Active Does Not Mean Compliant

Annual Filing Default as a Measure of Statutory Non-Conformity in Canada's Federal Corporate Registry

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DISCLOSURE

This report was prepared by Lionel J. Perez, BA, JD, LL.L, CEO of CorpCentre, which provides corporate compliance services to Canadian businesses. Its findings bear on the market in which the firm operates. Every figure is computed from publicly available data, and the method is set out in Appendix A in sufficient detail for any reader to reproduce the analysis independently or to challenge it. Readers are invited to do both. This report does not allege wrongdoing by anyone: non-filing is overwhelmingly ordinary business abandonment, and the claims concern the design and reliability of the public record, not the conduct of any corporation.

Abstract

This report measures annual filing default across Canada's federal corporate registry, computed from Corporations Canada's own published bulk data: 642,674 active and 820,389 inactive records, extracts of August 2026. **Approximately one active federal corporation in five is in default of its annual return obligation** — 20.02%, or 101,780 of the 508,470 corporations with at least one return due — a figure corroborated independently by the registry's enforcement flow. Only 26.5% of defaulters carry any public warning, and the flag tracks enforcement activity rather than record staleness. Administrative strike-offs outnumber voluntary dissolutions by more than four to one on the 2026 pace, and 49.1% of corporations ever struck off for non-compliance never filed anything. The annual return also requires each corporation to declare the date of its last annual meeting of shareholders or resolution in lieu; tested at each corporation's own filing moment, one declaring corporation in eight entered a date already more than fifteen months past — an admission against interest, made at signature. Assembled with the filing measurement, 142,285 corporations — **27.98%, more than one active federal corporation in four — stand in evidenced breach of at least one core obligation of the Act**, on the register's own record. "**Active" on the register is a legal status, not a compliance signal.**

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Executive summary

Canada's corporate-transparency framework depends to a substantial extent on a single recurring obligation: the annual return. Beneficial ownership information is filed with it, and while the Act separately requires changes to be reported within fifteen (15) days, the annual return is the only occasion on which every corporation must report.

Yet whether corporations are meeting that obligation has not been publicly measured in Canada for fifteen years. Corporations Canada last published a compliance figure for 2011–12 and its own 2015 evaluation records that it stopped collecting such statistics. No measurement of the current register has been located in the published literature.

This report measures it directly from the registry's own published data.

Findings.

1. **F1 — Approximately one in five active federal corporations is in default of its annual return obligation.**

The figure is **20.02%** across corporations with at least one return due, or **15.39%** restricted to seasoned corporations. It is independently corroborated by a second, unrelated measure: Corporations Canada issues roughly **120,792 notices of intent to dissolve each year — 18.80% of the active register.** A snapshot of corporation records and annualized registry transaction data produce the same answer to within about a percentage point, in every window measured.

2. **F2 — The enforcement pipeline pursues the recently lapsed and leaves the chronically delinquent in place.**

Only **26.5%** of corporations actually in default carry any public warning. The flag does not track how stale the record is; it tracks whether the registrar is currently moving to dissolve. 25.2% of corporations one year behind are flagged, against **3.2%** of those two years behind and 9.8% of those eleven or more years behind. **4,759 corporations remain listed as active having filed nothing since 2014 or earlier.**

3. **F3 — Dissolution is a compliance event, not a business-failure event.**

Corporations struck off for failure to file outnumber voluntary wind-ups by more than four to one — 76,632 against 17,376 annually on the 2026 five-month annualization, or 81.5% of certificate-flow removals. Across the register's entire history, 68.2% of all federal dissolutions were for non-compliance, and 49.1% of those corporations never filed a single annual return. Half of any incorporation cohort has stopped filing within four (4) years.

4. **F4 — One declaring corporation in eight admits, on the return it has just signed, that no timely annual meeting or resolution preceded it.**

Every CBCA corporation must hold an annual meeting of shareholders (or pass resolutions in lieu), and the annual return requires the corporation to declare the date of the last one. 55.36% declare a meeting within the fifteen months s.133 allows. Of those that do answer positively, a large share of the declared dates does not withstand statistical scrutiny, so this report derives no annual meeting compliance rate from it. §8.4. Tested at each corporation's own filing moment, one declaring corporation in eight — 44,207 — entered a date already more than fifteen months past on the return it was signing: an admission against interest, on a form that accepts a written resolution in lieu of a meeting. Assembled with the filing measurement — the two populations disjoint by construction — 142,285 corporations, **27.98%, more than one active federal corporation in four, stand in evidenced breach of at least one core obligation of the Act, on the register's own record.**

The implication. "Active" on the public register means only that the registry has not yet struck the corporation off. It does not mean the corporation has filed, has met, has updated its directors, or has declared its beneficial owners — and nothing on the register is verified by anyone. Nor is it current: the register knows each corporation only as of its last filing, and the record lags the reality it is trusted to describe. Lenders, counterparties, auditors, regulators and procurement officers routinely treat active status as definitive evidence of good standing. And since 1 October 2025 the reliance is mandated: FINTRAC-regulated entities must consult this register's beneficial-ownership information and report material discrepancies. It is not designed to carry that weight, and on these figures it does not.

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1. Why this matters now, and why it has not been measured

The obligation itself is unremarkable. Every corporation governed by the *Canada Business Corporations Act* must file an annual return within 60 days following its anniversary date, confirming its directors, registered office and — since 2024 — the individuals who control it. The fee is $12 online. The filing takes minutes.

What has changed is the weight the obligation now carries. It is the vehicle through which Canada administers beneficial ownership transparency, the record on which reporting entities rely when confirming that a corporation exists, and the mechanism by which the register keeps itself current. A regime built on an annual return is only as good as the rate at which the annual return is filed.

Corporations Canada published a compliance figure once. Its 2011–12 Departmental Performance Report recorded that **84% of federally incorporated corporations complied with statutory annual filing requirements**, against a departmental target of 80%.

The department's own 2015 evaluation then recorded the position plainly:

> "*Corporations Canada currently does not collect any additional compliance statistics*."

That remains the case. Corporations Canada has published a single annual statistical report in its history, covering 2020. No compliance rate has been published in fifteen years, and no count of active corporations has been published in six years.

This matters beyond record-keeping. Since January 2024 the *Canada Business Corporations Act* has required corporations to file beneficial ownership information — the individuals with significant control, or ISC — with penalties reaching $100,000 for the corporation and $1,000,000 or five years' imprisonment for directors and officers. That regime is administered through the same annual return. Its effectiveness therefore depends on annual return compliance, which the regulator does not measure.

Corporate transparency has, in the same period, become a live policy question well beyond record-keeping. A publicly searchable beneficial ownership registry now exists at the federal level (Quebec's Registraire des entreprises registry added ultimate beneficial owner (UBO), ISC equivalent, information in 2023 and its results will be the subject of a separate research report). Canada's fifth-round mutual evaluation under the Financial Action Task Force had its on-site visit in November 2025 and was adopted at the June 2026 plenary. Comparable jurisdictions have moved as well — the United Kingdom's Economic Crime and Corporate Transparency Act 2023 introduced mandatory registered email addresses and identity verification for directors. Meanwhile the federal register itself has grown by roughly 40% in six years.

The data required to measure it is public. This report uses it.

2. What now depends on the register

The register's original question is narrow: does this corporation presently exist under the *Canada Business Corporations Act*? A growing body of obligation now asks it to answer a wider one.

Beneficial ownership discrepancy reporting — in force since 1 October 2025. Reporting entities regulated by FINTRAC must now consult Corporations Canada's database and compare the beneficial ownership information they have obtained against the individuals-with-significant-control information the register holds, wherever they determine that an active CBCA corporation poses a high risk of a money laundering or terrorist financing offence. Where a material discrepancy is identified it must be reported to Corporations Canada within thirty (30) days, unless resolved in that period; a reporting entity may also report voluntarily for corporations not assessed as high risk. Corporations Canada acknowledges receipt within ten business days and the reporting entity must retain that acknowledgement.

