

WINNER OF THE CANADIAN FEDERATION OF INDEPENDENT BUSINESS
GOLDEN SCISSORS AWARD 2013 AND 2015

WE HEARD YOU:
CUT RED TAPE
FOR SMALL AND
MEDIUM BUSINESSES

2014 CANADA REVENUE AGENCY
RED TAPE REDUCTION
CONSULTATIONS REPORT



Canada Revenue
Agency

Agence du revenu
du Canada

Canada

MESSAGE FROM THE MINISTER

I am pleased to present the results of the Canada Revenue Agency's (CRA) 2014 consultations on red tape reduction.

Red tape is the silent killer of jobs. It burdens all Canadians by restricting the innovation, productivity, and competitiveness of businesses, impeding economic growth, and stifling job creation. It affects all businesses, but hits small and medium businesses particularly hard. In Canada, where 98% of businesses have fewer than 100 employees, the consequences of red tape on our economy are significant.

That is why our Government has made reducing and eliminating red tape in the tax system a priority. In doing so, we are ensuring that business owners, who best understand what they need to be successful, have the opportunity to share their feedback and their ideas.

Beginning October 8, 2014, the CRA canvassed small and medium business owners, bookkeepers, and accountants in more than 20 cities across the country: from Surrey, Québec, and St. John's, to Whitehorse, Yellowknife, and Iqaluit. An online consultation was also held.



Our Government is keeping our promise to regularly consult with business owners. This ongoing engagement ensures that CRA's red tape reduction actions continue to focus on changes small and medium businesses want and need most. We have built on feedback from the 2012 consultations which resulted in many improvements, such as enhancing CRA's online services and eliminating more than 800,000 payroll remittances for over 50,000 small businesses.

There is still work to be done. We are determined to keep moving forward, equipped with new ideas from businesses in communities across the country. This report offers an overview of what we heard during the 2014 consultations. More importantly, it outlines a clear and achievable action plan to continue to cut red tape where it will make the biggest difference for small and medium businesses.

My personal thanks go out to the local chambers of commerce across the country that hosted events and invited businesses in the community to attend sessions with the CRA. I look forward to continuing our productive partnership with the business community to cut red tape.

The Honourable Kerry-Lynne D. Findlay, P.C., Q.C., M.P.

Minister of National Revenue

CUTTING RED TAPE FOR SMALL AND MEDIUM BUSINESSES

The Government of Canada created the Red Tape Reduction Commission in January 2011 to reduce the compliance burden on Canadian businesses. Consultations took place with small and medium businesses and the Commission provided the Canada Revenue Agency (CRA) with over 1,100 identified irritants related to the Canadian tax system.

To ensure the **CRA remains a red tape reduction leader among Government of Canada organizations**, we developed an Agency-wide strategy to reduce the compliance burden imposed by many of the identified irritants. We developed action plans in 2011 and refined them in 2012 after we held consultations with small businesses and their representatives to ensure our key commitments focused on the priorities of small and medium businesses. The results of these 2012 consultations are available in the report called *Focussing on Small Business Priorities: Canada Revenue Agency Consultations on Cutting Red Tape*.

We are committed to continually asking for feedback on our services on an ongoing basis. In the fall of 2014, we held a second round of red tape reduction consultations with small and medium businesses, bookkeepers, accountants, and stakeholder associations. The consultations included in-person, online, and written venues to ensure everyone in the business community could be heard.

We welcomed the **tremendous level of engagement from participants** during the consultations. Discussions were very constructive – many participants acknowledged our progress on reducing red tape and provided helpful feedback on what they felt should be our new priorities.

In the coming years, we will work with small and medium businesses on what they recommend. We will increase our collaborative efforts with stakeholders through such initiatives as the **new framework agreement with the Chartered Professional Accountants of Canada (CPA Canada)**. In addition, we will strengthen our partnership with small businesses by **launching a new Small Business Consultation Forum involving the CRA and the Canadian Federation of Independent Business (CFIB)**. Increased collaboration with key stakeholders will provide us with continuous feedback from the small and medium business community to make necessary changes to the administration of the Canadian tax system.



