



Canada Revenue
Agency

Agence du revenu
du Canada

Canada



Summary of the Corporate Business Plan

2016-2017 to 2018-2019





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A Message from the Minister

I am honoured to lead the Canada Revenue Agency (CRA) as the Minister of National Revenue. This is an exciting time for the Government of Canada, and I am grateful for the opportunity the Prime Minister has given me to serve Canadians.

Since my appointment in November 2015, I have been working closely with CRA officials to develop a plan to deliver on our government's priorities: improving service to Canadians, strengthening our efforts to tackle tax evasion, and modernizing the rules for charities. This plan describes how we will make our commitments a reality.

The CRA exists to serve Canadians, and service excellence is a priority for our government. I am deeply committed to making sure all Canadians, whether individual taxpayers, benefit recipients, or businesses, are treated respectfully and can deal with the Agency more easily. To illustrate:

- The demand for the CRA's online services is growing, and some 69% of those services are already delivered electronically. This number makes the CRA a leader among Government of Canada organizations in providing digital services. However, we must—and will—do more to meet Canadians' service expectations, including helping more Canadians file their income tax and benefit returns without using paper forms.
- As a former social worker in the Gaspé region of Quebec, I know many families depend on benefit payments for a large part of their household income. Benefit programs offered by the federal government and the provinces and territories support the economic and social well-being of Canadians across the country. Our government is determined to make sure Canadians receive the benefits and credits to which they are entitled. The CRA will reach out to those eligible for benefits but not yet receiving them.
- The CRA's Community Volunteer Income Tax Program helps hundreds of thousands of Canadians with modest incomes to prepare income tax and benefit returns every year. I have asked the CRA to expand on this success by providing more help to Canadians with low and fixed incomes and whose tax situations do not change from year to year.
- It is a fundamental responsibility of government to communicate with citizens in understandable and helpful ways. This year, the CRA is launching clear and easy-to-read new formats for its most common communications with Canadians. We will continue to expand on these efforts in the years to follow.

With this plan, and in collaboration with our many partners, the CRA is well placed to support and deliver on the government's priorities over the next three years.

— Diane Lebouthillier



Service to Canadians must also include making sure the system is fair for all and Canada's revenue base is protected for the benefit of all. Our government is committed to supporting the CRA in its efforts to crack down on tax evasion—particularly on those who willfully and aggressively avoid paying the taxes they owe.

To keep pace with today's global economy and rapidly evolving technology, the CRA must continue to work closely with tax administrations in other countries. This plan shows how the Agency will continue its important work with international organizations and other countries to obtain and exchange information faster and better, so the integrity of Canada's tax system remains protected.

Our government firmly believes charities and non-profit organizations make a valuable contribution to society and to public policy, and there must be clear rules they can understand and follow to guide their political and other activities, free from interference. I and my officials will work with our federal partners and with the charitable sector itself to deliver on this commitment and make sure charities can continue their important work.

With this plan, and in collaboration with our many partners, the CRA is well placed to support and deliver on the government's priorities over the next three years. But success is measured in results, and as Minister, my priority will be to make sure we achieve what we have committed to under the plan.

As the Minister of National Revenue, I am very proud to present the *Summary of the Corporate Business Plan 2016–2017 to 2018–2019* for the Canada Revenue Agency.

The Honourable Diane Lebouthillier, P.C., M.P.
Minister of National Revenue

A Foreword by the Chair

As members of the Board of Management, we are committed to fulfilling our mandate according to the *Canada Revenue Agency Act*, and providing our best advice and guidance to the Commissioner and his senior management team. The Board has a legislated responsibility for the development of the annual Summary of the Corporate Business Plan: we are committed to working with the CRA executive and employees in achieving the strategic priorities in this Plan.

The Board supports the CRA's commitment to improving service for all Canadians: simplifying language; streamlining processes; assisting individuals and businesses to fulfil their obligations; and increasing digital e-services. The Board continues to rigorously support the CRA's commitment to integrity and security.

The Board will champion forward-thinking and innovation, and assist the CRA in its recruitment strategies and activities to ensure the CRA has a skilled, multi-talented, and diverse workforce for the future.

The Board strongly supports the CRA's continuous improvement and simplification of service for all Canadians. We will work with senior management to achieve the priorities in this plan.

