

2025 Chartered Professional Accountants of Canada (CPAC) Provincial Questions for CRA

Background:

CPA Canada asked the CPA Provincial Accounting Bodies for a list of questions they wanted to ask the Canada Revenue Agency (CRA).

We went through all the questions submitted and selected the top ones. Attached are the responses to the questions our members have asked the CRA, which are included in the succeeding pages.

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Background

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The following are the questions that our members have asked the CRA:

Questions

1. Meaning of “presumed” in ITA 244(14.2)

Under section 244(14.2) of the *Income Tax Act*, a notice or other communication posted in a taxpayer’s secure electronic account (e.g., My Business Account) is presumed to be sent and received by the taxpayer on the date it is posted, unless the taxpayer has requested to receive notices or communications by mail.

The CRA recently transitioned certain business taxpayers to electronic-only correspondence, including those that have accessed My Business Account or have authorized a representative through Represent a Client.

- a. Can the CRA clarify whether a taxpayer who accessed My Business Account only once—for the sole purpose of authorizing a representative—and who did not subsequently use the platform to manage their tax affairs, can rebut the presumption under section 244(14.2) on the basis that they were not actually aware that future notices would be delivered electronically and, as a result, did not receive the notices?
- b. Similarly, can a business that was transitioned to electronic-only correspondence solely because a representative had access to a business account through Represent a Client—but where the business itself had never accessed My Business Account and had no practical awareness that correspondence would be delivered electronically—rebut the presumption under section 244(14.2) that the notice was sent and received?

Response:

The legislation allows the CRA to apply the delivery presumption to business accounts. However, the CRA has adopted a measured approach, transitioning businesses to Online Mail only if they meet one of the following conditions:

- They are newly registered for a business number and CRA program accounts.
- They are existing businesses already registered for My Business Account.
- They are existing businesses that have authorized at least one representative with online access through Represent a Client, with permission to view or modify account information on their behalf.

To support this transition, the CRA conducted extensive outreach to ensure that business owners and their representatives are aware of the change and understand their option to opt out of Online Mail if they choose.

In the context of CRA communications, it's also important to understand the process for disputing an assessment or determination. If a business disagrees with a CRA decision, it may file a Notice of Objection within 90 days of the assessment date.

Should the business miss the 90-day deadline—whether due to attempts to resolve the issue directly with the CRA office responsible for the assessment or because of circumstances beyond its control—it may still request an extension of time. This extension request can be submitted together with the Notice of Objection.

To apply for an extension, the business must provide an explanation for the delay in filing the objection, and the facts and reasons supporting the objection.

The request must be sent in writing to the Chief of Appeals at the designated Appeals Intake Centre and must be submitted within one year after the original 90-day deadline.

2. Timelines for responding to CRA requests for information

Practitioners have told us that their clients sometimes receive requests for information from the CRA requiring them to respond within a short period of time (e.g., ten or fifteen days). There is also a growing perception that reasonable extension requests are being more frequently denied.

- a. What criteria do CRA auditors use to determine the initial response time given to taxpayers for information requests?

Response:

The Canada Revenue Agency (CRA) guidelines specify that the taxpayer is usually given 30 days from the date of the proposal letter to provide any response, which includes rebuttal, explanation, or further documentation relating to the proposed adjustments. The deadline for a response should take into consideration statute barred dates and treaty time limits. The timeline can therefore be shortened, eliminated, or denied.

- b. What criteria does the CRA use to evaluate whether an extension of time will be granted when requested?

Response:

The 30-day deadline may be modified in two circumstances for which the auditor is instructed to consider:

- any request from the taxpayer for a reasonable extension of time (30 additional days), to allow the taxpayer to review the proposed adjustments, and
- any request from a taxpayer for an additional extension related to factors or events that are outside of the taxpayer's control, such as illness, death, natural disaster, and may include a change in representative.

The listed factors and events are not exhaustive, and the auditor is prompted to use their professional judgment

- c. What recourse do taxpayers have if they believe the timeline to respond is too short?

Response:

Where the taxpayer fails to respond within the allotted time period, the auditor is permitted to process the reassessment but is instructed to contact the taxpayer to ensure that a response is not in the mail or to determine if the taxpayer needs more time to complete their response to the proposal letter. Where representations are received from the taxpayer, a phone call or a final meeting should take place to discuss any outstanding issues.

Auditors are instructed to review and discuss any representations received with the taxpayer, prior to the closing of the file. To ensure that representations are fully heard without the file being closed without a final courtesy call:

- The taxpayer/representative should communicate their desire to go over the CRA's position in respect of all representations submitted.
- Where multiple representations are expected to be provided, the taxpayer/representative should advise the auditor of any intention to provide further representations.
- It is important to maintain open communication with the auditor and discuss the reasonable options available based on the circumstances.

3. Repetitive pre- and post-assessment review requests

We understand that the CRA uses risk-based techniques to target compliance and enforcement activities. However, practitioners frequently raise concerns that their clients receive recurring annual requests for the same information. For example, a client might receive an annual post-assessment review letter asking for charitable donation receipts, despite having responded in full each year without any audit issues arising.

To what extent does the CRA consider a taxpayer's past performance on information requests when assessing risk when selecting taxpayers to contact for pre- and post-assessment reviews?

Response:

Files chosen for pre-assessment and post-assessment reviews by the CRA vary depending on the specific line items under examination. Review criteria are determined on a project-by-project basis and may, in some cases, take into account a taxpayer's historical compliance. Prior to initiating contact, the CRA reviews the account to determine whether the rationale for the error has already been addressed, to minimize unnecessary contact.

A file chosen for an audit by the CRA is based on a risk assessment. The assessment looks at a number of factors, such as the likelihood or frequency of errors in tax returns or whether there are indications of non-compliance with tax obligations. When a return is identified as high-risk, a CRA officer will review information from various sources to determine whether an audit is needed to address the risks identified. The CRA also looks at the information it has on file for the taxpayer and may compare that information to similar files or consider information from other audits or investigations.

4. Bare trust reporting

The requirement for bare trusts to file a T3 return along with a completed Schedule 15 was introduced for taxation years ending on or after December 30, 2023. However, the CRA announced that bare trusts would not be required to file for the 2023 and 2024 taxation years, unless requested to do so. On August 12, 2024, the Department of Finance released draft legislation that, among other changes, would exempt certain bare trusts from the filing requirement. To date, no further information has been provided regarding amendments to the bare trust reporting rules.

- a. What is the CRA's plan for bare trust reporting for 2025 if legislative changes are not finalized well in advance of the filing deadline?