“The agency has put a lot of great measures in place to treat taxpayers more like customers...”

— Canadian Federation of Independent Business Red Tape news release, January 2015

2014 CONSULTATION PROCESS

On October 8, the Honourable Kerry-Lynne D. Findlay, Minister of National Revenue, launched our 2014 consultation process.

In-person consultations included independent, third party facilitated sessions and CRA-led roundtable meetings. The latter were hosted by local chambers of commerce. In total, 45 sessions were held, covering all the provinces and territories.

Online consultations were made available to anyone in the business community interested in sharing their views through online tools offered by us and through an independent third party consultant.



Stakeholder associations were invited to provide written feedback from their national membership.

Sessions held in **northern Canada** provided feedback regarding specific challenges to those communities, which we will address through further engagement on how to make their suggested changes.

In total, nearly 350 participants took advantage of the in-person sessions, and approximately 120 sent their views online or in writing.

These red tape reduction consultations are an important source of direct feedback from small and medium businesses, bookkeepers, and accountants.

The 2014 consultations were productive, with many participants reporting welcomed progress on our efforts and providing valuable feedback on what should be our new priorities.

The consultations are key to reducing red tape across our Agency.

IN-PERSON SESSIONS

WERE HELD IN:

- > St. John's
- > Halifax
- > Charlottetown
- > Moncton
- > Québec
- > Sherbrooke
- > Ottawa
- > North York
- > Kitchener
- > London
- > Winnipeg
- > Regina
- > Saskatoon
- > Calgary
- > Red Deer
- > Edmonton
- > Burnaby
- > Delta
- > Whitehorse
- > Yellowknife
- > Iqaluit

“ This year’s consultations provided our members with more opportunities to have their say and provide feedback through roundtable sessions we hosted. In addition to consultations, we were pleased to help the CRA coordinate meetings with our members across the country. We do more and more of our business online and having the option to provide the CRA with our feedback electronically meant those not able to attend in-person were still heard. ”

— Hendrik Brakel, Senior Director, Economic, Financial and Tax Policy, Canadian Chamber of Commerce, Fall 2014

WHAT WE HEARD IN THE 2014 CONSULTATIONS

Since we launched our red tape reduction initiative, we have made a wide range of improvements to minimize the burden on businesses. Less burden means more time for businesses to invest in growing their business and creating jobs.

Although much has been accomplished, more can be done. This report summarizes the key findings and recommendations provided by participants during our 2014 consultations.

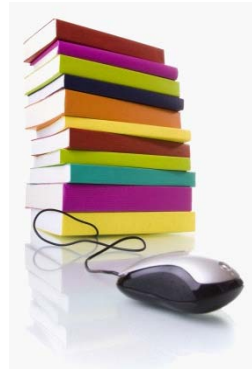
WHAT WE WILL DO

Our red tape reduction commitments for fiscal years 2015-2016 and 2016-2017, detailed below, focus on the highest priorities identified by small and medium businesses during the consultations. We will immediately address the items that can be acted on in the short term. Other suggestions will be given serious attention as part of our long-term strategy. Further recommendations will be realized as we continue to adopt an Agency-wide client service approach.



WE HEARD YOU!