— Richard (Rick) Thorpe



The Board is also committed to ensuring the CRA operates within its approved fiscal plan, while making every effort to ensure resources are aligned with the priorities of the Summary of the Corporate Business Plan.

The Board will continue to offer direction on strategic priorities and statutory areas of oversight, and will rigorously monitor performance throughout this planning period.

On behalf of the CRA Board of Management, I am pleased to recommend the CRA's *Summary of the Corporate Business Plan 2016-2017 to 2018-2019* to the Honourable Diane LeBouthillier, Minister of National Revenue.

Richard (Rick) Thorpe, CPA, FCPA, CMA, FCMA
Chair,
Board of Management

A Message from the Commissioner

As Commissioner of the Canada Revenue Agency (CRA), I am pleased to present the Agency's *Summary of the Corporate Business Plan 2016-2017 to 2018-2019*. This plan outlines what the CRA and its employees will do over the next three years to advance the Agency's corporate priorities of service, compliance, integrity and security, innovation, and people.

Our approach takes into account the planning environment which includes responding to factors such as the rapid evolution of technology, the growth of digital commerce and payment systems, and the emergence of new forms of economic activity.

For the CRA, service remains a key priority. Like most organizations, both private and public, the CRA is using advanced technology to support and facilitate a number of service improvements. Already the vast majority of individuals and businesses file their taxes electronically and, building on this solid foundation, we will continue leveraging technology to expand our digital service options and improve the service experience of Canadians. This includes making improvements to our established services so they continue to meet client expectations. For example, we are expanding the Auto-fill my return service to enable more taxpayers to automatically populate parts of their returns with tax information from the CRA.

We are also revising our correspondence to taxpayers such as T1 (individual) forms and benefits statements to make sure it is easily understood. In addition, we are expanding our Community Volunteer Income Tax Program to offer assistance to more Canadians who need help filing basic tax returns.

Like most organizations, both private and public, the CRA is using advanced technology to support and facilitate a number of improvements. Evolving technology is having a significant impact on our approach to service and compliance.

— **Andrew Treusch**



Improving Canadians' service experience is one side of the coin; the flip side is making sure Canadians comply with their obligations in accordance with tax laws. Evolving technology is having a significant impact on our approach to compliance. Data analysis and business intelligence are providing us with better insight into taxpayer behaviours, allowing us to spend less time and effort on lower risk groups of taxpayers, and focus our resources on dealing with deliberate non-compliance. In April 2016, we will create a new branch to better focus on combatting national and international tax avoidance and evasion.

With more and more Canadian taxpayers choosing online services, protecting the integrity and security of taxpayer information is critical. This plan outlines some of the steps we are taking to enhance security measures and mitigate potential risks including the Data Security Initiative, the Identity and Access Management project, and the National Audit Trail System Modernization project. These actions are supported by the Agency's new Code of integrity and professional conduct, which sets out the values CRA employees are expected to uphold and guides their conduct.

Finally, this plan looks at internal factors that will impact the success of the CRA's plans going forward: innovation and people. Evolving technology has sped up the pace of change and intensified the need to be quick to adapt. Our updated Agency Workforce Plan takes into consideration the plans and priorities outlined in this document, and will help make sure we maintain and build a knowledgeable workforce with the agility needed to meet current and future requirements. The CRA makes it a priority to support our knowledgeable and experienced workforce in meeting rapidly evolving challenges.

I am proud of this plan and believe it positions us well for the next three years. It will enable us to maintain a diverse and high-performing workforce able to provide excellent service to clients, safeguard compliance, secure and protect the trust of Canadians, and generate innovative ideas for continuous improvement.

Andrew Treusch

Commissioner of the Canada Revenue Agency



Section 1:

Overview of the CRA's strategic priorities

The Canada Revenue Agency (CRA) is dedicated to serving Canadians. We support and assist Canadians so they understand and meet their tax obligations and receive the benefits to which they are entitled. We also protect the integrity and fairness of the tax system for all Canadians by ensuring those who have not met their tax obligations do so.

The taxes collected by the CRA are critical to families, businesses and communities. When Canadians meet their tax obligations, they are helping to fund health care, post-secondary education, social programs, infrastructure, and many other programs. In 2014-2015, the CRA processed \$469 billion in revenues and engaged with 31 million individual and corporate taxpayers. More than 92% of taxpayers file their taxes and pay the amount they owe on time.