Response:

The CRA generally administers legislation after it has received Royal Assent. However, in certain circumstances the CRA can consider administering on the basis of proposed legislative amendments where there is tabled Notice of Ways and Means Motion (NWMM). This approach

can only be considered if the legislative proposals do not provide for a payment out of the Consolidated Revenue Fund or a refund, for which Royal Assent must first be obtained. In this context, “administering” generally means permitting taxpayers to file and be assessed on the basis of proposed legislation. While the CRA may decide to make the necessary publication and system changes to allow for this, it cannot enforce compliance with proposed legislation until it becomes law.

Currently, there is no tabled NWMM. Draft legislative proposals were released by the Department of Finance for consultation on August 12, 2024, and August 15, 2025, but the CRA is not currently administering these proposals since changes could be made as a result of the feedback received. If a NWMM is tabled, the CRA will assess the content of the proposed legislation at that time to determine whether or not it can administer and will provide further guidance.

The CRA may extend the bare trust administrative filing waiver if legislative changes are not enacted well in advance of the filing deadline.

- b. Is the CRA considering a unique reporting form for bare trusts to meet their reporting requirements, rather than requiring the full T3 return, and Schedule 15 as suggested by the Office of the Taxpayers’ Ombudsperson?

Response:

The CRA recommends that bare trusts continue to file the T3RET and the T3SCH15 at this time. Once more bare trust filing data is available and we have certainty on proposed legislative changes, the CRA will revisit the possibility of creating a bare trust specific return.

5. Ombudsman report recommendations

In March, the Office of the Taxpayers’ Ombudsperson published a report titled *Unintended Consequences: Bare Trusts*. The report was the product of a system examination on issues around bare trust reporting such as the lack of clear communication around the filing of returns. While the report focused on bare trusts, its recommendations extended more broadly. The report recommended that CRA conduct an internal review of how it collaborates with stakeholders when legislative amendments have been enacted by Parliament, review its working relationship with the Department of Finance, and examine how it communicates updates to Canadians—particularly through tax tips and news releases. The report also recommended that the CRA develop an “adaptable guide” to help streamline how it administers changes to tax legislation.

What changes has the CRA made – or plans to make – to implement the recommendations outlined in the Ombudsperson’s report?

Response:

In response to the report, the CRA has published a response and action plan for each of the five recommendations, and undertaken several concrete steps, and further actions are planned to enhance its processes in line with the recommendations.

Specifically:

The CRA acknowledges the need for more consistent and structured internal processes to support effective stakeholder engagement following legislative amendments. The Agency is assessing its current practices with a view to developing a more standardized approach for engaging with stakeholders and the Department of Finance when new legislation is introduced.

The CRA continues to improve its external communications, with particular focus on ensuring clarity, accessibility, and timeliness. The Agency has committed to enhancing the processes used to develop tax tips, web content, and news releases, especially when changes to tax obligations or reporting requirements are involved.

The CRA is committed to continuous improvement and to providing Canadians with accurate and easy-to-understand information.

6. Training of CRA personnel to interpret “all or substantially all”

The phrase “all or substantially all” is found in several places in the Income Tax Act. For example, the definition of “small business corporation” requires, among other things, that “all or substantially all” of the fair market value of the assets of a Canadian-controlled private corporation (CCPC) be attributable to certain categories of assets at the particular time.

The CRA interprets the phrase to mean at least 90% but has accepted that the test can be met at levels below 90% (e.g., TI-2013-0495631C6). The courts have emphasized that the interpretation of this phrase must be “elastic” and “not formulaic” and have found the test to be satisfied in various contexts even when the relevant percentage was less than 90%. For example, in *McDonald v. The Queen*, 98 DTC 2151, the Tax Court of Canada (TCC) accepted that a taxpayer met the test where 85% of the distance travelled was in connection with a taxpayer’s employment, qualifying him for a reduced standby charge. Similarly, in *Watts v. the Queen*, 2004 TCC 535, the taxpayer earned 81%, 77% and 76% of their income in Canada over three consecutive years. The TCC stated that “the difference... is not large enough to justify a different treatment in the three years”.

We hear from practitioners that CRA auditors are asserting that a level of 90% is required to meet this test despite what the courts have said.

- a. What training is given to CRA personnel to evaluate whether the “all or substantially all” test is met? How are contextual factors taken into account when determining whether the test is met?

Response:

The term “all or substantially all” is referenced in a number of Small and Medium Enterprise Directorate (SMED) training products within the Agency’s Compliance Programs Branch (CPB) when relevant to the subject. The CRA does not provide specific training on how to interpret this phrase but as a general rule, the expression “all or substantially all” means 90% or more. Auditors are trained to refer to court cases, legislation, case law, forms, publications, rulings, and use professional judgement when interpreting terms such as ‘all or substantially all’.

The phrase is not defined or reflected in the Income Tax Act in the form of any definite percentage or simple mathematical formula. For this reason, trainers do not offer further instruction or include additional guidance on it in their lesson plans or sessions.

For Income Tax purposes, the phrase “all or substantially all” is generally understood to mean 90% or more, but this serves as a guideline and not an exact calculation. The test itself is a question of fact, and whether the test is met depends on the specific circumstances of each case. As such, its application tends to be assessed on a case-by-case basis and is typically left to the discretion of auditors and their respective Team Leaders/Managers.

- b. At what level is this judgment exercised? For example, are junior level auditors able to make this determination or is the determination done by more senior agents?

Response:

As established in various case law, the determination of what constitutes “all or substantially all” is a question of fact, depending on the circumstances of each case. While the CRA maintains a position that the “all or substantially all” test is usually satisfied if at least the 90% level is reached, the CRA recognizes that the test may be met even when the 90% benchmark is not met. This is stated in several CRA technical interpretations, therefore the terms “usually satisfied” imply that CRA’s position is not absolute. The courts have also held that the interpretation of “all or substantially all” is a question of fact depending on the circumstances of each case and have found that the threshold could be lower. For example, refer to *Keefe v. R.*, 2003 TCC 791, and *McDonald v. R.*, [1998] 4 CTC 2569.

To properly apply any legislative provision, auditors must be able to fully understand and correctly interpret complex legal text. CRA auditors are extensively trained, and training occurs regularly and systematically. Also, the team leaders keep current on policies, procedures, and technical applications and ensure that auditors are given the necessary tools for their work. As outlined in the Income Tax Audit Manual, auditors are expected to maintain up-to-date knowledge and to use the appropriate tools and resources.