Make it easier to find information and services on the web



Improve client telephone services



Make more online services and tools available



Top recommendations from the business community

Provide information in plain language we can understand



Better explain the audit process



Help businesses get it right from the start



2015-2017 RED TAPE REDUCTION ACTION PLAN HIGHLIGHTS

1. Telephone service improvements	<ul style="list-style-type: none"> > Develop new tools and streamline procedures for telephone service agents > Work closely with key stakeholders to look at the merits of piloting a dedicated telephone service for registered tax preparers > Be ready to implement the new Government of Canada telephony platform
2. Accessible, clear and understandable tax information	<ul style="list-style-type: none"> > Help small business owners get it right from the start by establishing the Liaison Officer Initiative as a permanent program > Engage stakeholder associations including the Canadian Payroll Association and CPA Canada to identify the guides and forms needing to be simplified and clarified > Create a dedicated webpage for small and medium businesses to meet their needs > Expand outreach through public-private sector partnerships
3. Filing requirements and frequency	<ul style="list-style-type: none"> > Reduce the frequency of remittances for the smallest new employers > Expand the My Business Account Submit document service to allow businesses to request CRA search for payments made and to submit cashed cheques as proof of payment > Explore sending messages to businesses through My Business Account and email reminders for filing and payment obligations
4. Online service	<ul style="list-style-type: none"> > Expand My Business Account to: <ul style="list-style-type: none"> – include statements of capital gains and losses – accept supporting documentation with notices of objection – allow the submission of supporting documents online for additional business programs > Explore opportunities for: <ul style="list-style-type: none"> – providing more convenient options for communicating between the CRA and businesses – developing new or improving existing mobile apps
5. Sharing information within government	<ul style="list-style-type: none"> > Work with all levels of government to: <ul style="list-style-type: none"> – encourage governments to adopt the Business Number as a common business identifier – explore options to improve federal electronic information sharing
6. Audit experience	<ul style="list-style-type: none"> > Develop a My Audit tab in My Business Account to allow electronic communications > Develop training products (videos, workshops, job aids) and support tools for auditors > Develop new educational campaigns to promote voluntary compliance > Continue to focus audit efforts on businesses at the highest risk of non-compliance

1 TELEPHONE SERVICE IMPROVEMENTS

Improvements and enhancements we could make to our telephone services for dealing with, and receiving information from, the CRA.

WHAT WE HEARD IN THE 2012 CONSULTATIONS

We should focus on:

- > effective communication to satisfy business requirements

WHAT WE DID - HIGHLIGHTS

- > streamlined our business Interactive Voice Response System to make it easier and faster for callers to connect with an agent
- > promoted the use of smartlinks, which allows web users to contact a CRA agent from our website so the agent can help users navigate through the website or give them more information
- > required our telephone service agents to provide their agentID, to increase our accountability and make it easier for business owners to give feedback on our services
- > enabled our telephone services agents to transfer a credit within the account of a business

WHAT WE HEARD 2014 CONSULTATIONS

“Train agents to know where and when to transfer a call to someone who knows, rather than try and answer themselves.”

— Consultation participant, November 2014

Generally, participants noted that the telephone services have come a long way, and that some small and medium businesses still want to speak with a telephone agent. There is concern with the time it takes to connect to our telephone service, the accuracy of the information provided, and having access to subject matter experts to help with more technical enquiries.

Participants recommended we focus on:

- > improving the **accessibility** to telephone services, such as:
 - ability to leave a message
 - call-back feature
 - online chat feature
 - offering a dedicated telephone line for accountants and bookkeepers to get answers to their complex enquiries
- > better **equipping employees** to:
 - become more sensitive to small and medium business realities
 - ensure consistency in responses
- > expanding service for telephone agents to send **web links** by email to business callers
- > capturing **call history** details



WHAT WE WILL DO

The CRA will:

- > streamline procedures and **develop new tools** for telephone service agents to better serve the business community by:
 - reducing the need for callers to repeat information
 - connecting callers to the right expert
- > work closely with key stakeholders to look at the merits of piloting a **dedicated telephone service for registered tax preparers** to answer their complex tax questions
- > continue to **capture details of calls** dealing with account-specific enquiries
- > be ready to implement the new Government of Canada **telephony platform**

DID YOU **KNOW?**

Our telephone agents can send **web links** by email to help you find the information you need on the CRA website.

2 ACCESSIBLE, CLEAR, AND UNDERSTANDABLE TAX INFORMATION

Improvements we could make to the information small or medium business owners need from us to comply with their tax requirements and obligations.