This is a significant change in the register's function. It is no longer merely a place where information is deposited. It is a **reference set against which regulated firms are legally required to check their own records**, and against which discrepancies must be reported to the registry.

The Act requires the register to be continuously current, not annually current. The point is easily missed because ISC information is also filed with the annual return. But the obligation is doubled and event-driven. Section 21.1(3) requires a corporation to record ISC information in its own register within **fifteen days** of becoming aware of it. Section 21.21(1)(b) then requires it to send that information to the Director within **fifteen days after the day on which it is recorded**. Contravention is an offence carrying a fine of up to $100,000 under section 21.21(4). The annual sending obligation in section 21.21(1)(a) sits alongside these, not in place of them.

That obligation and this report's measurement meet directly. The Act requires ISC changes to reach the Director within fifteen (15) days. The register updates when a corporation files. For approximately one active corporation in five, the last filing is more than a year old. Section 3 of this report measures how large that population is.

This report does not measure the rate at which the fifteen-day obligation is met, and no such measurement is attempted: the bulk registry extracts contain no ISC field and the monthly transaction records carry no ISC transaction type. What can be stated is the gap between the standard the Act sets and the filing behaviour observed here. CorpCentre has recently requested that Corporations Canada add the relevant ISC information to its API and open data resources.

The register is also relied upon, without any statutory compulsion to do so, by lenders confirming good standing, by counsel and accountants in transactions and corporate maintenance, by procurement authorities verifying existence before award, and by credit reporting agencies. In each case the user requires something the register was not designed to certify.

This report does not suggest the register is inaccurate. It is accurate as to the question it answers. The distinction it draws is between corporate *existence*, which the register certifies, and *compliance with recurring statutory obligations*, which it does not.

3. Data and method

Source. Corporations Canada, *Federal Corporations* open dataset, active CBCA business corporations extract, dated **4 August 2026**. 642,674 records. Open Government Licence – Canada.

Second source. Corporations Canada, *Federal Corporations* open dataset, **inactive and dissolved** CBCA business corporations extract, dated 6 August 2026. **820,389 records.** Same licence.

Supplementary. Corporations Canada monthly transaction records for June and July 2025 and for January, February, April, May and June 2026, covering incorporations, dissolutions under s.212, notices of intent to dissolve and revivals.

The default test. A corporation must file an annual return within 60 days following each anniversary of its incorporation. A corporation incorporated on or before 31 December 2024 must therefore have filed a return for 2025 by 1 March 2026 at the latest. A corporation is treated as in default if it is in that cohort and its last recorded annual filing is earlier than 2025, or if it has never filed.

Corporations incorporated in 2025 or 2026 are **excluded**, because their first return may not yet have fallen due. Including them would overstate default by roughly eight percentage points.

Full specification, including deduplication rules and the treatment of anomalous records, is at Appendix A.

4. Finding 1 — Approximately one in five active corporations is in filing default

Table 1 — Annual return default across the cohort with at least one return due

	Count	% of cohort
Cohort (incorporated ≤ 31 Dec 2024)	508,470	—
Current — filed for 2025 or 2026	406,690	**79.98%**
Lapsed — last filed 2024 or earlier	59,929	11.79%
Never filed any annual return	**41,851**	**8.23%**
Total in default	**101,780**	**20.02%**

Sensitivity. The rate depends on the cohort chosen, and both defensible definitions are reported:

Table 2 — Default rate under both defensible cohort definitions

Definition	Base	In default	Rate
Seasoned corporations (incorporated ≤ 31 Dec 2023)	424,045	65,245	**15.39%**
All corporations with ≥1 return due (≤ 31 Dec 2024)	508,470	101,780	**20.02%**

Depth of default. Most defaulters are recent, but the tail is long and old:

Table 3 — Depth of default among corporations in default

Years behind	Count
1 year	47,182
2 years	4,263
3 years	935
4–5 years	848
6–10 years	1,942
11 or more years	**4,759**

Three corporations on the active register last filed an annual return in 1980.

4.1 Independent corroboration

The figure above is a **stock** measure — a point-in-time snapshot. Corporations Canada's transaction records provide an unrelated **flow** measure, and the two agree.

Table 4 — Stock and flow measures of default compared

Measure	Value	As % of the active register
Notices of intent to dissolve issued, annualized	120,792	**18.80%**
Corporations measured in default (stock)	101,780	**20.02%**

A notice of intent to dissolve is issued because a corporation is in filing default. Roughly one corporation in five on the federal register receives one each year; roughly one in five is measured as being in default at any moment. The two figures derive from different data and were computed by different methods.

The principal objection to any registry-derived compliance rate is that it reflects how the analyst constructed the test. That objection does not survive here: the registry's own enforcement activity, measured independently, arrives at the same one-in-five rate — 18.80% against 20.02%, two constructions from different data, different windows and different denominators, 1.22 percentage points apart on the canonical five-month annualization (0.49 on the four-month variant). The agreement is at the level that matters: both measures say one corporation in five.

4.2 Beneficial ownership compliance is the same measurement

Innovation, Science and Economic Development Canada reported in its 2024–25 Departmental Results Report that **74% of active CBCA corporations had filed beneficial ownership information as at 31 March 2025**, rising to 80% by May 2025, against a departmental target of 90%.

The computed annual-return compliance rate in this report is **79.98%**.

These are not two coincidentally similar numbers. ISC information reaches the Director with the annual return, and also through event-driven filings that follow changes in control. A corporation that does not file the return has failed the mandatory annual confirmation and transmission signal; that failure does not establish that ISC information was never separately transmitted, nor that the underlying information is inaccurate. What the overlap shows is that the annual channel of beneficial ownership compliance is, in large measure, the annual return default the registry has carried since at least 2011, observed under a different name.

The operational consequence is set out at section 8.

4.3 Default by incorporation cohort

Table 5 — Default rate by incorporation cohort

Cohort	Active	In default	Rate
2024	84,425	36,535	**43.3%**
2023	61,186	12,623	20.6%
2022	55,974	10,273	18.4%
2021	51,883	8,134	15.7%
2019	25,846	3,582	13.9%
2016	16,132	2,006	12.4%
2012	8,893	994	11.2%
2008	6,211	744	12.0%

Default settles at a floor of 11–12% for mature cohorts. **That floor is a survivorship artefact, not evidence of improving behaviour with age** — this extract contains only active corporations, so chronic non-filers from earlier cohorts have already been dissolved and are absent from the denominator.

These rates are not comparable across cohorts, and no trend should be read from the table. For a corporation incorporated in 2024 only one return has fallen due, so "never filed" means it missed one. For a 2023 incorporation two have fallen due, so the same label means it missed two or more. The tests differ, and the older one is stricter by construction. The 43.3% figure for the 2024 cohort is reported here as an unconditional statement about that cohort and nothing more.

5. Finding 2 — Enforcement pursues the recently lapsed, not the chronically delinquent

The registry flags corporations facing administrative dissolution with the status *"Active – Dissolution Pending (non-compliance)."* 26,951 corporations carry that flag.

Table 6 — Corporations carrying the dissolution-pending flag

	Count
Corporations in default	101,780
Of those, flagged	26,948
Not flagged	**74,832**
Share of defaulters flagged	**26.5%**

Three-quarters of corporations in default carry no public indication of it.

The flag tracks the enforcement pipeline, not the severity of the default:

Table 7 — Warning-flag prevalence by depth of default

Depth of default	In default	Flagged	% flagged
Never filed, incorporated 2024	36,535	13,470	**36.9%**
1 year behind	47,182	11,868	**25.2%**
2 years behind	4,263	138	**3.2%**
3–5 years	1,783	176	9.9%
6–10 years	1,942	97	5.0%
11 or more years	**4,759**	**468**	**9.8%**

A corporation one year behind is roughly eight times more likely to be flagged than one two years behind. The relationship is not a simple decline with depth — the 11-or-more band sits at 9.8%, above the 5.0% of the 6–10 band. What the flag identifies is the corporations the registrar is currently processing toward dissolution, which is concentrated among recent defaulters. Corporations that survived that process and remain listed as active years later are precisely the ones it did not reach.