If the application of a policy or law is unclear, the auditor or team leader may consult with the technical support for their respective program within Headquarters. The technical specialist will provide guidance on the issue and may suggest additional information that could be required. Technical support also offers advice to ensure the consistent application of tax legislation administered by the CRA.

Taxpayers and representatives are encouraged to discuss and collaborate with the auditors and team leaders to resolve issues during the audit, especially factual issues or technical questions. Throughout the audit process, taxpayers have the opportunity to present their point of view through meetings and/or written correspondence when they disagree with the proposed adjustment(s).

When an audit is completed, the auditor may propose adjustment(s). Initially, the proposal will be discussed with the taxpayer and/or the taxpayer's representative. The auditor will confirm the proposal in writing, allowing a reasonable period in which to make representations. The proposal letter contains a full summary of facts, an analysis, and a citation of the authority for the proposed reassessment, particularly with respect to the “all or substantially all” determination.

If the taxpayer believes they were not given the opportunity to present their point of view, they can request a meeting with the Manager and Assistant Director of Audit of the Tax Services Office.

7. Date of mailing

The “date of mailing” is a critical concept in the *Income Tax Act*, as it determines the commencement of key statutory deadlines including the time limits for filing returns, elections, objections and appeals. Paragraph 248(7)(a) deems anything (other than certain remittances or payments) to have been sent by first class mail or its equivalent to have been received by the person to whom it was sent on the day it was mailed. The CRA considers “first class mail” to include lettermail, registered mail or courier (e.g., see TI 2023-048135117). As a result, it is important that the CRA record the date of mailing of taxpayer correspondence to administer the law. The date of mailing is also important in other settings including the administration of the *Excise Tax Act*.

We understand that some program areas have administrative policies for assigning a date of mailing to incoming correspondence. In the recent case *Morgan v. The King*, 2025 TCC 36, a CRA agent testified that the date of mailing for incoming GST/HST New Housing Rebate applications was set at five days prior to receipt in the mailroom. The Tax Court of Canada found the taxpayer’s evidence of timely mailing more persuasive than the CRA’s, stating at paragraph 24: “*the fact that the CRA regarded the Application as having been mailed... based on its own policy is not evidence the Application was actually mailed... on that date.*”

Could the CRA explain how the date of mailing is determined for each of the following categories of submissions?

- Requests to adjust/amend returns (T1, T2, T3);
- Paper filed returns (T1, T2, T3, T5013, T3010);
- Notices of Objection (T1, T2, T3, GST/HST, Payroll);
- GST/HST rebate applications including the GST/HST New Housing Rebate;
- Special Elections and Returns (SERS);
- Elections and designations not considered SERS including s. 164(6) elections, T2091 forms, elections or designations lacking a prescribed form;
- International disclosure forms (T1134, T1135, T1141, T1142, T106); and
- Taxpayer relief requests (both waiver of penalties and interest and requests for late elections, if there are different processes).

In the case of GST/HST New Housing Rebate applications, is the CRA reconsidering the dates it uses (rather than postmarks) in light of the Court's comments in *Morgan*?

Response:

In general, the Agency recognizes that certain legislative requirements are based on the date a return or election is sent to the CRA. As a result, when paper correspondence is received, this factor is taken into consideration in establishing the date received.

8. Auto-fill my return

The CRA encourages individuals to use digital services including Auto-fill my return. In a February 28, 2023 news release titled "*Ready to file your taxes? Here's why you should go digital*," the CRA promoted digital services as a way to improve the filing process and save time. As part of its digital modernization efforts, the CRA is also piloting a new automatic filing service – SimpleFile Digital – that will rely on timely filing and processing of information slips by issuers to function effectively.

What improvements are being made to Auto-fill my return for the 2025 personal income tax season to ensure more timely availability of information slips?

Response:

The Canada Revenue Agency (CRA) recognizes the importance of its online services for taxpayers and strives to minimize service outages. The CRA sign-in services are available 21 hours a day, 7 days a week. Occasionally, they may be unavailable for planned maintenance. Sign-In Partners or provincial partners may have different maintenance windows. Where possible, the CRA ensures that advance notifications of service outages are provided on our website.

Beginning in January 2025, the CRA introduced a new data validation process for entities that file information returns to ensure the data being submitted is accurate. Filers of information returns had to get accustomed to the new system, adapt to new processes, and most importantly, contend with stricter validation of the data they submit to the CRA. These stricter validations and new processes caused delays in receiving and processing the information returns. As a result, there were delays in processing slips this year. Similar disruptions are not expected to occur in 2026.

Slips become available on the Canada Revenue Agency (CRA) My Account once the slips have been processed in CRA systems, passes our validations, and the information on the slips matches the current information we have on file. If a slip is not available in a taxpayer's CRA My Account, they should use the slip provided by their issuer. It remains the taxpayer's responsibility to report their income accurately when filing their income tax and benefit return.

9. Penalties for failure to pay amounts to Receiver General through electronic payment

Bill C-47 *An Act to implement certain provisions of the budget tabled in Parliament on March 28, 2023* introduced penalties for taxpayers that fail to pay amounts exceeding \$10,000 to Receiver General by electronic payment. In general, a penalty of \$100 may be assessed for each failure to pay income tax, GST/HST or certain other amounts through electronic payment when required.

The CRA provided the following statement about enforcement of penalties for failure to pay by electronic payment:

The CRA has established an administrative approach to not run enforcement measures with the application of penalties related to electronic payments introduced under Bill C-47; ample advance notice will be provided when/if this approach changes. In the meantime, the CRA will continue to educate taxpayers on electronic payment offerings and encourage taxpayers to pay electronically wherever possible, regardless of the amount. Payments made through a bank or credit union are considered to be made electronically for this purpose as well as any payments made online via online banking, CRA's portal services and/or services provided by third-party service providers.

Could the CRA confirm whether this statement remains current, and indicate whether there are any plans to re-evaluate or modify its administrative approach to enforcement of these penalties?

Response:

The CRA confirms that this statement remains current. We are developing a communications plan that aims to encourage taxpayers to pay electronically by educating and informing taxpayers on the use of electronic payment options. We will also conduct a review of demographics of payors by cheque over \$10k and circumstances surrounding those payments to identify potential opportunities for targeted communications (e.g., nudges). Although there's no current plans to re-evaluate or

modify our administrative approach, the CRA may, with sufficient public notice, reconsider its position at a future date.

10. T1 tax payment grace period

The CRA issues notices of assessment quickly after a personal income tax return is filed. In many cases, notices of assessment do not reflect recent payments made by taxpayers. Typically, a notice of assessment will also include arrears interest starting on the day after the balance due date up to and including the date of assessment. The taxpayer typically is given a “grace period” of around three weeks to pay the balance owing without additional interest.