WHAT WE HEARD IN THE 2012 CONSULTATIONS

We should focus on:

- > timely information availability and clarity

WHAT WE DID - HIGHLIGHTS

- > developed a one-stop-shop webpage, so businesses can easily find information and services for their tax situation
- > developed new web tools (Twitter, videos, and webinars)
- > simplified forms RC366, *Direct Deposit Request for Businesses*, and RC59, *Business Consent*
- > provided employees with plain language writing skills training
- > launched our Liaison Officer Initiative to help businesses to more easily understand their tax affairs and “get it right from the start”
- > developed the Information Provision Policy that explains our commitments, practices, and tools used in providing the information Canadians need to meet their obligations

WHAT WE HEARD 2014 CONSULTATIONS

“Can you please use common layman English on some things. We are not accountants or tax specialists. You need to simplify the language and what it’s for.”

— Consultation participant, October 2014

In general, accessibility of information has improved and our efforts have been noticed over the last four years. Participants noted that the ever-increasing amount of CRA information available online was a positive change. Businesses want to be able to access all information and forms online.

Participants recommended we focus on:

- > reducing **complexity** and improving the **language** in forms and guides to ensure they are understood
- > developing more **fillable** and **savable forms**
- > making sure there is **plain language** in all business information products, external correspondence, and web content
- > improving **website search functions** and making **navigation easier**
- > providing help to small businesses as part of a **good-start initiative**, including:
 - outreach programs
 - webinars
 - business checklist



WHAT WE WILL DO

The CRA will:

- > establish the **Liaison Officer Initiative** as a permanent program to help small business owners get it right from the start
- > engage stakeholders (such as the Canadian Payroll Association and CPA Canada) to identify the most common **guides and forms** needing to be clarified and easier to understand
- > create a **dedicated webpage for small and medium businesses** to meet their needs
- > offer new **plain language e-learning tools** to help CRA employees write publications, web content, and correspondence
- > offer and actively promote **webinars** for small and medium businesses
- > add more useful links to the **small business checklist**
- > make sure all of our correspondence is **less complex** and made **easier to understand**
- > expand outreach through **public- and private-sector partnerships** that support small and medium businesses
- > move to the new **Canada.ca** over the next few years, including:
 - rewriting web content using plain language and writing for the web principles
 - making it easier to find information
 - highlighting new information for small and medium businesses
 - testing business experience to improve how our web content is used and searched
- > explore options for making forms available on **all electronic devices**
- > explore expanding **e-notifications** with information for businesses through My Business Account

DID YOU KNOW?

1. Businesses can **rely on written information** received in a letter from the CRA
2. Most CRA forms are fillable and saveable:
You can go to www.cra.gc.ca/formspubs for all forms and publications and subscribe to the **RSS feed** to find out what's new

3 FILING REQUIREMENTS AND FREQUENCY

Improvements to minimize the reporting burden, including filing tax and information returns, elections and forms, and registration and account update activities.

“The 2015 Golden Scissors Award went to the Honourable Kerry-Lynne Findlay, Minister of National Revenue, for a simple change to payroll tax remittance thresholds. This change means less paperwork and more free time for some 50,000 small- and medium-sized business owners, who can now focus on their primary work of serving their customers and growing their businesses.”

— Canadian Federation of Independent Business Red Tape Report Card, January 2015



WHAT WE HEARD IN THE 2012 CONSULTATIONS

We should focus on:

- > filing frequency requirements
- > reporting requirements

WHAT WE DID - HIGHLIGHTS

- > reduced payroll remittance requirements for businesses, which ended more than 800,000 payroll remittances for small and medium businesses

WHAT WE HEARD 2014 CONSULTATIONS

Small and medium businesses expressed general satisfaction with filing and remitting schedules, though they did highlight some areas for improvement.

