

Chapter 1: The April Scramble and the Year-Round Table

For most working Canadians, tax season has a shape. It starts sometime in February, when T4 slips and T5 statements begin arriving by mail or by email, and it ends on or around April 30, when the return is filed and the year is, mentally, closed. In between, there is a burst of activity: gathering slips, checking receipts, maybe an hour or two with tax software, and then relief when it is done. For the roughly nine out of ten Canadians who earn most of their income through employment, this pattern is close to universal. It is not laziness or a lack of interest in money. It is simply how the system is built for them.

Payroll does the heavy lifting before an employee ever opens a tax return. Every pay period, an employer withholds federal and provincial income tax, Canada Pension Plan contributions, and Employment Insurance premiums, and sends them directly to the CRA. By the time February arrives, most of the year's tax has already been paid. The spring filing season is less a tax-planning exercise than a reconciliation: comparing what was withheld against what was actually owed, claiming a handful of credits and deductions, and settling the difference either as a refund or a balance due.

This is efficient, and in many ways it is a genuine convenience. Nobody has to set aside their own tax

payments through the year, worry about installments, or calculate withholding by hand. But efficiency has a cost: it removes the moments where decisions could have been made differently. An employee who realizes in March that she could have contributed more to her RRSP in the previous year cannot go back and adjust her paycheck from June. The window closed on December 31, and in most cases the only remaining lever is a contribution made in the first sixty days of the new year, which applies to the prior year's return but does not undo any of the withholding that already happened.

A business owner's year looks different because so much less of it is automatic. When a corporation earns income, nothing is withheld and remitted the way payroll tax is for an employee, until the owner decides how and when to pay themselves. Every one of those decisions, salary now or dividends later, a bonus in December or a deferral into January, an equipment purchase before year-end or a wait until Q1, has a tax consequence that is still adjustable while the year is open. That openness is exactly why business owners work with accountants and financial planners throughout the year rather than only in the spring. There is something to plan, because there is still time to change it.

Owen's calendar illustrates the point. In January, he sits down with his accountant to set a rough shape for the year: an estimated salary, a target for RRSP

contributions, and a plan for how much cash the corporation will likely retain. By June, they revisit that plan against actual results, because Owen's business has seasonal revenue and the January estimate rarely survives contact with reality. In October, before year-end planning windows close, they have a longer conversation that touches on equipment purchases, dividend timing, and whether it makes sense to crystallize any investment gains inside his holding company before December 31. None of this is exotic. It is simply a series of check-ins, each one timed to a moment when a decision could still be changed.

Meera's calendar, by contrast, has one real tax-related appointment each year: herself, a laptop, and a filing deadline. This is not a criticism of Meera. It reflects how little her income structure requires ongoing decisions. Her salary is fixed by her employment contract. Her withholding is calculated automatically. Her main discretionary tools, RRSP and TFSA contributions, can be adjusted at almost any point in the year, but nothing forces her to think about them except her own initiative.

That last point deserves emphasis, because it is really the thesis of this book: business owners are not necessarily more disciplined or more sophisticated than employees. They are placed inside a structure that requires ongoing decisions, so they build habits and relationships to manage those decisions well. Employees are placed inside a structure that requires

almost no ongoing decisions, so most of them, entirely reasonably, do not build those habits. The tools available to an employee are narrower than the tools available to a business owner, but within that narrower set, the same principle applies: decisions made throughout the year, rather than crammed into a single spring session, tend to produce better outcomes.

The rest of this book explores both halves of that sentence. It explains honestly where the employee's toolkit ends and the business owner's begins, and it also shows how much of the business owner's advantage comes not from access to secret strategies, but from simply treating tax as something to think about more than once a year.