PAYROLL INFORMATION

If you hire staff on an hourly basis, you are an employer. You will need to set up a Canada Revenue Agency (CRA) Business and Payroll Program Account. If you have not done that yet, please see the Business Number Information Fact Sheet on this website in the resources section.

Once you have a Business Number and Payroll Program Account you must arrange for, or do, the following:

- have your employees complete a TD1 and TD1BC before they start work

- make the following mandatory payroll deductions and remit them to the Receiver General at the CRA:
    - Canada Pension Plan (CPP) (employer and employee contribute).
    - Employment Insurance (EI) (employer and employee contribute).
    - Income Tax (employee contributes).
- complete a T4 for each employee at the end of the year

Remittances

Decide how you will make your monthly EI, CPP and income tax payments/remittance to the Receiver General:

- talk to your bank to find out how you can set up online banking or My Payment. These options are not available at all banks. If you pay this way you will not receive a remittance form in the mail, however you can set up a Manage Online Mail service to receive the form through email or call 1-800-959-5525 to receive a paper copy.
- pay at your bank using the CRA form you will receive in the mail.
- mail in the CRA form you will receive in the mail with your cheque.

Whatever way you decide to pay the Receiver General, make sure they receive your payment on time. You will be fined for a late remittance. If your remittance is monthly the CRA must receive your payment before the 15th day of the following month. If your remittance is quarterly the CRA must receive your payment before the 15th day of the month following each quarter.

Decide who will do you payroll

Most contracts will include administration funds that can be used to hire a payroll company, bookkeeper, or accountant to do your payroll.

Note: If your bookkeeper or accountant is registered with the CRA to represent clients, you can give them access to your payroll account by:
- *using the "Authorize or manage representatives" online service in My Business Account; or*
- *completing form RC59 Business Consent.*

If you do not wish to hire someone to do your payroll you can also do it yourself using one of the following options:

- the Payroll Deductions Online Calculator (PDOC): this produces a report that includes year-to-date amounts and the amount to be remitted to the CRA. It can be found here: https://www.canada.ca/en/revenue-agency/services/e-services/e-services-businesses/payroll-deductions-online-calculator.html
- an online payroll deductions calculator such as webTOD,
- a computer software payroll program
- a payroll book - there are many types available and you can do it by hand using a calculator