- a. Can the CRA explain how this interest grace period is determined?

Response:

The interest grace period in question is granted in accordance with section 161.2 of the Income Tax Act.

In the case of an amount owing quoted on a Notice of Assessment for a T1 Income Tax and Benefit Return, the period applied is 20 calendar days following the date of the notice. When the 20th day falls on a weekend or holiday, the period is extended to the next business day.

- b. A taxpayer may have paid the tax on or before the balance due date. What is the process used by the CRA to reverse any interest reflected on the notice of assessment that should not have been assessed?

Response:

The CRA automated processing systems are programmed to recognize when the effective date of a payment of arrears is prior to the date to which arrears interest has been charged.

In the majority of cases, the recalculation and corresponding credit adjustment to arrears interest are performed automatically by the system immediately upon application of the payment to the balance owing.

In some instances, where the processing system is unable to determine the amount of interest to be adjusted, a case is created for clerical review and manual adjustment of the interest.

11. Reporting fees for service

Businesses and other organizations have a legislated obligation to report fees, commissions or other amounts paid for services. In 2010, the CRA amended the T4A slip to add box 048 to report fees for service payments paid between businesses and organizations. Shortly after, the CRA instituted a

moratorium on penalties for failing to report these payments which remains in place. Fees for service reporting is in place for federal bodies (T1204) and for construction activities (T5018).

The CRA recently consulted with groups of external stakeholders to consider, among other things, how businesses and organizations should report fees for service and reporting thresholds to reduce the administrative burden on taxpayers needing to report this information. In March 2025, the CRA published a report titled *Reporting Fees for Service: External stakeholder working group – What we heard report*. A recent [CBC](#) article states that the CRA said it is “working toward lifting the moratorium before enforcement commences”.

Can the CRA provide a timeline for when it will decide on how businesses and organizations will report fees for service?

Response:

In 2011, a moratorium on assessing penalties for failing to complete box 048 of the T4A slip was introduced as a temporary measure. This was meant to allow businesses and organizations time to gain familiarity with the changes and adopt practices to comply with the requirement to report fees for services (RFS). Recognizing the value of stakeholder feedback, the CRA undertook engagement activities, including a working group with key external stakeholders that included the CPAC and a public-facing online questionnaire to better understand businesses’ and organizations’ awareness of, and readiness to comply with, the RFS requirement. The results of the questionnaire and working group are available at canada.ca/reporting-fees-service. The CRA is carefully reviewing the findings from these activities to help inform decision-making related to RFS.

12. Update on pilot projects

The CRA sometimes conducts “pilot projects” to gain insights into conducting compliance activities or to test policies, procedures or processes. We are aware of several pilot projects that the CRA has carried out in recent years.

Could the CRA provide an update on the following pilot projects:

- a. Personal services businesses

Response:

In 2024 the CRA completed its multi-phased PSB pilot aimed at analyzing the business practices of PSBs and the businesses that hire them to help them better understand their tax obligations. The CRA has published the findings for both phases at [Personal services business pilot - Canada.ca](#). The information gathered from the first and second phases of the personal services

business pilot is informing and helping guide the CRA's continuing education and compliance activities related to personal services businesses.

b. Underused Housing Tax compliance

Response:

Underused Housing Tax (UHT) Overview and Compliance Activities:

The Underused Housing Tax (UHT) is an annual federal 1% tax on the ownership of vacant or underused residential properties in Canada. It came into effect on January 1, 2022 and generally applies to non-resident, non-Canadian owners of housing in Canada. However, in some situations, the UHT also applies to some Canadian entities (such as certain partners, trustees, and corporations). The vast majority of Canadian owners of residential property are excluded owners and, therefore, do not have any obligations and liabilities under the UHTA.

Filing Requirements:

Affected owners (other than "excluded owners") must file a separate annual UHT return for each residential property they own as of December 31 of a calendar year.

Transitional Relief:

To allow affected owners more time to comply, CRA waived penalties and interest for 2022 UHT filings and payments received on or before April 30, 2024.

CRA UHT Pilot Overview:

In November 2023, the CRA introduced a pilot compliance program to strengthen and streamline compliance efforts, to assess non-compliance risks, clarify legislative ambiguities, and refine enforcement strategies. This initiative included several sub-compliance projects such as:

- **Post audit compliance:** a balanced approach of education and compliance activities to ensure that affected owners comply with their obligations under the Underused Housing Tax Act (UHTA).
- **Audit Activities:** A total of **2461** completed Audit files from November 1, 2023, to August 29, 2025, with a tax recovery of 5,941,501\$.
- **Section 116 ITA Amendments:**
 - Link between UHT compliance and the issuance of a certificate of compliance under section 116 of the Income Tax Act.
 - CRA may decline to issue a certificate of compliance if the non-resident owner is not compliant with UHT obligations.
 - Many property owners are unaware of this legislative change, prompting a focus on education and voluntary compliance.
 - **Over 9000** referrals from dispositions were sent to UHT.

- **Liaison Officer Program:**
 - Webinars Delivered: 66
 - Participants: 2,713
 - Stakeholders Contacted: 404
- **Non-Filer project:** Educating affected owners who had not filed returns to encourage voluntary compliance.
- **Post-Filing Examinations:** Beginning December 2024, the CRA reviewed selected 2022 and 2023 returns to validate exemptions and reported values.
- Approximately 20,000 affected or potentially affected owners were identified for outreach, education, and review under the Non-Filer and Post-filing examinations projects.

Key Observations

- **Exemptions:**
 - The **Qualifying Occupancy Exemption** is the most frequent exemption claimed by individuals.
 - Property owners often request **multiple exemptions** at the audit stage, adding to the level of complexity during the compliance assessments.
- **Return Filing Issues:**
 - Paper returns frequently contain **errors**, such as incomplete information or conflicting details.
 - There is **confusion** around the definition of “residential property,” especially among condo owners using properties as hotels or time-shares who incorrectly claim to be excluded owners.
 - Frequent misinterpretation of property valuation rules. For example, some filers in British Columbia incorrectly used assessment values from the wrong year to calculate their UHT liability. CRA guidance clarifies that the correct value must reflect the property’s status as of December 31 of the relevant year. Further details are available in CRA’s [UHT Notice UHTN2](#), which outlines how to calculate the tax payable.

The CRA UHT Pilot has been extended by two years, with completion expected in October 2025.

The pilot is being closely monitored to evaluate the effectiveness of our tools and approaches, with the goal of refining the program before a full-scale launch.

