

Tax Tidbits – April 2015

Canada Revenue Agency – More Accessible Than Ever!

As an alternative to the traditional telephone and mail options, the Canada Revenue Agency (“CRA”) has been bolstering their online services for taxpayers. Individuals (*My Account*), businesses (*My Business Account*), and tax professionals can access taxpayer information and submit documents through the CRA’s website and through a brand new mobile application. Below is a quick summary of some features and recent updates released for these services:

My Account

Individuals are able to access their account information online after providing some personal information in exchange for a CRA security code. Once access is obtained, individuals are able to view their Notices of Assessment, check the status of their tax returns, and register to receive their CRA communications through email.

My Business Account

Similar to the *My Account* for individuals, businesses are able to use the CRA’s *My Business Account* to access tax-related information online. New in 2015, businesses are now able to file returns and Notices of Objections, as well as request refunds for excise taxes and certain types of charges. Services have recently been expanded to help search for amounts paid but not credited to the account, and transferring misallocations in the payroll accounts. Finally, taxpayers can now set up pre-authorized debits from their bank account or manage direct deposits to suit their needs.

On your phone

Not being one to fight change, the CRA has released a mobile app so taxpayers can access certain account information from anywhere with smartphone service. Individuals can view their Notices of Assessment, tax return status, and RRSP and TFSA contribution room, and businesses with revenues of less than \$20 million can create reminders and alerts for key dates such as instalment payments.

If you are interested in learning more about CRA’s e-services please contact [Stephen Gable](#) of the [Manning Elliott Tax Team](#).

And More...



- **CRA's Matching Program**

Did you know that in the Fall, the CRA undertakes to match the income slips reported by the payer to the recipient's income tax return? The first time a slip is missed, the CRA will simply reassess the return to include the income. If another slip is missed within the next three years, the CRA will apply a penalty equal to 20% of the unreported income.

Consider this example: Joe Taxpayer files a 2014 personal income tax return and inadvertently forgets to report a T5 slip reporting \$55 interest income. In the next year, Joe Taxpayer forgets to report a T5 slip reporting \$50,000 ordinary dividend income from his operating company. The CRA could apply a penalty of \$12,500 because the penalty is based on the grossed up dividend income. This does not include the related taxes owing on the missed income.

Please keep this in mind the next time your accountant asks if you are certain that you do not have an income slip that you had last year. Missing a small slip now could result in big penalties later.

- **Tax Time for Accountants**

March and April are a busy time of year for tax professionals. There are long hours at the office and few hours with friends and family. A story from Helsinki in 2004 reported that a tax official died in his office while checking tax returns. He was not found for two days as he was working with his door closed and his colleagues did not want to disturb him.

Rest assured that the [Manning Elliott Tax Team](#) maintains an open-door policy!

