

Enhancing the Timely Submission of Documents to CRA

Background

The Canada Revenue Agency (CRA) phased out counter access at Canadian Tax Services Offices October 1, 2012. At that time the CRA claimed that even with these changes, the CRA will continue to provide taxpayers and benefit recipients with the level of service they require, while doing so at the lowest cost possible for all Canadians. They claimed that by providing services electronically, the Government is reducing red tape and making it easier for Canadians to interact with their offices. The theory was that CRA's safe, secure electronic services allow Canadians to make use of their services, when it's convenient for them, from wherever they are in the world.

The CRA argued that the overwhelming majority of service enquiries handled through its in-person service could have been handled through its phone enquiries service or through its web site. Only 2.5% of all contacts with the CRA were handled in person during the 2011 taxation year. The CRA's general enquiries call Centre handled approximately 17.35 million calls, and 23 million payments were made electronically, through a financial institution or through CRA's web site, last year.

The CRA has a Taxpayer Bill of Rights that sets out what Canadians can expect in terms of service. Below is the Bill of Rights for Small Business, which states:

Commitment to Small Business

- The Canada Revenue Agency (CRA) is committed to administering the tax system in a way that minimizes the costs of compliance for small businesses
- The CRA is committed to working with all governments to streamline service, minimize cost, and reduce the compliance burden
- The CRA is committed to providing service offerings that meet the needs of small businesses
- The CRA is committed to conducting outreach activities that help small businesses comply with the legislation we administer
- The CRA is committed to explaining how we conduct our business with small businesses

The Canada Revenue Agency front counter service has been closed now for more than 18 months affecting the following services:

- CRA document submission / forwarding
- Print form pickup (for forms that are not serialized or encoded)
- Accepting responses by Businesses to CRA queries and audits

The CRA will not accept electronic transmissions from businesses when there is an audit or business query. The CRA demands that these businesses send fax copies or mail copies to the appropriate office. Often these reports are in excess of 100 pages and depending on the location of the business the mail is slow and fax lines close down, causing delays of weeks, if not months. This lack of certainty and slow response time impacts business decisions causing significant frustration on the part of businesses being audited or trying to respond to CRA queries.

The impact that the CRA office closure has had will continue to be felt for many tax seasons to come unless it is updated to meet the needs of Canadian Businesses and individuals. It will undoubtedly increase the stress and frustration of those trying to deal with the CRA under its current mandate.

Recommendation

That the Canada Revenue Agency (CRA) work to immediately facilitate electronic submissions as the result of business queries and audit information requests.