**Step 1:** Validate that the final remittance will be less than 1 per cent of total annual remittances.

A  Year-to-date remittances processed  $__________________________
B  Final remittance due  $__________________________
C  Total annual remittances (A + B)  $__________________________
D  1% of total remittances (C x 1%)  $__________________________

If value B is less than value D, proceed to step 2.

If value B is greater than or equal to value D, the PoF policy does not apply and penalties will be assessed on late remittances.

**Step 2:** Validate the organization’s payroll account compliance history for the tax reporting year.

Were there any late remittances?  ○ Yes  ○ No
Were there any assessments?  ○ Yes  ○ No
Were T4 slips filed late?  ○ Yes  ○ No

If all responses are “No,” proceed to step 3.

If any responses are “Yes,” the PoF policy does not apply and penalties will be assessed on late remittances.

**Step 3:** Confirm whether any of the following apply:

○ Employees who are paid stock-based salaries or wages

○ Third-party information required to determine taxable benefit information for:
  • Employer-provided vehicle (fleet mileage)
  • Insurance plans
  • Health benefits
  • Other taxable benefit:

○ Employees who live in other tax jurisdictions.

If none of these circumstances apply, the PoF policy does not apply and penalties will be assessed on late remittances.

**Step 4:** If you are eligible, process the final remittance on or before the last day of February via:

a. Pre-authorized debit through the CRA’s *My Business Account*

b. Online using the CRA’s *My Payment* option, which requires one of the following bank cards:
  i. *Visa®* Debit
  ii. *Debit MasterCard®*
  iii. *Interac®*

c. By cheque submitted with the T4 Summary. Note: The CRA honours the date the mail is received by the CRA and not the postmarked date by Canada Post.

d. Through a financial institution. Request a PD7R PoF remittance voucher from the CRA through the business enquiries line: 1-800-959-5525