

Employer compliance audits

Learn about the process

The purpose of an employer compliance audit is to determine if the employer is compliant and if there is any unreported income or benefits

1.Account being reviewed

CRA contacts you to inform you that your account is being reviewed for audit

2.Preparation

CRA contacts you to begin the audit process, prepare necessary documents

Common topics reviewed

- **Employee income** - Includes regular income, bonuses, and more
- **Deductions** - Review of CPP, EI, and income tax deductions
- **Employee benefits** - Covers taxable benefits such as parking or vehicle allowances
- **Remittances** - Ensures correct remittances of both the employer and the employee portions

3.Audit

CRA reviews your books and records either in-person or online

4.Results

CRA provides the detailed results of the audit

- **Keep accurate records** - Maintain thorough payroll documentation
- **Remit on time** - Timely remittances help avoid penalties
- **Stay compliant** - Regularly review CRA updates and payroll compliance rules