Next Steps:

The Agency will continue to build and finalize key program elements, using insights from the pilot to inform the full compliance program post-October 2025.

c. Extension period for providing documentation to support foreign tax credit claims

Response:

The pilot project to grant an extension of up to 90 days for foreign tax credit reviews started in February of 2024 for an initial one-year time period. Initial results seemed promising, although it is too early to have statistically significant data to confirm that. We will be continuing this project through to next February, by which point we expect to have enough data to determine the success.

13. Audit process

The Income Tax Audit Manual (ITAM) contains procedures for auditors to follow when completing audits of taxpayers. The ITAM emphasizes the importance of the team leader at all critical stages of the audit. The team leader reviews audit files (ITAM 6.5.9) and meets with taxpayers or their representatives when significant changes or complex or controversial issues are identified (ITAM 6.5.8). In last year's roundtable, we learned that taxpayers may contact the team leader to discuss concerns during the audit such as requests for excessive information [Q. 8(a)] and the status and timeline for completing the audit [Q. 8(d)(ii)]. We noticed that some parts of the ITAM are under review.

Some practitioners have told us that they are noticing a trend that auditors are closing assessments quickly and bypassing audit protocols to meet perceived deadlines. Auditors are denying requests for meetings with team leaders. In some cases, team leaders are not available (e.g., on leave) and their voicemail provides no contact information for their replacement or designate.

- a. What is the CRA's policy for providing contact information for team leaders? Does the CRA require that team leader contact information be included on initial correspondence with taxpayers?

Response:

The CRA includes team leader contact information in the initial contact letters sent to taxpayers. This ensures transparency and facilitates open communication between the taxpayer and the CRA.

- b. What should taxpayers or their representatives do if auditors refuse to provide contact information for team leaders?

Response:

Team leader contact information is included in all audit letters with taxpayers. Specifically, initial contact letters conclude with the team leader's name and contact details to ensure transparency

and facilitate communication. If a taxpayer or their representative cannot locate this information, they are encouraged to review the letter, particularly the closing section.

- c. What should taxpayers or their representatives do if team leaders are non-responsive?

Response:

If a team leader is non-responsive, taxpayers or their representatives should inform the auditor that they would like to speak with the team leader. If the team leader is unavailable—for example, due to vacation—they may request to speak with the person designated to act in their place during their absence.

14. Planned enhancements at the CRA

- a. Expansion of EFILE eligibility for non-resident individuals

The electronic filer manual (RC4018) for 2024 states that income tax returns for non-resident individuals may only be e-filed if filed under section 116 of the *Income Tax Act*. Common returns that require paper filing include returns non-resident returns to report employment income or returns to comply with elections (e.g., s. 216, s.217).

What improvements, if any, does the CRA plan to make to expand e-file eligibility for more situations involving non-resident individuals?

Response:

The Canada Revenue Agency (CRA) is committed to enhancing its service delivery through innovative approaches and is continually seeking opportunities to improve and broaden the tax filing experience for all Canadians.

Although there are currently no planned expansion initiatives for the 2026 tax season, the CRA intends to progressively eliminate EFILE and NETFILE restrictions for additional non-resident tax returns in the coming years.

- b. Electronic submission of forms and elections

The CRA has made steady improvements to its electronic services in recent years, expanding the range of forms and elections that can be submitted digitally.

Does the CRA plan to expand the number of forms and elections that can be electronically submitted to include:

- T1044 Non-Profit Organization (NPO) Information Return
- Elections lacking a prescribed form, such as
 - o s. 45(2) election not to have a change in use
 - o s. 56.4 restrictive covenant election
 - o Regulation 1101(5b.1) election for separate CCA class for eligible non-residential buildings

Are there other forms or elections the CRA is planning to make available for electronic submission in the near future?

Response:

T1044 Non-Profit Organization (NPO) Information Return

We continue to strive to update our systems so that individuals can take full advantage of our electronic services. Currently, the T1044 Non-Profit Organization (NPO) Information Return can only be filed by paper. As part of the ongoing efforts to improve our digital services, the CRA is looking at options to expand on the return types, like the T1044 return, that can be filed electronically.

Elections and Prescribed Forms

The CRA is committed to the continued modernization of its services by enhancing and expanding taxpayers' ability to interact digitally with the Agency when meeting their tax obligations. As these efforts continue, such as the development and digitalization of a new form, consideration must be given to a number of factors, including cost implications, audience, and stakeholder feedback.

A prescribed form is not required for an election made pursuant to subsection 45(2) of the Income Tax Act (the Act) or Subsection 1101(5b.1) of the Income Tax Regulations. Section 56.4 of the Act provides for the election related to a "restrictive covenant", the election refers to a prescribed form; however, no official form exists. According to the CRA, this election must be made by submitting a jointly signed letter from the seller (grantor) and buyer (payor), which must include specific information as is outlined on CRA's webpage: [**Election for restrictive covenants - Canada.ca**](#)

All three election letters can be submitted electronically using CRA-certified tax preparation software. Some commercial software may support the T2 Attach-a-doc service, which allows corporations to upload supporting documents such as certificates or elections. For more details, visit [**Using tax preparation software - Canada.ca**](#).

c. Ability to save data when completing forms through a portal

CRA portals allow taxpayers to complete several types of requests electronically. Practitioners have indicated that it would be helpful if taxpayers or their representatives could complete a request or return through the portal and save it for later—either to finish at a later time or to allow

another person to review it prior to submission. Many firms follow a process where one individual prepares a return or request, and another reviews it before it is finalized.

Would the CRA consider enhancing its portals to allow taxpayers or representatives to complete forms—such as a “Change My Return” request or a Notice of Objection—and save them in draft form prior to submission, so they can be revisited or submitted by another authorized user?

Response:

The Canada Revenue Agency (CRA) has initiated updates to several of its forms within the online portals, enabling users to save their progress and return to complete them at a later time. This enhancement will be implemented across the different portals (i.e. My Account, My Business Account, and Represent a Client), with development timelines based on available resources.

We value and appreciate your suggestion regarding the prioritization of the "Change My Return" request or the "Notice of Objection," and will take this into consideration as we continue to enhance our services.

d. Electronic filing of charity returns using software

Does the CRA plan to allow representatives to file charity returns (T3010s) using software like is presently done for T1, T2 and T3 returns?

Response:

In May 2025, the Canada Revenue Agency (CRA) launched a digital service enhancement that enables registered charities and their authorized representatives to file Form T3010, Registered Charity Information Return, online using CRA-certified software. This new service to upload a return provides registered charities with an additional solution to enhance online filing, removing the need to print and mail or fax their return.