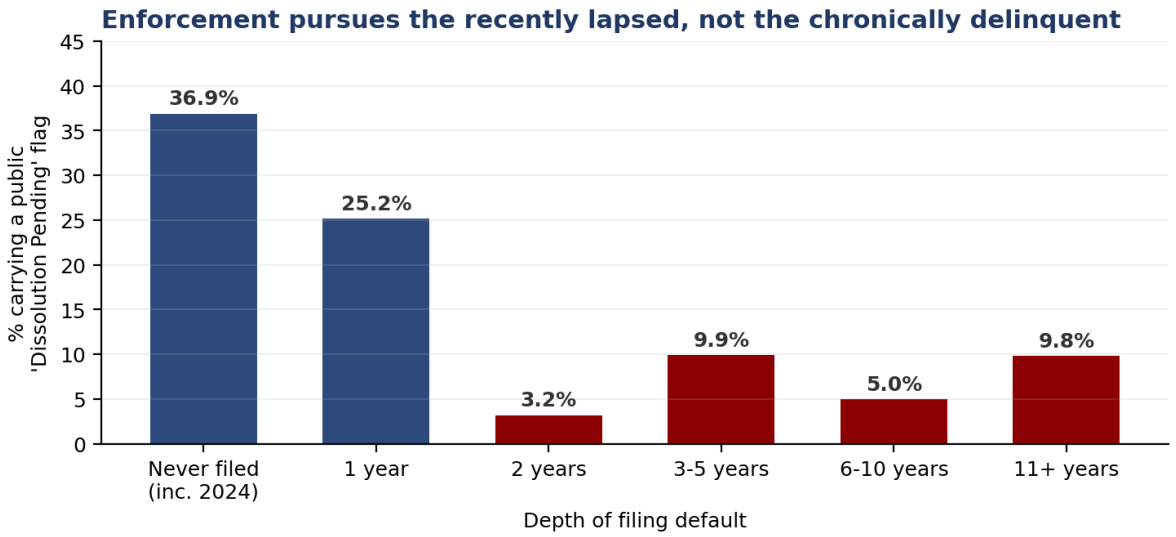


Figure 1 — Share of defaulting corporations carrying a public flag, by depth of default.

The mechanism. At roughly 10,458 notices issued monthly, the 26,951 corporations currently flagged represent about **2.6 months** of notice flow. The flag is a transient state, not a queue position. Corporations pass through it; those that neither cure nor are struck off pass out of it and are not flagged again.

The consequence is that the corporations whose public information is oldest and least reliable — those a decade or more in default — are among the least likely to carry any warning, and among the least likely to be removed.

The documented flagging rule is not published. The pattern reported here is observed; whether it reflects deliberate policy or the operational sequence of the dissolution process cannot be determined from public data.

6. Finding 3 — Dissolution is a compliance event, not a business-failure event

Table 8 — Federal certificate flow, annualised from 2026 observations

Federal, annualized	Count	% of active register
s.212 — struck for failure to file	**76,632**	**11.92%**
s.210/211 — voluntary wind-up	17,376	2.70%
Total attrition	**94,008**	**14.63%**

81.5% of certificate-flow corporate removals are involuntary. The deliberate, orderly wind-up that the *Canada Business Corporations Act* is drafted around is the minority pathway by four to one. Corporations do not mostly end by decision. They end by neglect.

The rate is accelerating. Corporations Canada recorded 15,066 administrative dissolutions in 2019. The current rate is **4.6 times** that level — consistent with clearance of the backlog created by the suspension of administrative dissolutions during the pandemic, though no cause has been documented by the registry.

For scale. The Office of the Superintendent of Bankruptcy recorded **4,860 insolvencies filed by corporations** across Canada in 2024, the highest volume since 2010. Federal administrative strike-offs alone exceed that by roughly fourteen to one. Insolvency law — with its stay of proceedings, creditor notice regime, trustee oversight and court supervision — governs a small minority of corporate deaths. *This comparison sets a federal numerator against a national insolvency count and is offered as an order of magnitude, not a precise ratio.*

6.1 The lifetime record

Combining the active and inactive registers gives the complete population of federal business corporations ever created under the Act.

Table 9 — The complete federal corporate population, active and inactive

	Count	Share
Ever on the federal register	**1,463,063**	—
Still active	642,674	43.9%
Removed	**820,389**	**56.1%**

More federal corporations have been removed from the register than remain on it.

Of the 723,987 true dissolutions — excluding amalgamations and discontinuances, which are not corporate deaths:

Table 10 — Dissolutions by reason

Reason	Count	Share of dissolutions
Dissolved for non-compliance	**493,923**	**68.2%**
Dissolved by the corporation	226,425	31.3%
Dissolved by court order or otherwise	3,639	0.5%

Roughly **two of every three federal corporations that have ever been dissolved were struck off for failing to file**, not wound up by decision.

6.2 Half of the corporations struck off never filed anything

Among the 493,923 corporations dissolved for non-compliance:

> **242,415 — 49.1% — never filed a single annual return.**

They were incorporated and dissolved without one filing. For comparison, 22.5% of corporations dissolved *by the corporation* never filed, and 34.7% of those that amalgamated.

Among the 251,496 that did file at least once before lapsing, the median age at last filing is **4 years**:

Table 11 — Age at last annual filing among lapsed corporations

Age at last filing	Count	Share
1 year	49,086	**19.5%**
2 years	41,733	16.6%
3 years	29,070	11.6%
4–5 years	40,413	16.1%
6–10 years	50,385	20.0%
11–20 years	30,915	12.3%
21+ years	9,288	3.7%

Combining the two groups: **roughly 59% of all corporations struck off for non-compliance either never filed, or filed once and stopped.**

6.3 Dissolution timing is close to deterministic

The dissolved-corporations extract does not record a dissolution date. It can, however, be recovered. Matching 23,141 corporations with known s.212 dissolution dates from the 2026 monthly transaction records against the inactive register returns 22,043 matches (95.3%). Of those, 10,928 carry a recorded last annual filing and therefore yield a measurable interval; the remaining 11,115 — 50.4% — never filed an annual return at all, consistent with the 49.1% never-filed share computed independently at section 6.2. The interval between a corporation's last annual filing and its dissolution, computed on the 10,928:

Table 12 — Interval between last annual filing and dissolution

Interval	Count	Share
3 years	7,737	**70.8%**
4 years	3,078	**28.2%**
5 or more years	113	1.0%
Fewer than 3 years	0	0.0%

Mean 3.3 years, standard deviation 0.5. No corporation in the sample was dissolved less than three years after its last filing.

The interval runs well beyond the statutory minimum. Section 212(1)(a)(iii) permits dissolution once a corporation has been in default for one year, on 120 days' notice. Administrative practice is more

forbearing, and the registrar says so in terms: Corporations Canada's published policy is to dissolve only where a corporation has not filed for two years, with a final notice giving a further 120 days to file (Corporations Canada, Policy on annual filings). The three-to-four-year interval observed here therefore reflects the registrar's practice, not the period the Act requires. Never-filers show the same pattern, with a median age at dissolution of 3 years.

The practical consequence is that **a corporation's dissolution date can be inferred from its last filing year to within about half a year**, which is what permits the survival analysis at section 8.1 despite the absence of a dissolution-date field.

This calibration is drawn from 2026 dissolutions and reflects current enforcement practice. It should not be applied across the 2020–2022 period, when administrative dissolutions were suspended and the interval necessarily lengthened.

7. The enforcement chain

The three findings are stages of a single mechanism, measured end to end from registry data.

