

## Payroll requirements

As the employer, you are responsible for ensuring you understand and follow each step involved in the payroll process:

- Register and maintain a [Payroll Deductions account](#).
- Ask each employee for his/her social insurance number (SIN).
- Have each employee complete a TD1 Form: [Personal Tax Credits Return](#).
- Calculate and deduct [Canada Pension Plan \(CPP\) contributions, Employment Insurance \(EI\) premiums and income tax](#), and keep deducted amounts in a separate bank account.
- [Remit payroll deductions](#) with your share of CPP and EI.
- Report employee deductions on [T4 or T4A slip](#) by the end of February each year.
- Complete a Record of Employment (ROE) upon employee departure.
- Keep all records.

For more information, see the [Canada Revenue Agency's Payroll Information for a New Small Business](#) video series.

Find [more information on methods of calculating deductions](#) - CPP, EI, and income tax - from the CRA.

### TIPS FOR CHOOSING A PAYROLL SERVICE PROVIDER

#### What do you need?

- Consider what you need your payroll service to include such as direct deposits, basic tax/salary calculations, tracking abilities.

#### Is support available?

- Ensure you can access the adequate level of support from the service provider or software based on your needs.

#### Have you asked your colleagues?

- Speak to your peers to see what services they use and how satisfied they are.

#### Is it easy to stay up-to-date?

- It should be easy for your payroll system to stay up to date whether changes in your business or tax laws.