



Your Payroll Year-End Checklist

Your practical checklist for a smooth, compliant close to the year



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1. Bring Everything Together for Reconciliation

Start by consolidating your payroll records in one place. This includes:

- Gross earnings
- Deductions and taxable benefits
- Employer contributions
- Employee personal data (SIN, address, legal name, province of employment)
- Contractors who require T4As

Pro Tip: Ensure any employee data changes (like relocations or legal name updates) are reflected in your system before finalizing T4s.

2. Review Preliminary Reports and Balance Your Data

This step is critical for accuracy and compliance. Begin by:

- Reviewing year-to-date payroll reports
- Reconciling your payroll totals against CRA/RQ tax account statements
- Ensuring the correct allocation of earnings and deduction codes by T4 box
- Reviewing CPP/QPP, EI, and tax remittances for any deficiencies or overages

Pro Tip: If you operate in Quebec or have QC-based employees, verify Releve 1 requirements and harmonize reporting with federal filings.

3. Be Mindful of Timelines and Cutoffs

Plan around your final payroll cycle and upcoming holiday closures.

Confirm pay period end dates and payment dates align with CRA rules

Build a timeline backward from February 28, leaving room for corrections and internal approvals

Factor in closures around Christmas, New Year's, and provincial holidays

Reminder: If your last pay date crosses into the new year but includes prior-year earnings, you'll need to split income across tax years accurately.

4. Double-Check Deductions and Adjustments

This is where many errors occur, especially with late or manual changes. Confirm:

- Benefit adjustments (e.g., DPSPs, taxable automobile benefits, group insurance)
- Bonus payments or retroactive pay
- Final vacation payouts or commissions
- Any taxable perks (e.g., gifts, allowances) added in the final pay run

Checklist Add-On: Ensure each item is coded correctly and ends up in the appropriate tax slip box.

5. Complete Year-End Returns Beyond the T4

Depending on where your company operates, you may need to submit additional returns:

- CNESST (Quebec)
- ON EHT (Ontario)
- MB Health and Post-Secondary Education Tax Levy (Manitoba)
- BC Employer Health Tax (British Columbia)
- WCB Premium Reports (Provincial)

Note: These returns often have their own filing deadlines and thresholds. Schedule these separately in your year-end plan.

What Happens If You Miss Something?

Mistakes during year-end payroll processing can result in:

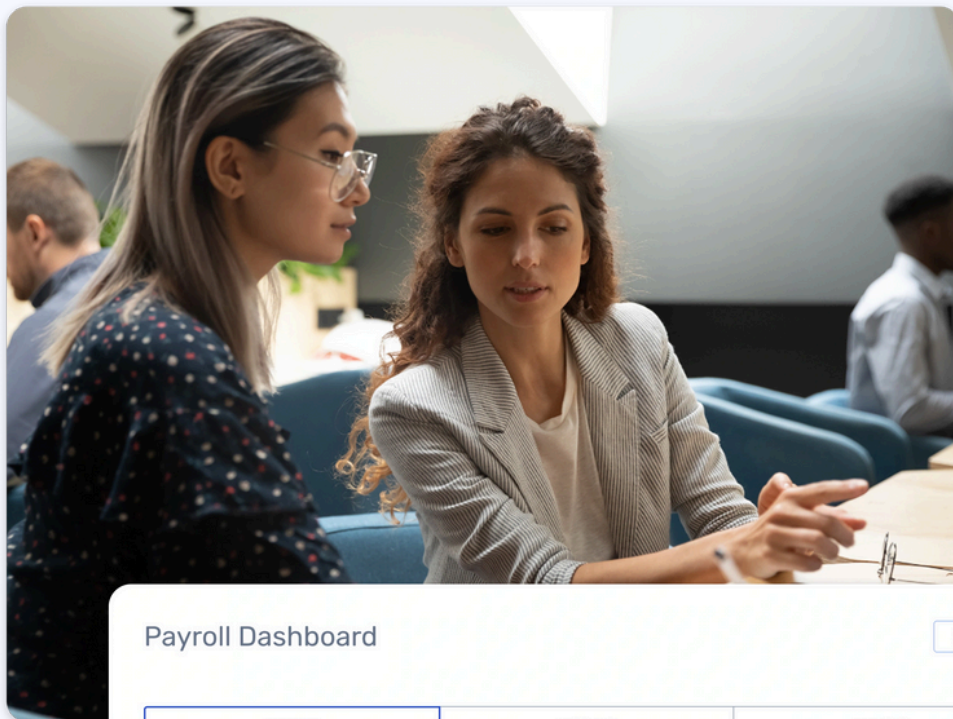
- Incorrect employee T4s or Releve 1s
- Late filing penalties from the CRA or Revenu Quebec
- Government audits or follow-up requests
- Loss of employee trust
- Time-consuming corrections and amended slips

Getting it right the first time isn't just efficient, it's a smart business decision.

How Collage HR Makes Year-End Easier

At Collage HR, we believe that a seamless year-end starts with better payroll all year long. That's why our connected HR and payroll platform is designed to:

- Sync with your HRIS: *Time off, timesheets, employee updates, all connected to payroll*
- Auto-calculate statutory deductions and benefits
- Help you manage multi-province compliance
- Generate and distribute T4s, ROEs, and other tax slips in a few clicks
- Support you with in-house payroll experts like Laine! Who are ready to help when you need them



Payroll Dashboard

[Settings](#)

CURRENT			UPCOMING		PREVIOUS	
Period #	Type	Pay Period	Pay Date	Approval Due By	Frequency	Status
9	Regular	2025-02-22 to 2025-02-28	2025-02-28	2025-02-24	Weekly	Draft

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