Direct online submission (using a CRA account) of a return produced by CRA-certified software significantly reduces processing times, minimizes the risk of manual data-entry errors, and ensures faster public disclosure on the List of Charities and other qualified donees. This streamlined approach not only enhances the overall client user experience but also alleviates the administrative burden associated with traditional filing methods. Returns filed online are processed instantly, with the public portion available the next day—an important step toward enhancing transparency and service efficiency.

Looking ahead, we are exploring ways to better align our service offerings with the functionalities currently available for filing other returns.

e. Portal access for Non-Resident (NR) accounts

Does the CRA plan to create a portal for taxpayers to view information about Non-Resident (NR) accounts?

Response:

The CRA is planning to create a section within the CRA's secure portals that will allow Non-resident tax accounts (i.e. accounts with Part XIII passive income tax obligations) to view and manage their account online. The portal will be available to non-resident tax accounts who can meet portal authentication requirements.

The first portal services will be made available in October 2025. Access for representatives is planned for February 2026.

f. Vouchers for remittances

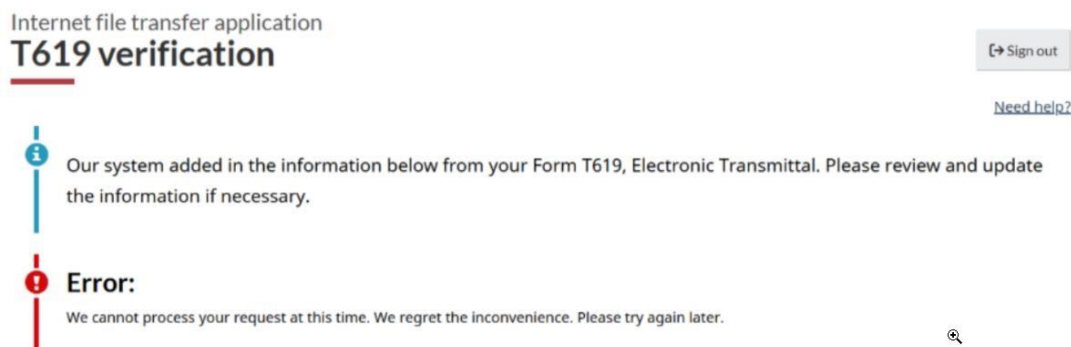
Would the CRA consider allowing taxpayers to print a remittance voucher for corporate tax, GST/HST remittances and payroll remittances similar to what is available for personal and trust filings?

Response:

Most remittance vouchers are not available for printing at home because the vouchers use magnetic ink character recognition (MICR) technology. Financial institutions and the Canada Revenue Agency (CRA) use the MICR coding printed at the bottom of the remittance voucher to identify and process payments. Downloaded and printed copies of remittance vouchers would not have the required magnetic ink coding and are not accepted at financial institutions. Taxpayers can download and print the four most common remittance vouchers at home because these payments allocations have high volumes and all banks have the ability to send these payments to the CRA electronically via Electronic Data Interchange (EDI) instead of relying on MICR ink for processing. The CRA could make more remittance vouchers printable if the banks agreed to truncate more payment allocations.

g. Meaningful error messages for transmission failures

Members encounter e-file transmission errors that lack sufficient detail to allow for meaningful troubleshooting. For example, a practitioner attempted to file a partnership return (T5013) and received the error message below:



What steps is the CRA taking to improve the clarity and diagnostic value of e-file transmission error messages?

Response:

Web response messages are currently being reviewed in preparation for the next filing season to ensure that the content is clear, helpful, and balanced between security and service.

15. Update on backlogs

a. GST/HST returns with real estate self-assessments

We understand that the CRA refers GST/HST returns involving a real estate self-assessment to the Real Estate Appraisals Program (“REAP”). Members have told us that these referrals have significantly increased the workload of that team leading to significant delays in the time to assess these returns and provide applicable rebates.

Can the CRA provide on the backlog processing these returns and rebates?

Response:

The Real Estate Appraisal Program (REAP) conducts risk assessment to assess the accuracy and reliability of reported fair market values (FMVs). To facilitate this process, having comprehensive documentation—such as external appraisal reports or detailed records of the appraisal methodologies employed—enable us to optimize the screening process.

However, considering the documentation is often missing when a referral is submitted, we must request the registrant or non-registrant to submit the documentation. This may cause unforeseen delays. REAP will only initiate its own appraisal when a significant discrepancy exists between the reported FMV and the estimated FMV determined at the screening stage.

REAP is actively working on streamlining its screening process which should help reduce our process time.

b. Certificates of Compliance

The time to obtain a Certificate of Compliance under s. 116 is a frequent complaint of taxpayers and their advisors.

In the prior year, the CRA indicated that it is aware of delays with the processing times for these certificates and has been “actively taking steps to improve the situation for all applicants by exploring opportunities to streamline processes and shorten processing time for issuing certificates of compliance” (Q. 13a).

Could the CRA provide an update on steps it has been taking to improve processing times for clearance certificates?

Response:

The CRA will continue to improve its processing time on the issuance of the certificates of compliance.

Here are some of the changes the Agency is working on implementing:

- Expanding the Agency’s monitoring and inventory management frameworks in order to process files more efficiently. The longest delays are related to the most complex files. Impacted areas are collaborating to develop a plan that will enable the Agency to resolve more quickly, the most complex files.
- Up-to-date information on Canada.ca to include additional information regarding the need to apply for an ITN as early as possible in the Section 116 process. There is also a new webpage dedicated to the ITN application process.
- A procedure to expedite the processing of ITNs when the checkbox on the form indicates the disposing of taxable Canadian property was created.

Despite these updates, the Agency continues to see a number of T2062 submissions with missing ITNs. Having an Individual Tax Number (ITN) or a complete ITN submission can save between 2-4 weeks in processing time.

Submitting the payment along with the T2062 submission can also save several weeks in our processing time as well.

A complete submission will enable the Agency to complete the file within a reasonable time frame. Not having the need to contact the taxpayer to request additional information should result in shorter processing time.

16. Section 116 “Comfort Letters”

Subsections 116(1) and 116(3) of the *Income Tax Act* require a non-resident vendor that disposes of taxable Canadian property (TCP), other than certain exempt properties, to notify the Minister of National Revenue of the disposition. The Minister will issue a certificate of compliance to the vendor upon payment to the Receiver General of an amount equal to 25% of the amount, if any, by which the non-resident vendor’s estimated (or actual) proceeds exceed the adjusted cost base of the transferred property, or where acceptable security is provided.

