

## Fact Sheet Requirements for Keeping Records (From CRA Website)

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Full version available on the Canada Revenue Agency website at:  
<http://www.cra-arc.gc.ca/tx/bsnss/tpcs/kprc/rqrmnts-eng.html>

### Your Responsibilities Associated With Records You Must Keep

According to the law, your responsibilities include:

- protecting your records, even if you hire a third party to hold them for you;
- making your records, including supporting documents, available to the Canada Revenue Agency (CRA) when it asks for them (the CRA might inspect, audit, or examine your records, as well as your processes and property);
- making sure that you, your employees, or your third-party record keeper is present when CRA officials examine your records at the address where you keep them (you must also make sure that your representative is cooperating with the examination by providing reasonable assistance and answering questions about your business);
- allowing CRA officials to make copies, or giving them copies, of any records they need.

We recommend that you tell the CRA about any third party changes that might affect your records (for example, if you transfer your records to another third party).

### Requirements That All Records Must Satisfy

Your records should:

- be reliable and **complete**;
- include the **information** needed to meet your tax obligations and to **calculate your credits**;
- **be supported by documents**;
- be kept in English, French, or a combination of these two languages.

## Other Requirements for Electronic Records

For electronic records, also make sure:

- they are supported and maintained by a system capable of producing records that are accessible to CRA officials and readable by CRA software;
- they are kept in an electronic format accessible to CRA officials and readable by CRA software, even if you have paper copies of them or if you transferred them to another medium, such as microfilm or scanned image;
- **you always store proper backup copies, preferably at a site in Canada** other than your business location; (*Note: Registered charities, registered Canadian amateur athletic associations, and other qualified donees must store their backup copies at a location in Canada*)
- they remain accessible to CRA officials and readable by CRA software after any changes to your operating or electronic business systems;
- they are ready, no matter where they are kept, to be inspected by the CRA;
- if any get lost, destroyed, or damaged, to tell the CRA by calling 1-800-959-5525. You must also recreate the files within a reasonable time frame;
- if they are encrypted, they can be decrypted and produced in an electronic format accessible to CRA officials and readable by CRA software. (*Note: The CRA can access electronic records created in most standard formats.*)

## Information You Must Keep About Internet-Based Transactions

If you use the Internet while carrying on your business, you are responsible for keeping information in your records about your Internet-based transactions. This information can be produced either:

- during transaction processing, for example, as a web log or emails to confirm a sale; or
- as a result of security measures to preserve the authenticity and integrity of a record, for example, as an electronic signature.

You are responsible for making the information about these transactions available when the CRA asks for it, even if your business or organization uses the services of any of the following for certain aspects of these transactions:

- transaction managers;
- application service providers;
- other agents.

You may want to keep this information or a copy of this information in your records, since third parties may not keep the information for the period required by law.