Participants recommended we focus on:

- > offering more flexibility for **filing deadlines** and **payment schedules**
- > making the **remittance of payments** more flexible for businesses
- > **processing payments** and **updating accounts** quickly
- > being **more flexible** when a business with a good compliance history misses a filing or remitting deadline
- > improving our capacity to receive **electronic documents and receipts**

WHAT WE WILL DO

The CRA will:

- > reduce the **frequency of remittances** for the smallest new employers
- > expand the **My Business Account Submit document service** to allow businesses to request CRA search for payments made and to submit cashed cheques as proof of payment
- > review the **remittance voucher requirements** for making a payment at a financial institution
- > explore opportunities to **send messages** to businesses through My Business Account and **email reminders** for filing and payment obligations

DID YOU KNOW?

1. Businesses can now use **My Business Account** to manage their banking information online and sign up for pre-authorized debit.
2. Filing your return and making a payment online generates a real time acknowledgement, which means a **confirmation number** is provided almost instantly.
3. Canada ranks highly among world leaders on the ease of paying taxes based on a recent study of OECD member countries conducted by the World Bank Group. This is in part as a result of CRA's flexible payroll payment and filing requirements, as well as its central role in administering taxes and contributions for other government entities.

4 ONLINE SERVICE

Improvements and enhancements we could make to our online services to better serve small and medium businesses.

WHAT WE HEARD IN THE 2012 CONSULTATIONS

We should focus on:

- > online services:
 - increase options for electronic filing and amending information
 - ability to receive and respond to taxpayer written enquiries electronically
 - simplify online registration process
 - improve information accessibility and clarity
 - enhance identity authentication process

WHAT WE DID - HIGHLIGHTS

- > enhanced our electronic filing services, allowing businesses to file amended T2 corporation income tax returns online
- > improved My Business Account so businesses can:
 - update their banking and direct-deposit information
 - pay their taxes online
 - get a detailed payment history
 - receive responses electronically to their enquiries about tax matters
- > launched a mobile app to notify businesses of upcoming payment and return obligations
- > allowed representatives of businesses to send an authorization for a business using the online Form RC59, *Business Consent*
- > increased our capacity to receive electronic supporting documents and receipts through My Account or Represent a Client
- > created “You’ve got online mail... from the Canada Revenue Agency” to allow businesses to receive online mail from us

WHAT WE HEARD 2014 CONSULTATIONS

“CRA’s online systems are complicated; please make it more user-friendly.”

— Consultation participant, November 2014

Overall, our recent efforts to improve the quality and availability of online services have been well received by small and medium businesses, and they look forward to an ever-expanding suite of electronic options. However, businesses said our online services could be more user-friendly, with a focus on a more intuitive search function.

Participants recommended we focus on:

- > improving and expanding the range of **e-services** and **online tools**, including the move towards a one-stop-shopping user experience
- > making the **online authentication** process easier
- > increasing **awareness** of our online tools and e-services
- > allowing **email communication** for business enquiries
- > expanding our **mobile app** offerings to help small and medium businesses run their affairs from anywhere, anytime



WHAT WE WILL DO

The CRA will:

- > expand **My Business Account** to:
 - include statements of capital gains and losses
 - automatically identify certain T2 return tax data to pre-populate certain CRA forms
 - > expand the **My Business Account Submit documents service** to:
 - allow supporting documentation to be sent electronically with a notice of objection
 - allow supporting documents to be sent online for several additional business programs
 - allow supporting documentation to be sent with an electronic request for taxpayer relief
 - > expand **outreach/inreach** and partner with other government organizations to promote CRA e-services
 - > simplify and streamline the **GST/HST NETFILE** user experience by introducing a **permanent access code** for registrants that use GST/HST NETFILE
 - > allow GST/HST NETFILE users with a balance due to enter into a **one-time pre-authorized debit agreement** outside the portal
- > enhance the marketing campaigns targeting businesses that pay by cheque to encourage **e-payment**, including a new **ePay video** on the CRA YouTube channel
 - > explore opportunities to:
 - introduce more convenient options for businesses and the CRA to **communicate securely**
 - allow businesses to **file supporting documents** using tax preparation software when they file their returns
 - develop a **T2 filing solution** through My Business Account for simple returns, like non-profit organizations, inactive accounts, and nil returns
 - advance the existing **mobile app** for businesses and add new apps
 - > get the software development community involved to promote the use of CRA **e-services**

DID YOU KNOW?