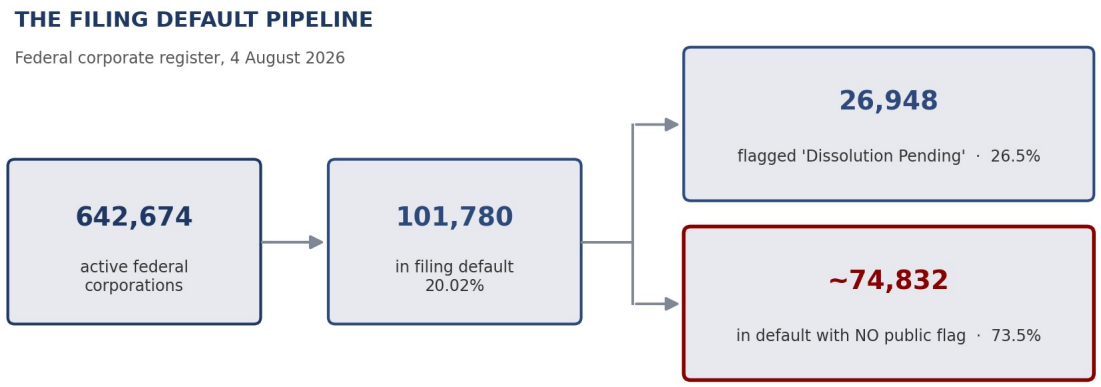


Figure 2 — The filing default pipeline. Three-quarters of corporations in filing default carry no public indication of it.

Table 13 — The enforcement chain, stage by stage

Stage	Volume	Share
In filing default at any moment	101,780	**~20% of the register**
Receive a notice of intent to dissolve annually	~120,792	**18.80% of the register**
— not struck off within the window	~44,160	36.6% of those noticed
— struck off	~76,632	63.4% of those noticed
Carry a public flag while in default	26,948	**26.5% of defaulters**

> **One corporation in five is in default. One in five receives a compliance warning each year. One in nine is removed for failing to answer it.**

What the notice stage does and does not show. Roughly 44,000 corporations a year are noticed and not struck off, on the five-month 2026 annualizations. Two cautions attach to that figure. The notice and dissolution series are measured over different windows, so a corporation noticed within the observation period may be struck off after it; the 36.6 / 63.4 split is therefore a snapshot and not a settled outcome. More importantly, whether the notice caused any corporation to file cannot be determined from these data. There is no unnoticed comparison group, and corporations that would have filed in the ordinary course are indistinguishable from corporations that responded to the warning. The figure bounds the size of the population passing through the notice stage. It does not measure the effect of the notice.

8. Three further results

8.1 Compliance decays faster than the register does

Cohort size is measured directly — every corporation incorporated in a given year, whether it remains active or has since been removed — so the denominators require no external source.

Table 14 — Survival and compliance by incorporation cohort

Cohort	Age	True cohort size	Still active	Survival	Active and current	Compliant
2023	3	94,335	61,186	64.9%	48,563	51.5%
2022	4	93,625	55,974	59.8%	45,701	48.8%
2021	5	95,858	51,883	54.1%	43,749	45.6%
2020	6	70,092	34,911	49.8%	29,282	41.8%
2019	7	53,436	25,846	48.4%	22,264	41.7%
2018	8	48,514	21,899	45.1%	18,926	39.0%
2016	10	39,284	16,132	41.1%	14,126	36.0%
2014	12	32,055	11,897	37.1%	10,483	32.7%
2009	17	22,503	6,443	28.6%	5,788	25.7%

Table 15 — Compliance and survival half-lives

Metric	Value
Compliance half-life	**3.6 years**
Survival half-life	6.0 years

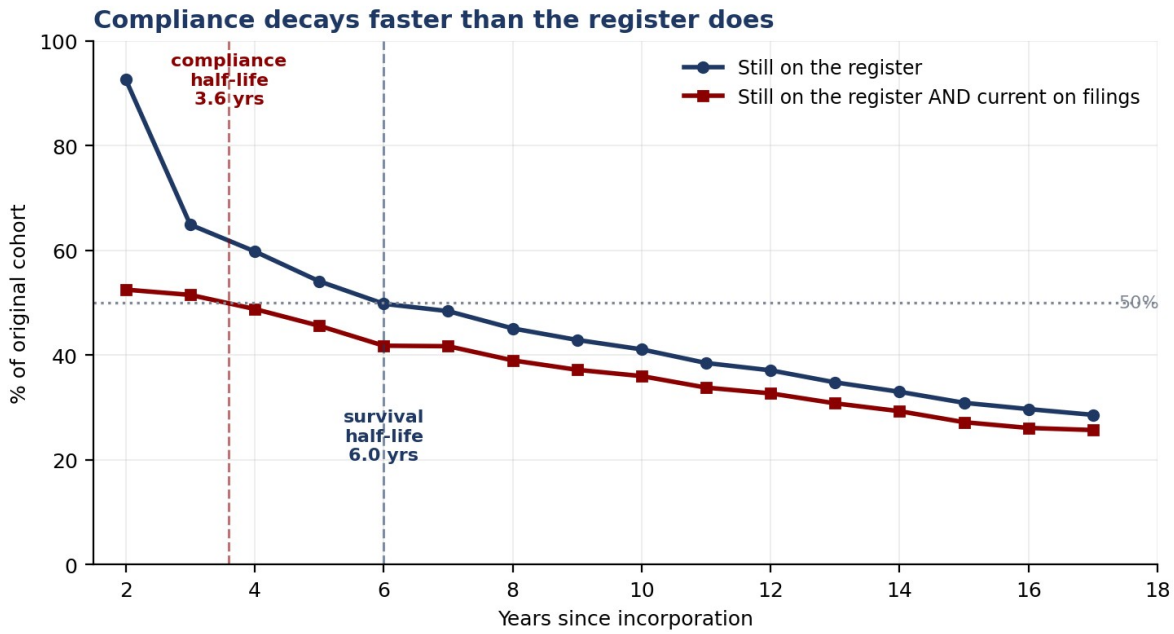


Figure 3 — Compliance decays faster than the register does.

Half of an incorporation cohort has stopped filing within four years. Half has left the register within six. The gap between the two curves is the population the registry continues to list as active while it is already in default — Finding 2 expressed as a lifecycle rather than a snapshot.

Age-specific attrition is also measurable, and every band is positive:

Table 16 — Age-specific attrition by band

Age band	Attrition in band
3 → 4 years	7.8%
4 → 5 years	**9.5%**
5 → 6 years	8.0%
6 → 7 years	2.9%
7 → 8 years	6.7%
8 → 10 years	4.4–4.9%
10 → 17 years	3.5–6.5%

Attrition peaks in years four and five and settles at roughly 4–6% annually thereafter.

These are synthetic-cohort figures: a single registry snapshot, with different cohorts observed at different ages under different enforcement regimes — notably the suspension of administrative dissolutions between 2020 and 2022. They are directionally sound but are not a true life table, and the recent cohorts are affected by the current enforcement surge.

8.2 Numbered corporations default at 1.21 times the rate of named ones

A corporation whose legal name is its corporation number — "17588194 CANADA INC." — has by construction never been given a business identity. That is visible on the face of the public register at no cost.

Table 17 — Numbered and named corporations compared

	Count	Filing default	Never filed	No annual meeting date reported
Numbered	197,154 (38.8%)	**22.42%**	10.10%	23.55%
Named	311,316 (61.2%)	**18.49%**	7.05%	17.34%

Risk ratio 1.21; z = 33.6. The difference holds in every incorporation cohort, so it is not an artefact of corporation age. The numbered share of the register is also rising — 34.1% of pre-2015 incorporations against 42.8% of the 2024 cohort.

This is an association, not a cause. Numbered incorporation plausibly proxies for something the data cannot identify — incorporation through an intermediary, single-purpose or holding vehicles, lower professional involvement. And it discriminates rather than determines: most numbered corporations are compliant, and in absolute terms most defaulters are named corporations, because named corporations are the majority of the register.