Without a certificate of compliance, the purchaser is liable to pay and must remit within 30 days of the end of the month in which the property was transferred, an amount equal to 25% of the *gross* purchase price. The CRA will typically issue a “Comfort Letter” confirming that the purchaser may continue to hold the withheld funds (and without liability for interest or penalties) until the CRA completes its review of the certificate of compliance application.

- a. Members have advised us that it is often difficult for a purchaser to obtain a Comfort Letter before the remittance deadline. In particular, it can be challenging to contact a CRA officer with authority to issue the letter in a timely manner. We also understand that the CRA does not issue Comfort Letters unless specifically requested, resulting in uncertainty and panic close to the deadline.

How can the CRA be contacted to request a Comfort Letter? Are there any planned changes to the Comfort Letter process—such as automatic issuance or a revised administrative position where such letters are not required (e.g., where the purchaser reasonably believes the vendor has applied for a certificate of compliance)?

Response:

The notification and a request for a comfort letter can be submitted as soon as a disposition is scheduled to happen. You do not need to wait until the closing date. Once you know a disposition is about to take place and you have the basic information for the transaction (Vendor, Purchaser, POD/ACB, property description) you can submit the notification and request the comfort letter at that time.

Comfort Letters are only issued upon request. This can only be done when they are requested before the remittance is due and a complete notification (T2062) is received. Ensure the request for a comfort letter is clearly stated in your cover letter. This will ensure the case is properly coded. A comfort letter will never be issued until the notification (including an account number) is received. Submitting an early notification (an amendment can be requested if necessary) will assist in receiving a comfort letter after the closing and before the remittance is due.

You can also request a comfort letter by contacting the General Enquiries line. Please provide the complete address of the disposed property and the vendor account number if one is available.

The Agency makes every attempt to issue these comfort letters within three business days of receipt.

Automation of comfort letter has been considered and will require further analysis in order to determine its feasibility. The Agency's focus is to ensure the Centers of Expertise are issuing the comfort letters in a timely manner.

- b. We understand that Comfort Letters typically state that the purchaser should continue to hold the withheld funds in trust until the CRA completes its review of the section 116 application. However, they do not state that the purchaser may remit those funds to the CRA to fund the vendor's Part I tax liability. As a result, some purchasers are unwilling to release the funds without explicit CRA authorization, requiring vendors to fund their tax liability from other sources.

Would the CRA consider clarifying in the Comfort Letter that the purchaser may use withheld funds to satisfy the vendor's Part I tax liability?

Response:

No. The Agency is not considering adding the Part I liability to the purchaser's comfort letter. Rather, the vendor should ensure the required Section 116 remittance is made. The calculated amount must be remitted before a certificate of compliance is issued. It is common practice to wait for the CRA to request remittance of the calculated amount from the T2062s. However, since the file cannot be processed without the payment, ensure the payment is forwarded up front instead of waiting for CRA to request it.

Once the payment is remitted under Section 116, the Part I liability is no longer an issue since the Section 116 payment is, in fact, an instalment payment for the Part I tax.

This reduces the burden off the purchaser in a Section 116 transaction and removes the need for a comfort letter. The purchaser, in all cases, may remit the full withholding at any time and meet their obligations under the Act. The CRA will provide them with an acknowledgement letter that their obligation has been met.

The CRA does not feel it would be appropriate to add additional burden to the purchaser in a Section 116 transaction. As it stands, the purchaser already bears all the risk of purchaser's liability.

17. CRA Communication

CRA communication is critical for a well functioning tax system. The Taxpayer Bill of Rights affirms this principle by guaranteeing taxpayers the right to receive “complete, accurate, and timely information in plain language explaining the laws and policies that apply to your situation” (Right #6).

The most recent tax season highlighted significant shortcomings in this area, with several examples of inconsistent or incomplete communication that left taxpayers and advisors uncertain about their obligations.

On January 31, after the Department of Finance announced that the capital gains inclusion rate increase would be deferred to 2026, the CRA [announced](#) interest and penalty relief for “impacted T1 Individual filers” and “impacted T3 Trust filers” to June 2, 2025 and May 1, 2025 respectively. Aspects of the relief policy have been published by newspaper outlets. For example, the *Globe and Mail* [reported](#) on February 13, 2025 that an “impacted T3 trust filer” includes a graduated rate estate with a fiscal period ending between January 1, 2025 and January 31, 2025. To our knowledge, this information is not listed on the CRA website itself.

The CRA [announced](#) that arrears interest and penalty relief would be provided to corporations and trusts impacted by this proposed increase to the capital gains inclusion rate that have a filing due date on or before March 3, 2025. We understand that this relief policy was cancelled by the CRA without any announcement, potentially exposing taxpayers that relied on this announcement to unexpected interest and penalties.

What improvements does the CRA plan to make to the way it communicates policy to taxpayers?

Response:

The CRA is responsible for administering the existing federal tax legislation, whereas the Department of Finance is responsible for developing federal tax policy and legislation.

The CRA is committed to ensuring taxpayers receive clear, timely, and accessible information while minimizing compliance burdens. The CRA is taking measures to strengthen our services and improve communication with taxpayers. These include reviewing how we collaborate with stakeholders, assessing the feasibility of a unique filing forms (i.e. bare trusts), and enhancing the way we communicate updates on tax obligations. The CRA remains committed to improving its services and supporting taxpayers in meeting their obligations.

This past filing season, the CRA communicated information on capital gains, and the related impacts on certain forms, through a variety of channels including news release, tax tips,

stakeholder desk messages, social media, and web banners that were updated as soon as possible following the January 31, 2025 announcement, and kept updated through the filing season.

18. Represent a client for individual tax filers

The CRA announced in March a new process for individuals to authorize a representative. Beginning July 15, 2025, representatives will no longer be able to transmit an authorization request to the CRA using certified software.

Instead, representatives will be able to use the [Alternative process for individuals](#) to gain instant access. This new process requires the representative to use the Authorization Request service in Represent a Client which requires certain information from a notice of assessment sent to the individual at least six months ago.

Will there be a way for representatives to gain online access through Represent a Client for individuals lacking recent filing history whether due to extended periods of non-filing or because they have never previously been required to file (e.g., recent immigrants)?

Response:

Yes. If an individual is unable to register for My Account or use the Alternative Authorization process—such as in the case of a new immigrant—their representative can still request authorization through Represent a Client.

In these cases, the representative may be prompted to obtain and upload a signed consent form from the taxpayer as part of the process. However, even with this documentation, the CRA may contact the taxpayer directly to verify the request before granting access. Therefore, it is important that the taxpayer's contact information with the CRA is accurate and up to date.