You can now complete **50 different kinds of transactions online** with the CRA, including:
viewing return balances for corporation income tax and submitting documents related to rulings under the Canada Pension Plan/Employment Insurance Act, as well as returns and rebates for Goods and services tax/harmonized sales tax.

5 SHARING INFORMATION WITHIN GOVERNMENT

Opportunities for sharing information with other federal government organizations, as well as the provincial and territorial governments, to reduce the administrative burden for small and medium businesses.

WHAT WE HEARD IN THE 2012 CONSULTATIONS

We should focus our efforts on:

- > coordination and collaboration across government

WHAT WE DID - HIGHLIGHTS

- > continued to build partnerships with various levels of government on initiatives, such as CRA's Business Number system, to make it easier for businesses to meet government requirements

WHAT WE HEARD 2014 CONSULTATIONS

“There would be value in exploring how greater information sharing between... departments can further reduce administrative burden in tax reporting requirements... However, this would require considerable further consultation before... [businesses] would be comfortable with agreeing to such information sharing.”

— Canadian Federation of Agriculture, December 2014



When asked, participants generally agreed with the idea of the CRA sharing their information with other government organizations. However, businesses highlighted the importance of providing appropriate consent and having a clear understanding of what information is being shared and with whom.

Participants recommended we focus on:

- > continuing to **expand the use of the Business Number (BN)**
- > sharing **contact** and **general business** information with other government organizations
- > using a **CRA tool** or shared Government of Canada **portal** to share and track information with other government organizations

WHAT WE WILL DO

The CRA will:

- > work in partnership with CPA Canada, CFIB, other small business associations, and with federal, provincial, and municipal governments to encourage governments to **adopt the BN** as a common business identifier
- > explore options to improve **federal electronic information sharing**
- > explore opportunities with the provinces and territories to **reduce the administrative and reporting burden**

DID YOU KNOW?

Business Registration Online is a one-stop, online, self-serve application that lets you register for a business number, as well as for four types of program account:

- > corporation income tax
- > goods and services tax/harmonized sales tax
- > payroll
- > import-export

You can also register or apply for Ontario, Nova Scotia, and British Columbia program accounts.

6 AUDIT EXPERIENCE

Feedback and insights from businesses and their representatives who have recently been audited.

WHAT WE HEARD IN THE 2012 CONSULTATIONS

We should focus our efforts on:

- > auditors' knowledge, training, and professionalism

WHAT WE DID - HIGHLIGHTS

- > developed training products to help auditors become more sensitive to the needs and realities of small and medium businesses
- > launched the Simplified Audit landing webpage to make it easier for businesses to find relevant information about audits
- > launched a three-part series of videos to explain our audit process to businesses:
 - Part one: Why we do audits, and what is a tax audit?
 - Part two: What are your responsibilities, and what happens during an audit?
 - Part three: What are your rights?
- > implemented a quality assurance review process to ensure audit steps are fully documented and follow legislation, as well as CRA policies and procedures

WHAT WE HEARD 2014 CONSULTATIONS

“Have the auditor familiarize themselves with common practices within an industry before they begin an audit of a business.”

— Consultation participant, December 2014

In general, small and medium businesses and their representatives found that throughout the audit process, CRA auditors who had more experience had increased abilities to be flexible, communicate well, and have knowledge of the related industry.

Participants recommended we focus on:

- > making **electronic communication** possible between auditors, businesses, and their representatives
- > developing **more programs** focused on helping and teaching small and medium businesses to become more compliant
- > using **plain language** and communicating regularly throughout the audit process
- > continuing to promote the use of **professional judgment** and an **open-minded approach** in dealing with businesses
- > providing auditors with **tools** to help them become more knowledgeable about industry practices
- > providing **more support** and **supervision** to new auditors as they build experience
- > **targeting** audits at entities operating in the **underground economy**, rather than at compliant businesses
- > providing auditors with **training** to help them become more sensitive to the needs and realities of small and medium businesses
- > **only asking for information relevant** to the audit process and fully explaining the need for such information
- > implementing **checks** and **balances** to ensure information already on file with the CRA is made readily accessible to auditors

“Be honest and communicate what CRA is looking for and why. Deadlines for responding should be reasonable.”