8.3 Default churns; it does not pool — and it exits through two doors

The one-year default state is transient: roughly 90% of corporations one year in default are no longer in that state a year later — 47,182 stand one to two years past their last filing, against 4,263 a band deeper. But transience is not self-correction, and the two exits are not alike. Following a default cohort across the active and inactive registers, roughly two-fifths cure by filing again — the precise rate cannot be fixed from a single snapshot, but the correction, where it occurs, is concentrated in the first year of default. The majority of the remainder proceeds to administrative dissolution, which arrives at a last-filing-to-dissolution gap of three to four years — that is, in the second and third years of default, exactly where the band empties. What stays behind is a small chronic residue, years in default and largely unflagged (§8.1).

The 20.02% stock is therefore not a stable population of chronic non-filers. It is a churning population with two dominant exits — cure and strike-off — only one of which restores the record. The distinction matters for policy design (§10): timing levers reach the population that cures; nothing currently operates in the window between default and dissolution; and the chronic tail responds to neither.

8.4 The annual meeting: further non-conformity data

Every corporation governed by the *Canada Business Corporations Act* must hold an annual meeting of shareholders. Section 133(1) requires it not later than fifteen months after the last preceding annual

meeting, and no later than six months after the end of the preceding financial year. The obligation applies to every CBCA corporation, including one with a single shareholder who is also its sole director.

The annual return requires the corporation to declare the date of its last annual meeting — or, per the filing interface's own instruction, the date of the written resolution in lieu of a meeting under s. 142 — and Corporations Canada publishes that field. What follows is drawn entirely from it.

What the register records.

Table 18 — Declared annual meeting dates, seasoned active corporations

Seasoned active corporations (incorporated ≤ 31 Dec 2023)	Count	%
Declare a meeting within the 15 months s.133 allows	234,767	**55.36%**
Declare a meeting more than 15 months ago	140,139	33.05%
Declare no meeting date at all	49,139	11.59%

Restricting to corporations that are fully current on their annual returns — those whose declaration is as fresh as the registry can make it — the figure rises to **64.96%**, and among those whose most recent return was filed in 2026 it rises again to **75.71%.** The registry only knows what it was told at the last filing, so the lower figures are depressed by reporting lag as well as by non-compliance.

Why no conformity rate is derived from this field. The date is self-declared and Corporations Canada verifies nothing. That alone would counsel caution. What the data shows is worse: a large share of the declared dates are not meeting dates at all. The limitation is directional: it disqualifies the field's declarations of conformity, not its declarations against interest, which are taken up below.

Table 19 — Month-end concentration in declared meeting dates

Among corporations declaring a timely meeting	Share
Date falls on the last day of a month	**16.82%**
Date falls on a weekend	**14.52%**
Date is a statutory holiday	3.21%
Date is the corporation's own anniversary date	6.92%
Date is a plain, non-round business day	61.65%

December 31 alone accounts for 4.91% of all declared meeting dates — **17.9 times** what chance would produce — and June 30 for 3.27%, **12.0 times** chance. These are the two most common Canadian fiscal year ends.

Two tests confirm that these are year-end dates entered in the wrong field rather than meetings. **Adjacent-day discontinuity:** December 30 carries 1,698 declarations and December 31 carries 11,534, a **6.8-fold increase across a single day**, with no comparable step anywhere else in the calendar. **Absence of weekend suppression:** a convened meeting is not held on a Saturday, so a genuine December-31 concentration should collapse in years when December 31 fell on a weekend. Across 2005–2026 it does not move — 4.52% of declarations in weekend years against 4.75% in weekday years.

There is also a legal impossibility in the year-end dates. Section 155(1) requires the directors to place before the shareholders at every annual meeting financial statements for a period **that has ended**; s.158(1) requires the directors to have approved them; s.159(1) requires them to be sent to shareholders in advance. A corporation whose financial year ends on December 31 cannot receive statements for that year on December 31. Section 142(1), which permits a written resolution of all shareholders in place of a meeting, does not cure this: the impossibility arises from the subject matter, not the mode.

What can and cannot be said. Removing only the dates that cannot be meeting dates — the month-end declarations — reduces the declared figure from 55.36% to a **ceiling of 46.05%**, or 62.90% on the freshest data. Those are ceilings conditional on the assumption that every month-end declaration is year-end contaminated, which the evidence strongly supports but does not prove for any individual record, since the dataset carries no fiscal year end.

What the declarations admit. Two features of this field give the non-conforming declarations evidentiary weight the conforming ones lack. The form accepts either instrument — the annual meeting or the written resolution in lieu — so a date outside the statutory window cannot be explained as informal-but-lawful practice; the lawful alternative is captured by the same field. And the incentive to misdeclare runs one way: no corporation gains by overstating its non-conformity, so a declaration that no timely meeting or resolution occurred is an admission against interest. Tested at each corporation's own filing moment, one declaring corporation in eight — 44,207 — entered a last-meeting date already more than fifteen months old on the return it was signing, at a rate constant across every filing cohort (11.83% over all filers; 11.85% among corporations filing in 2026), which excludes reporting lag as the explanation. A further one in eight left the field blank. The conforming declarations remain unverified self-reports, inflated by the month-end dates that cannot be meeting dates; the non-conforming ones are admissions. The asymmetry is the finding.

This report therefore derives no annual-meeting compliance rate: the field's conforming side — unverified and contaminated — cannot support one. What the field can support runs in one direction, and is stated here:

> On the public record, roughly one third of seasoned active federal corporations can evidence an annual meeting that is both timely and not attributable to a mechanical data-entry pattern. The registry's annual meeting field is unreliable in both directions — it overstates through unverified self-declaration and understates through reporting lag. Its conforming declarations support no governance conclusion. Its non-conforming declarations are admissions against interest: among current filers declaring a testable date, one in eight admits that no timely meeting or resolution preceded the return.

That is a finding about the quality of a public record, not about the conduct of Canadian corporations, and it should be cited as such. It sits alongside the filing measurements in this report as a second respect in which the register cannot answer a question it puts to every corporation on it.

9. Implications

1. Registry status certifies existence, and is relied on as though it certified compliance.

The users are numerous and their needs differ from what the register provides. Financial institutions consult it during onboarding and ongoing monitoring, and since 1 October 2025 must consult it and report discrepancies where a CBCA corporation is assessed as high risk (§2). Counsel and accountants rely on it in transactions and corporate maintenance. Procurement authorities verify existence before award. Credit reporting agencies incorporate it into their records.

"Active" means only that the registry has not yet struck the corporation off. On these figures, one active federal corporation in five is in default of a basic statutory filing obligation, three-quarters of those carry no public flag, and 4,759 remain listed as active having filed nothing since 2014 or earlier. Nothing on the register is verified. Transparency International Canada's 2022 assessment scored the federal registry **15 out of 100 on data quality**, noting that no Canadian registry verifies information submitted to it.

Every lending representation, diligence step, procurement qualification and know-your-client check that treats active registry status as evidence of good standing relies on a datum never designed to carry it. The registry itself maintains the distinction: it issues a Certificate of Existence and, separately, a Certificate of Compliance — the free public status field carries neither. The divergence extends across registers. A companion report in this series measures 6,825 corporations dissolved federally yet still shown as registered in Quebec — nearly half of them still filing Quebec declarations — and 5,573 corporations active federally yet struck from the Quebec register. Each register is correct under its own rules; no mechanism propagates status between them. Currency fails not only within a register but between registers relying on the same corporations.

2. The beneficial ownership regime is built on the wrong binding constraint.

ISC compliance tracks annual return compliance because they are the same filing: ISC information must be transmitted at the same time as the annual return, and a corporation may be dissolved for failing to do so. A corporation that has not filed the return has therefore not made the annual ISC transmission. The Act provides separate channels — within fifteen days of a change to the ISC register, and on incorporation, amalgamation or continuance — which this report does not measure. The non-filers — and they are not a random fifth of the register. They are concentrated among the longest-dormant and least-engaged entities. This report does not measure the money-laundering risk attaching to that population, and no claim is made about it.

It follows that increasing the penalties attached to the ISC obligation will not close the gap. The binding constraint is annual return default, which has run at 16–20% since at least 2011 under penalties that

already exist. Improving beneficial ownership transparency in Canada therefore depends substantially on improving annual return compliance.