19. General anti avoidance rule

On June 20, 2024, changes to the general anti-avoidance rule (GAAR) received Royal Assent. Subsection 245(5.1) introduces a new penalty equal to 25% of additional tax payable by the taxpayer as a result of GAAR where the transaction was not disclosed by the taxpayer to the Minister.

Subsection 245(5.2) provides an exception to the penalty if the taxpayer demonstrates that, at the time the transaction was entered into, it was reasonable to conclude that GAAR would not apply based on the transaction (or series) being *identical* or *almost identical* to one that was the subject of published administrative guidance or statements made by the Minister or another relevant government authority, or one or more court decisions.

- a. Can the CRA give examples of published administrative guidance or statements that would be considered when determining if the GAAR penalty applies?

Response:

As mentioned, subsection 245(5.1) and subsection 245(5.2) received Royal Assent on June 20, 2024, and are applicable to transactions that occur on or after June 20, 2024. Together, they introduce a new penalty to the GAAR and the exclusion to the penalty. Specifically, the new penalty provided at subsection 245(5.1) equals 25% of the additional tax payable by the taxpayer as a result of the GAAR and the reduction of the taxpayer's refundable tax credits as a result of the GAAR.

The penalty applies automatically if the transaction, or series that includes the transaction, was not disclosed to the Minister of National Revenue, in accordance with section 237.3 (reportable transactions) or 237.4 (notifiable transactions) or further, an optional disclosure pursuant to subsection 237.3(12.1).

Exclusion to the penalty

In accordance with subsection 245(5.2), the GAAR penalty will not apply if the taxpayer demonstrates that, at the time the transaction was entered into, the transaction was *identical*, or *almost identical* to one that was the subject of published administrative guidance or statements made by the Minister of National Revenue, or a court decision, such that it was reasonable to have concluded that the GAAR would *not* apply according to the aforementioned sources.

As a general example, if the CRA had made a public statement (for example, at a CRA Round Table) with respect to the non-application of the GAAR to a transaction, and where a taxpayer had relied on such a statement to enter into an identical or almost identical transaction, a subsequent change to the CRA's position with respect to the GAAR would fall within the scope of the exclusion. Accordingly, in such circumstances, the CRA would consider the taxpayer's representations as to whether it was reasonable for the taxpayer to have concluded that the GAAR did not apply at the time that the transaction was entered into.

We wish to highlight that the CRA has already made several statements relating to the newly amended GAAR in specific circumstances. Please see document number [2024-1008251I7](#) relating to [IC88-2](#) and [IC88-2 Supplement 1](#), as well, documents [2024-1016011E5](#) in regards to the crystallization of accrued capital gains and [2023-0987941I7](#) with respect to post-mortem pipeline transactions. These documents would be considered published administrative guidance or statements made by the CRA.

Additional guidance on the newly amended GAAR will be provided as files are analyzed by the CRA and will continue to be subject to the rigorous administrative process already in place that includes a mandatory referral to CRA Audit Headquarters ("Headquarters") and where applicable,

to the GAAR Committee¹. As for the application of the penalty and the exclusion, it will also require a mandatory referral to Headquarters further to obtaining the taxpayer's representations for its consideration.

Finally, with respect to administrative guidance or statements published prior to June 20, 2024, the CRA would first have to determine if the current GAAR were applicable in circumstances resulting in the application of the penalty under subsection 245(5.1). Then, it would need to determine if the transaction was "identical or almost identical" to the one that was the subject of published administrative guidance or statements made, such that it was reasonable for the taxpayer to have concluded that the GAAR would not apply. Both of these questions require a full review of all the facts and circumstances that are relevant to a particular situation.

For greater certainty, it is our view that the word "published" in paragraph 245(5.2)(a) is applicable to both "administrative guidance" and "statements made by the Minister".

- b. How does the CRA interpret the words "almost identical" in subsection 245(5.2)? What should taxpayers consider when determining whether a transaction (or series) is "almost identical"?

Response:

As indicated in the Department of Finance Nov. 2023 Technical Notes to subsection 245(5.2), the exclusion is *"intended to be a narrow rule that provides greater certainty to taxpayers that they may rely directly on relevant administrative guidance without fear that they could be subject to a GAAR penalty because of subsequent changes to law or policy"*. (Emphasis added)

Accordingly, the threshold requiring a transaction to be "identical or almost identical" to the transactions subject to published administrative guidance or statements made by the Minister or a court decision is quite high. Thus, entering into a transaction that is merely similar or uses the same general tax strategy is not enough to meet this stringent exception.

Prior to entering into any transactions, taxpayers should, therefore, consider whether their contemplated transactions are more than merely similar or rely on the same tax strategies as those referenced in the applicable administrative guidance or statement.

Taxpayers seeking certainty could always request a Ruling from the CRA's Income Tax Rulings Directorate. It should also be reiterated that a taxpayer will not be subject to the penalty if the particular transaction is disclosed in accordance with sections 237.3 or 237.4.

Taxpayers may consult the [CRA's GAAR](#) web page for more information on the GAAR.

¹ "The Canada Revenue Agency's Audit Administrative Process for the Application of the General Anti-Avoidance Rule," in *The General Anti-Avoidance Rule: Past, Present, and Future* (Toronto: Canadian Tax Foundation, 2021), 13:347-52 and Chapters 13 and 14 in *The General Anti-Avoidance Rule: Past, Present, and Future* (Toronto: Canadian Tax Foundation, Edited by Brian J. Arnold, 2021).

20. Offsetting of GST/HST rebates against tax self-assessed

Taxpayers often reduce their GST/HST owing by available rebates. For example, a dentist or medical practitioner may sell a practice to another practitioner and be required to collect GST/HST on the sale of leasehold improvements or other real property. Under subsection 257(1) of the *Excise Tax Act*, a rebate may be available for up to the “basic tax content” of the property at the time of sale.

We understand that in such cases, the CRA typically processes the GST/HST return first and forwards the rebate application to another tax centre for separate processing. As a result, the return is assessed and shows a balance owing before the rebate is applied, and the rebate may not appear in the taxpayer’s account for several months.

During that time, taxpayers may receive reminder notices reflecting the outstanding balance without the rebate, and may also receive calls from Collections Officers seeking payment of the unreduced amount.

Would the CRA consider updating its systems to indicate that a rebate has been filed and is pending, so that reminder notices reflect this and Collection Officers are aware that the outstanding balance may be reduced once the rebate is processed?

Response:

The CRA is always looking to improve its system. We have taken your suggestion and brought it back to our team for further review.