— Consultation participant, December 2014



WHAT WE WILL DO

The CRA will:

- > develop a **My Audit tab** in My Business Account to allow **electronic communications** between CRA auditors and businesses and their representatives
- > develop **training products** and **support tools for auditors**, like:
 - Explaining the net worth audit results to the taxpayer (e-learning product)
 - Managing risk through the audit (workshop)
- > deliver **Commitment to Small Business** training, which includes information about business realities and the effect an audit has on a small business
- > make sure auditors have the tools they need to become more knowledgeable about **industry-specific practices**
 - > provide **greater support** and **supervision** to new auditors by:
 - continuing to buddy experienced auditors with new auditors
 - reviewing the learning and on-the-job training plans for new auditors
 - > launch a new **audit case management tool** for income tax auditors to store all audit data electronically
 - > put in place a **national procedure for auditors** to show an audit is in progress and to check other CRA systems for prior contacts
 - > develop new **educational campaigns** to promote voluntary compliance
 - > put in place the **Underground Economy Strategy** to focus audits on the highest-risk industries and businesses

DID YOU KNOW?

Through the **Liaison Officer Initiative**, CRA liaison officers meet businesses in select industries to help them understand tax requirements, respond to their questions, and provide tips on avoiding common errors particular to their type of business.

FINAL WORD

“Chartered Professional Accountants of Canada actively participated in CRA’s consultations and applauds the Agency for taking action to help reduce the compliance burden and costs associated with red tape. We encourage CRA to build on its accomplishments and sustain the momentum achieved in helping both Canadian individuals and businesses.”

— Gabe Hayos, Vice-President,
Taxation, Chartered Professional Accountants of Canada, April 2015

Small and medium businesses are the backbone of the Canadian economy. When you help businesses, you also help families, communities, and the economy. Canadian businesses deserve high-quality services, and we are committed to continuing to improve our services.

Reducing the time and resources businesses spend on the actions and tasks required to follow Canada’s tax laws and regulations is now part of our regular business operations.

Throughout the 2012 consultations, we learned small and medium businesses share our enthusiasm for reducing red tape. Most recently, through our 2014 red tape reduction consultations, we were able to meet and speak directly with many small and medium businesses, accountants, bookkeepers, and stakeholder associations.

We heard you. And we learned.

We learned our efforts have been noticed and are appreciated. But we have more to do, including working harder at making sure businesses are aware of the changes we are making to our operations. We learned red tape affects every industry, sector, and business community across Canada and all small and medium businesses want to be heard. We learned we need to continue to listen and to make the changes small and medium businesses need and want most.

Continued engagement, encouragement, and support for the business community through partnering with stakeholders such as CPA Canada, CFIB, the Chambers of Commerce, and small business associations to raise awareness of the changes made to CRA’s services, including the ongoing expansion of our online services, is our commitment. This will create more awareness and a greater understanding of our red tape reduction efforts.

Businesses want and need flexibility and reliability. The way businesses grow and operate is changing, and we are here to offer services that are in line with how people do business. In the coming months, we will launch an online consultation tool to keep the conversation going. We encourage you to take the time to respond and share your thoughts and ideas. We want to hear from you.

We are confident that the changes we are going to make over the next few years will make it easier for businesses to meet their tax obligations.

“The government should be congratulated for its continued focus on red tape reduction for small business in Canada. The administrative burden for all businesses is high and that burden is borne proportionally much more by small businesses, who lack the resources of larger firms. Canadian businesses should be freed of as much of this burden as possible so that they can focus on what they’re best at – serving their customers.”

— Michael Hatch, Chief Economist,
Canadian Automobile Dealers Association, April 2015