3. The majority pathway out of corporate existence has none of the safeguards of the minority pathway.

Administrative strike-off carries no stay of proceedings, no creditor notice regime comparable to insolvency, no trustee, no court supervision and no review of preferences or transfers at undervalue. Creditors of a struck corporation have no equivalent process available to them. Two consequences follow that appear not to have been examined:

- **Escheat at scale.** Property undisposed of at dissolution vests in the Crown, across more than 69,000 federal dissolutions a year.
- **Liability survives, but briefly.** Section 226(2) permits a civil, criminal or administrative proceeding to be brought against a dissolved corporation as if it had not been dissolved, and preserves property that would have been available to satisfy a judgment; section 226(4) makes a shareholder who received distributed property liable to that extent. Both are subject to a limitation of **two years from the date of dissolution**. That window is short relative to the process that produced it. This report measures dissolution as following the last annual filing by three to four years, and a creditor is not notified of a strike-off — the notice of intent under section 212(2) goes to the corporation and its directors, and is published, but no creditor is served. A creditor who learns of the dissolution more than two years after the certificate issues has lost both remedies without ever having been told the corporation ceased to exist.
- **Revival as the operative remedy.** In calendar 2019 — the last year for which Corporations Canada has published both series — the department recorded **3,470 revivals against 15,066 administrative dissolutions**: roughly one revival for every four administrative dissolutions in that year. That is a ratio of two flows in a single year, not a cohort revival rate — the corporations revived in 2019 were not necessarily those dissolved in 2019, and no tracked-cohort rate has been published. What the volume establishes is that revival operates at material scale: thousands of corporations a year whose owners discovered, after dissolution, that a live business needed it back. Revival is a private, unsupervised process, and it is the practical remedial system for the dominant form of corporate death in Canada.

4. Cumulative evidenced non-conformity.

The two measurements in this report assemble, without overlap, into a single statement. 101,780 active seasoned corporations — 20.02% — are in default of the annual-return obligation now. Of the 406,690 whose return is current, a further 40,505 — one in ten — declared on that very return a last annual meeting or resolution in lieu already more than fifteen months past: an admission against interest, recorded at the moment of signature. Together, 142,285 corporations — **27.98%, more than one active federal corporation in four — stand in evidenced breach of at least one core obligation of the Act, on the register's own record**: the obligation that keeps the public record current, or the obligation that puts the corporation's affairs before its shareholders. The figure is conservative by construction. It excludes the one current filer in eight who left the meeting field blank, and it accepts every timely declared date at face value, month-end dates included. Counting corporations that provide no evidence of conformity rather

than evidence of breach, the share rises past one in three. No allegation of wrongdoing is made: both conditions are administrative states, recorded by the corporations themselves.

The difference in tense between the two terms is not a weakness of the assembly; it is this report's central finding restated. The 101,780 are in breach now because the register has not heard from them; the 40,505 were in breach at signature because the register hears from each corporation only at signature. In both cases the register's information is exactly as old as the corporation's last contact with it — which is the condition this series measures.

10. Policy options

The preceding sections establish four empirical findings: the prevalence of annual filing default, the relationship between filing default and registry enforcement, the limits of treating registry status as a proxy for statutory compliance, and corporations' own filed admissions of the annual-meeting lapse. What follows considers what those findings may imply for registry administration.

These are options, not recommendations, and their effectiveness has not been evaluated by this study. Both rest on **comparator registry design and general administrative-burden literature, not on the measurements in this report.** This report measures a state — which corporations are in default — and never observes a response to an intervention. It cannot therefore establish that any mechanism works. What it can do is identify which population a mechanism would have to reach, and note what other registries have built that Corporations Canada has not.

A note on what the measurements do constrain. Roughly 90% of corporations one year in default are no longer in that state a year later — but section 8.3 shows the exits are two, not one: roughly two-fifths cure, and the majority of the remainder is struck off at the three-to-four-year last-filing-to-dissolution gap. Any recommendation aimed at the curing population is therefore likely to change the **timing** of compliance rather than the eventual outcome. The populations that do not cure — the terminal majority of the remainder, the first-return never-filers and the chronic tail — are structurally different and are not reached by the same levers.

No compliance rates from other jurisdictions are cited anywhere in this section. Section 4 of this report showed that the measured default rate moves by 4.63 percentage points — 20.02% against 15.39% — on a single register, from nothing more than the choice of cohort: whether corporations whose first return has only recently fallen due are counted. If cohort construction alone moves the figure by that much within one register, rates computed across different registers — different obligations, different deadlines, different registration scopes and different striking-off practices — cannot be read against one another as a ranking, and no such reading is offered. The comparators below are cited for **design features only**.

10.1 Require a registered email address, and make the annual return reminder the default

The gap. Corporations Canada's annual return reminder is delivered through an **opt-in subscription**. It appears on the department's *Email notices subscription* page under the heading "New! Annual return reminder and corporate filing notices," alongside a *Subscribe* link. A corporation whose officers never

subscribe receives no reminder. Separately, the *Canada Business Corporations Act* imposes **no obligation on a corporation to supply an email address** to the registry.

Those two facts compound. **The department does not systematically hold the contact information that would be required to remind anyone**, and even where it does hold an address, the reminder is not sent unless someone has asked for it. This is odd in light of the fact that an email is required for each ISC on file with the register.

Comparator design. The United Kingdom closed both gaps in a single instrument. The *Economic Crime and Corporate Transparency Act 2023* made a **registered email address mandatory for every company**, with existing companies supplying one at their next confirmation statement. Companies House sends an email reminder to that address approximately four weeks before the confirmation statement is due — as a default, not on subscription.

Behavioural mechanism. A filer-initiated obligation with an annual cycle and no external trigger relies entirely on the filer remembering. A default reminder supplies the trigger. This is a claim about administrative design, not about Canadian behaviour, and this report contains no evidence for it.

Population targeted. Principally the **curing population** — corporations that lapse and then correct. Correction, where it occurs, is concentrated in the first year of default regardless, so the realistic gain is faster correction rather than a materially higher eventual rate. If an address were collected at incorporation, the measure would also partially reach the **first-return never-filers**, though that is precisely the population least likely to supply or monitor an address.

The evidence is mixed, and the business-specific evidence is discouraging. Large randomized trials of reminder and prompt letters on **individual taxpayers** show substantial effects — a trial of roughly 43,000 taxpayers in Guatemala found that certain letters raised average amounts paid several-fold over control, and a population-level trial of 11.2 million taxpayers in Indonesia found significant effects on early filing. But **two randomized controlled trials conducted with the Australian Taxation Office on business taxpayers found no significant effect** of letter variations on response rates or payment timing. Reminders are well-evidenced for individuals and null in the two business trials located. A departmental reader should be expected to raise this, and it should not be relegated to a footnote.

Lever required.

Table 20 — Policy option R1 — components and levers required

Component	Lever
Mandatory registered email address	**CBCA amendment** — the Act contains no such obligation
Reminders sent by default to addresses already held	**Operational** — no legislative change required
Collection of an address at incorporation	**Regulation or operational**, depending on implementation

Strongest objection. The only randomized evidence located on business taxpayers is null. Further, the population most in need of a reminder — corporations that have never filed and have no engaged officer —

is the population least likely to have supplied a working address, so the measure may reach precisely those who would have complied anyway.

10.2 Consider a consequence that lands before dissolution

This is a design option, not a finding. This report provides no evidence that it would work, and the reasoning below is drawn entirely from comparator regimes.

The gap. Under the current federal regime, no financial consequence attaches and no restriction is placed on the corporation's capacity between missing an annual return deadline and being struck off. Section 6.3 of this report establishes that dissolution follows the last annual filing by three years in 70.8% of cases and four years in 28.2%, with no observed case below three years. For roughly three years, therefore, a corporation in default experiences no financial consequence, no escalating cost, and no non-financial sanction of any kind.

Behavioural mechanism. An escalating cost that begins shortly after the deadline creates a consequence proportionate to, and contemporaneous with, the default — rather than a single terminal sanction arriving three years later. Again: this is a description of comparator design, not a finding of this report.

