



TRACKING YOUR EQUITY PLANS: WHY IT'S TIME TO SAY GOOD-BYE TO SPREADSHEETS

In the summer of 2019, we reported on the Government of Canada's proposed changes to the taxation of employee stock options that was scheduled for January 1, 2020.

On December 19, 2019, the government announced that the proposal would not come into effect on January 1 as was initially intended. Instead, the details on how the government plans to move forward on this proposal will be outlined in Budget 2020. This delay is good news for businesses who need more time to review and develop their processes for tracking employee stock options.

As we reported in "Update on Taxation of Stock Option Benefits", one of the biggest concerns for most organizations is who will be impacted, as "businesses that meet certain prescribed conditions" is quite vague. The deadline for input into the criteria for defining "start-up, emerging and scale-up" companies was September 16, 2019¹ but to date, there has been no indication that these guidelines have been established.

Without clear definitions, it leaves many companies up in the air as to whether they will be impacted. This poses complications for organizations that must comply with these changes in terms of tracking the stock options, tracking qualified versus non-qualified grants, following the vesting schedule and more.

If your company is still using a spreadsheet to track your equity plans data, this could get complicated very quickly. And if it turns out that your company is one that must comply with the new rules, using a spreadsheet will become very complex. Auditors certainly don't like spreadsheets, mostly because they take so much time and effort to audit.

OPTRACK is a self-serve solution delivering equity administration, financial reporting, and cap table management all in one place.

¹ Government of Canada to Make Tax System Fairer, Launches Consultations on Stock Options



Say good-bye to spreadsheets

A better solution is to take the time now to plan for all possibilities by choosing a tool that can track your equity data today and grow with your company for tomorrow.

OPTRACK is a self-serve solution delivering equity administration, financial reporting, and cap table management all in one place. By doing away with spreadsheets that can be overly complicated and error-prone, you'll save time and mitigate risk.

The platform can track the most complex equity plan details. You'll avoid those red error messages in your spreadsheet cells that waste time and resources tracking back through formulas to correct, and all with the same grant information you enter for a regular grant.

Don't wait until the taxation changes are announced – take the time now to evaluate a tool that can replace your time-consuming, potentially inaccurate spreadsheets and make tracking faster and easier. Even if your company is exempted from the new legislation, your company is never too small to prepare for future growth. The time and cost savings are well worth it – and your auditors will love you!

To learn more or schedule a demo to see OPTRACK in action, visit optrack.com.



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