*, which all employees have to complete; Form TD1 is used to determine the amount of federal and provincial or territorial tax to be deducted from an individual’s income or other income such as pension income.

If your employees work in the province of Quebec, they also have to complete Form TP1015.3-V, *Source Deductions Return*, which is available from Revenu Québec.

- CRA letters of authority that allow you to reduce the tax deductions for certain employees for a specific year;
- all information slips issued and all returns filed; and
- registered pension information.

You must keep all these payroll records so that CRA officials can audit or examine them, on request.

Businesses using third parties to handle the payroll functions are still responsible for maintaining records for the time period specified in Chapter 1, generally six years. Payroll records may be kept in either paper or electronic format. We recommend that electronic copies of your records be maintained at your business location.

For further information, see guide T4001, *Employers Guide – Payroll Deductions – Basic Information* on our Web site at [www.cra.gc.ca/E/pub/tg/t4001/](http://www.cra.gc.ca/E/pub/tg/t4001/)

## Chapter 4 – GST/HST

### Record-keeping requirements

All the requirements in Chapter 1 and Chapter 2 also apply to GST/HST records.

You have to keep adequate records if you are:

- carrying on a business or engaged in a commercial activity in Canada;
- required to file a GST/HST return; and
- making an application for a rebate or refund.

In addition, if you are required to file a GST/HST return, you have to keep adequate records in appropriate form. This means that they must describe the goods and services being traded in sufficient detail to determine whether they are subject to GST/HST. Your records also have to allow you to calculate:

- the amount of tax you have to pay or collect; or
- the amount of tax to be refunded, rebated, or deducted from your net tax.

As stated in Chapter 1, you should keep your records for a period of six years from the end of the last year to which they relate.

You must keep all your records, including both paper documents and electronically stored documents, in Canada or make them available to CRA officials in Canada on

request. If you wish to maintain your records at a specific location outside Canada or if you are a non-resident, you should contact your **tax services office** in writing to request permission. See Chapter 1 for more information.

### Invoice requirements

GST/HST registrants who make taxable supplies must disclose to purchasers that the tax has been charged:

- by indicating on receipts and invoices the price for the goods and services and the tax payable in a manner that clearly indicates the amount of the tax;
- by indicating on receipts and invoices that the amount paid includes the tax; or
- by giving clearly visible notice in the store that the amount paid includes the tax.

### Requirements to support a claim for an input tax credit (ITC)

If you are a GST/HST registrant, you must get and keep in your records documentation to support your claim for an ITC. The information should be on invoices, receipts, or contracts and must contain specific information depending on the amount of the purchase. You also have to provide the same information to your customers who are also GST/HST registrants to support their claims for an ITC. For more information, see the following chart:

Information required for sales invoices from GST/HST registrants	Total sale under \$30	Total sale from \$30 to \$149.99	Total sale of \$150 or more
The vendor's business or trading name or the intermediary's name	X	X	X
Invoice date or, if an invoice has not been issued, the date on which the GST/HST is paid or payable	X	X	X
Total amount paid or payable	X	X	X
The total amount of GST/HST charged or that the amount paid or payable for each taxable supply (other than zero-rated supplies) includes GST/HST and the applicable rate of tax (7% or 15%)		X	X
When items are taxable at 7% and 15%, a statement about which items are taxed at 7% and which are taxed at 15%		X	X
The vendor's Business Number or the intermediary's Business Number		X	X
The buyer's name or trading name or the name of the duly authorized agent or representative			X
A brief description of the goods or services			X
Terms of payment			X
<b>Note: Intermediary</b> of a person, in respect of a supply, means a registrant who, acting as an agent of the person under an agreement with the person, causes or facilitates the making of the supply by the person.			

## References

Additional information can be found in the following publications which are also available at [www.cra.gc.ca/forms](http://www.cra.gc.ca/forms):

GST/HST Memoranda Series 15.1	<i>General Requirements for Books and Records</i>
GST/HST Memoranda Series 15.2	<i>Computerized Records</i>
IC05-1	<i>Electronic Record Keeping</i>
IC77	<i>Books, Records and Other Requirements for Taxpayers Having Foreign Affiliates</i>
IC78-10	<i>Books and Records Retention/Destruction</i>
RC4022	<i>General Information for GST/HST Registrants</i>
RC4070	<i>Guide for Canadian Small Businesses</i>
RC4188	<i>What You Should Know About Audits</i>
T4001	<i>Employers Guide – Payroll Deductions – Basic Information</i>

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