Population targeted. The **residual population that does not self-correct**. It is not aimed at the curing population, who correct without intervention, and it would not reach the **chronic tail** — corporations more than a decade in default are not plausibly responsive to a graduated fee.

Lever required.

Table 21 — Policy option R2 — components and levers required

Component	Lever
Late filing fee	Likely **regulation** under the existing fee-setting power

Strongest objection, and it is a serious one. Federal annual-return default has run at approximately 16–20% since at least 2011 under a penalty structure that already exists, and **this report has no data on whether existing penalties are ever imposed.** If they are not enforced, the persistence of the default rate says nothing about deterrence and everything about non-enforcement — in which case adding a further unenforced sanction would achieve nothing. A recommendation to add penalties cannot be evaluated without evidence on the enforcement of current ones, and that evidence is not held here. **This is the weakest-supported proposal in this report and is offered as a design option for consideration, not as a conclusion.**

11. Limitations

Table 22 — Scope of findings — what this report does not establish

Scope of findings — what this report does not establish

This study does not establish: overall corporate governance compliance · the accuracy or existence of minute books · compliance with annual resolutions · the **accuracy of ISC information** · the causes of filing default · the effectiveness of any policy option discussed at §10. It measures annual filing compliance, and the registry's own record of it, using federal registry data. **Corporations are counted as registrations, not weighted by economic activity.** The registry records no revenue, assets, employment or operating status, and this study observes none. A default rate of one in five is a rate across *registered corporations*. It should not be read as a rate across *operating businesses*, and this report takes no position on the economic size distribution of the defaulting population.

Scope. This report measures federal corporations under the Canada Business Corporations Act. It makes no claim about corporations incorporated provincially. Roughly 2.75 million corporations filed a T2 return in Canada in 2023; the federal register carried 642,674 active corporations at the August 2026 extract. The two figures are constructed differently and over different periods, and no overlap between them is measured here.

What is not measured. Nothing here measures minute books, resolutions, share registers, directors' registers or internal governance. The registry's annual meeting field cannot substitute for those (section 8.3). No conclusion in this report supports a claim about the quality of Canadian corporate governance.

Snapshot, not panel. Both extracts are points in time. Cohort figures are therefore synthetic — different cohorts observed at different ages under different enforcement regimes, notably the suspension of administrative dissolutions between 2020 and 2022. Age-specific attrition is reported at section 8.1 but should be read with that caveat.

No dissolution date. The inactive register records the reason for removal but not its date. Dissolution timing is inferred from the calibration at section 6.3, which is drawn from 2026 dissolutions and reflects current enforcement practice.

Cross-cohort comparison. First-return default rates are not comparable across cohorts. "Never filed" means one missed return for a 2024 incorporation and two or more for a 2023 incorporation, and the active-only extract is survivor-selected. The unconditional figure — 43.3% of corporations incorporated in 2024 had not filed a first annual return — is reported at Appendix C; no trend is inferred from it.

Annualization. Monthly transaction figures are annualized from five observed months of 2026 — January to June, March absent from the source — as unique corporations with dated certificates: 6,587, 3,388, 6,515, 6,650 and 8,790. The estimate is not stable across windows: four months annualize to 69,420 and five to 76,632, because June is the heaviest observed month, so the figure is read as a floor on a rising series rather than a settled rate. An earlier revision carried 76,632 on a six-month construction that predates this workbook; it is superseded. April and May 2026 are truncated, which keeps the figure conservative.

Unverified data. Every figure derives from information corporations reported about themselves to a registry that verifies none of it. All compliance rates in this report are therefore upper bounds on true compliance.

12. Conclusion

The federal corporate register was built to answer a specific administrative question: **does this corporation presently exist under the *Canada Business Corporations Act*?** It answers that question accurately.

Its users increasingly ask a different one: **is this corporation current with its ongoing statutory obligations?** The evidence in this report indicates that the two questions are not equivalent. Since October 2025 the register also carries a designated role: the beneficial-ownership reference point that FINTRAC-regulated entities must consult and reconcile against. That is an expectation of accuracy and currency, resting on a record that updates only when the corporation files.

Approximately one active corporation in five with an annual return due had not filed it at the time of measurement. Three-quarters of those carried no public indication of default. Administrative dissolution follows only after three to four years of non-compliance, and 4,759 corporations remain listed as active having filed nothing since 2014 or earlier. The register records removal. It does not record conformity, and it does not verify what it is told.

None of this means the register is inaccurate. It means something narrower and more useful:

- **The federal corporate register certifies corporate existence. It should not be interpreted as certifying corporate compliance.**
- **Active means currently existing. It does not mean compliant.**

Appendix A — Method and reproducibility

Primary source. Corporations Canada, *Federal Corporations*, active CBCA business corporations extract, 4 August 2026, 642,674 records. Open Government Licence – Canada. https://open.canada.ca/data/en/dataset/0032ce54-c5dd-4b66-99a0-320a7b5e99f2

Fields used. Corporation number, Corporate name, Status, Anniversary date, Year of last annual filing, Date of last annual meeting, Province/territory.

Default test.

cohort := Anniversary date ≤ 2024-12-31
default := cohort AND (Year of last annual filing is null
OR Year of last annual filing < 2025)

One record carrying Year of last annual filing = 2207 was treated as null as an evident data-entry error.

Seasoned cohort. As above with Anniversary date ≤ 2023-12-31.

Annual meeting test. (2026-08-05 − Date of last annual meeting) > 15 months, or null. Fiscal-year-end contamination assessed by month-end concentration, statutory-holiday concentration, day-of-week distribution and adjacent-day discontinuity.

Numbered corporation test. Legal name matching a leading 6–9 digit sequence.

Monthly transaction records. Entity-level extracts deduplicated on corporation number; raw row counts exceed distinct corporations by 1.5–2% owing to repeated header artefacts. Records with effective dates outside the extract month were excluded from monthly counts.

Annualization. Mean of five observed months × 12 (January–June 2026, March absent). Observed rather than truncation-adjusted counts were used, which understates April and May 2026.

Inactive register. Corporations Canada, inactive/dissolved CBCA extract, 6 August 2026, 820,389 records. Cohort denominators computed as active records plus inactive records sharing an anniversary year, removing all dependence on external incorporation counts.

Dissolution-date recovery. The inactive extract carries no dissolution date. Dates were calibrated by matching 23,141 corporations with known s.212 dissolution dates from the 2026 monthly transaction records against the inactive register, returning 22,043 matches (95.3%). Of those, 10,928 carry a recorded last annual filing and yield a measurable interval; the remaining 11,115 (50.4%) never filed an annual return and are excluded, a share consistent with the 49.1% never-filed figure computed independently at section 6.2. All interval statistics below are computed on the 10,928. The interval from last annual filing to dissolution is 3 years in 70.8% of cases and 4 years in 28.2%, mean 3.3, standard deviation 0.5, with no case below 3 years.

Secondary sources. ISED, *2024–25 Departmental Results Report*; ISED, *Evaluation of Corporations Canada* (2015); Corporations Canada, *2020 Annual Statistical Report*; Office of the Superintendent of Bankruptcy, *Insolvency Statistics in Canada 2024*, Table 3a; Transparency International Canada et al., *Canadian Company Data Transparency Index* (2022); Canada Revenue Agency, *Corporate Statistical Tables 2018–2023*.

Annual-meeting admission and cumulative assembly (A8/A9). The admission test evaluates each corporation at its own filing moment: the declared date of last annual meeting or written resolution in lieu is compared with an approximated filing date — the corporation's anniversary (MM-DD, day capped at 28) in its year of last filing — and coded as an admission where the declared date precedes it by more than 457 days (fifteen months, s. 133). Declared dates more than 90 days after the approximated filing date (16,514 among current filers) are excluded as untestable; blank fields (12.0–12.4%) are reported separately and never counted as admissions. The field's acceptance of either instrument was confirmed on the Form 22 online filing interface, 13 August 2026. Sensitivity: the admission rate moves only between 11.7% and 12.3% under thresholds of 450–470 days, a +60-day filing-date window, and exclusion of month-end declared dates. The cumulative figure is the disjoint union of the filing-default population (101,780) and current-filer admissions (40,505) over the 508,470-corporation cohort.

AI use disclosure. Generative AI tools were used in the preparation of this report for data processing, drafting, and editing. Several distinct AI models were used to cross-review one another’s output—identifying inconsistencies, challenging assumptions, and reducing reliance on any single model.

All research design, methodological choices, interpretations, and conclusions are those of the author.

Every numerical result in this report is the output of executable code run against the cited datasets—not of model generation—and is reproducible using the methods described in this appendix. Statutory provisions and external factual claims were verified against primary sources; residual uncertainty is graded in the confidence register.

AI output was at no point treated as an authoritative source, and the author assumes full responsibility for the integrity of the final report.

Appendix B — Alternative interpretations tested and rejected

Five alternative explanations for the annual meeting findings at section 8.4 were tested against the data. The first three address the month-end declared dates; the last two address the admission rate.

That month-end dates reflect the statutory deadline rather than the fiscal year end. Section 133(1) of the Act requires an annual meeting no later than six months after the financial year end, so June 30 would be the last permitted day for a December-31-year-end corporation. If declared dates clustered at deadlines, the ratio of December 31 to June 30 declarations would equal the ratio of June-30 to December-31 year ends — necessarily below 1, since December 31 is by a wide margin the most common Canadian fiscal year end. The observed ratio is **1.50**, the opposite direction. Rejected.

That January 1 and July 1 dates follow the corporate tax return deadline. A T2 return falls due six months after the year end, so a practitioner might date a resolution to the day after filing — July 1 for a December year end, January 1 for a June year end. This predicts July 1 declarations at roughly 1.50 times January 1. The observed ratio is **0.53**, inverted by a factor of 2.8. Across all twelve months the correlation with the tax-deadline pairing is r = +0.360, against r = +0.630 for the simpler explanation that these are fiscal year *start* dates. Not supported — though statutory holidays are excluded from the analysis at section 8.4 regardless, as a conservative treatment.

That a written resolution under section 142 explains the anomalous dates. Section 142(1) permits a resolution signed by all shareholders in place of a meeting, and such a resolution may properly be signed on a weekend. This explains weekend dates. It does not explain fiscal-year-end dates: whether shareholders meet or sign, they must receive financial statements for a period that has ended (s.155(1)) which the directors have already approved (s.158(1)). A resolution dated December 31 purporting to receive statements for the year ending that same day is incoherent on any reading. Partially accepted, and reflected in the analysis.

That reporting lag, rather than non-conformity, explains the admission rate. For the raw share of non-timely declarations the objection has force, and section 8.4 concedes it. It cannot reach the admission finding, which conditions on each corporation's own filing date: a corporation whose return is freshly signed has no lag to hide behind. The admission rate is 11.83% across all filers and 11.85% among corporations filing in 2026 — constant across every filing cohort. A lag-driven artefact would fall as filings freshen; this rate does not move. Rejected.

That the filing interface carries the prior declared date forward by default. If the annual-return form pre-filled the previously declared meeting date, a stale declaration could reflect inattention rather than fresh assertion. It does not: the interface requires the date to be entered anew at each filing (verified on the Form 22 online interface, 13 August 2026). The declaration tested by the admission construction is therefore made afresh, at signature, each year. Rejected.

Appendix C — Confidence register

Each finding is graded for confidence and cross-referenced to the section in which it is presented. Findings not presented in the body of this report do not appear here.

Table 23 — Confidence register

In report	Finding	Confidence
§2, §9	Beneficial ownership discrepancy reporting obligation in force 1 Oct 2025	**High** — stated on Corporations Canada's own published page, sourced
§2	ISC: 15-day recording (s.21.1(3)) and 15-day sending (s.21.21(1)(b)) obligations	**High** as a statement of the statutory requirement, quoted from the Act. The **rate of compliance with it is not measured** — no ISC field exists in the extracts
§3	642,674 active CBCA corporations	**High** — direct count
§4	20.02% / 15.39% annual return default	**High** — computed, method stated, sensitivity reported
§4.1	Flow corroboration: 18.80% notices vs 20.02% stock	**High** — two independent constructions agreeing at the one-in-five level: 1.22pp apart on the canonical five-month annualization, 0.49pp on the four-month variant. Assumes one notice per corporation per default episode, which is not documented.
§4.3	43.3% of the 2024 cohort had not filed a first return	**High** as an unconditional statement; **no trend inferred** — cohorts are not comparable
§5	26.5% of defaulters flagged; inverse relationship to depth	**High** — directly computed. The registry's flagging rule is not published
§6	s.212 ~76,632 per year	**Medium-high** — five observed months (Jan–Jun 2026, March absent), CV 30%; June the heaviest month, so a floor on a rising series. March absent; April and May truncated, so conservative
§6	81.5% of removals involuntary	**High** — computed
§6, §9	Involuntary strike-off vs corporate insolvency ≈ 14:1	**Order of magnitude only** — federal numerator against a national insolvency count
§6.1	68.2% of all dissolutions were for non-compliance	**High** — direct count across 723,987 dissolutions
§6.2	49.1% of non-compliance dissolutions never filed	**High** — direct count
§6.3	Dissolution follows last filing by 3–4 years (99.0%)	**High** — calibrated on 22,043 matched records; reflects current enforcement practice only
§7	~44,160 noticed and not struck off within the window (36.6%)	**Medium** — arithmetic across two series measured over different windows, so the split is a snapshot. **No causal claim**: there is no unnoticed comparison group, and the effect of the notice is not measured

§8.1	Compliance half-life 3.6 years; survival half-life 6.0 years	**Medium-high** — computed on true cohort denominators from the combined active and inactive registers. Synthetic-cohort construction; affected by the 2020–22 dissolution suspension
§8.2	Numbered corporations default at 1.21×	**High** — z = 33.6, holds in every cohort. Association only
§8.4	Annual meeting field records fiscal year ends	**High** on the data-quality conclusion; **no** compliance rate is derived from it
§8.4	One declaring corporation in eight (44,207; 11.83%) admitted at its own filing that the last annual meeting or resolution in lieu preceded the return by more than fifteen months; rate constant across filing cohorts.	**High** within construction — self-declared against interest; filing date approximated (sensitivity 11.7–12.3%).
§9	3,470 revivals against 15,066 administrative dissolutions, 2019	**High** as a pair of published flows (Corporations Canada, 2020 Annual Statistical Report, Table 3). **Not a cohort revival rate**, and stated as such
§9	Cross-register rates not read as rankings; 4.63-point cohort-construction sensitivity as the basis	**High** — the sensitivity is §4's own computation. *(Corrected Rev 14: an earlier revision misattributed an 8-point construction swing to §4; withdrawn)*
§9 (implication)	Cumulative evidenced non-conformity: 27.98% (142,285/508,470) — disjoint union of filing default (101,780) and current-filer admissions (40,505).	**High** — derived: inherits A1 and A8, each independently verified; conservative by construction.
§10.1	**R1 — mandatory registered email + default reminder**	**Low-medium as a behavioural claim.** The *gap* is verified from the department's own pages (reminder is opt-in; no statutory obligation to supply an address) and is high confidence. That a reminder would change compliance is **not** supported by this report: reminder trials on individual taxpayers show large effects, but the two located business-taxpayer RCTs found none
§10.1	Comparator design feature (Companies House, ECCTA 2023)	**High** as a description of what is in force, sourced to the registry and the legislation; no evidence of effect is claimed.
§10.2	**R2 — consequence landing before dissolution**	**Low.** Offered as a design option. No published evaluation evidence was located for any comparator mechanism, and this report has no data on whether existing federal penalties are ever enforced — without which the persistence of the default rate cannot distinguish weak deterrence from non-enforcement

Sources

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Comparator registries

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Behavioural evidence

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