The CRA also delivers benefits to eligible Canadians. The Agency works closely with other governments, financial institutions, and other partners to inform Canadians of the benefits available to them, and last year delivered \$22 billion in benefit payments to 12 million recipients.

The CRA is working hard to improve its services to the public. The Agency offers a broad array of secure digital services and is adding to the menu every year in order to meet the needs and expectations of Canadians.

The Agency applies the highest level of integrity and security to protect the personal information of Canadians. Voluntary compliance is the bedrock of our tax system, and depends on the trust and confidence of Canadians in the confidentiality of the Agency's processes. Every year, CRA employees safely and securely process 31 million income tax returns, and the Agency continually works to ensure its systems are strong and tight controls are in place.

Note: CRA Headquarters, Connaught Building, celebrates 100 years in 2016.



The planning environment

This Plan provides information on how the CRA and its Board of Management will advance the Agency's strategic priorities over the next three years. These priorities fall under five broad themes: continual improvement in service, compliance, integrity and security, innovation, and people.

The Government of Canada has identified better service for Canadians as a key priority. The CRA aims to make sure its services meet the expectations and needs of the public.

The CRA recognizes small businesses continue to be Canada's engine for job creation – for example, the number of self-employed individuals has grown by 64% over the past 30 years. The CRA is supporting small businesses and the self-employed by modernizing and adapting its approaches to service and compliance to better meet their needs.

Constant advancements in information sharing and technology are resulting in unprecedented growth and complexity in global trade and investment. Many Canadian businesses are accessing international supply chains and marketing their goods and services worldwide. In this rapidly changing environment, the Agency is working closely with public and private sector partners in Canada and abroad to address the tax implications of globalization, including tax evasion and avoidance.

Canadians are global leaders in adopting digital commerce and payment services. The growth of new forms of economic activity, including electronic business-to-business transactions, crowd funding through social media, and new ways of working and earning income virtually, represent opportunities and challenges for tax administrations worldwide. Existing legislative and regulatory provisions must be reviewed, and conventional tax administration approaches and models re-examined. The CRA is actively working to address these emerging trends in order to ensure the integrity of Canada's tax system.

The Agency's ability to successfully meet the challenges of the future depends on a workforce equipped with the right skills and experience. The Agency is implementing a workforce renewal strategy to position its programs to deliver on Government of Canada priorities.

The CRA processed \$469 billion in payments last year, and dealt with 31 million taxpayers

Our services

Expanding our digital services

Online filing has become the preferred choice for most individual and corporate taxpayers and benefit recipients. Last year, 82% of individuals and 86% of corporations filed electronically.

The Government of Canada has identified improved digital services for Canadians as a priority. The CRA has a history of innovation in this area, and is expanding its digital service options to improve the client experience. This year, the CRA is expanding the Auto-fill my return service, which allows taxpayers to request the secure electronic transmission of tax information from the CRA to automatically fill in parts of their return. The service will be expanded in April 2016 to allow authorized representatives, using EFILE certified software, to auto-fill data from T3 and T5 information slips in the returns of their clients. Further innovations are also planned for the future to allow users to pre-populate various CRA forms for T2 business returns.

Canadians are spending more time on smartphones and tablets and less time on personal computers. The CRA is responding by ensuring the Agency's digital services and content remain accessible to all devices. Mobile apps represent the newest addition to the multiple ways the Agency allows clients to access the services they need, whether it involves paying their taxes, checking the status of their RRSP limit, or simply looking for information on the CRA's web site.

Simplifying our correspondence

One of the most important ways the CRA serves Canadians is by communicating with them in ways that help them understand the information they receive from the Agency and what action they should take. The CRA sends out about 130 million pieces of correspondence to Canadians each year, including notices of assessment and benefit and credit notices. A recent evaluation by the CRA identified the need to revise its correspondence by making it clearer and easier to understand through improvements in the use of plain language, tone, content flow, and format. Beginning in early 2016, new versions of 75% of the CRA's correspondence will be launched in simple, easy-to-understand paper and electronic formats. Plans are also underway to address the remaining CRA correspondence.

Modernizing our call service

More than 23 million taxpayers and benefit recipients call the CRA every year. Over the next four years, the CRA will modernize its call centres so Canadians receive the same high standard of service they experience with leading private sector firms.

Volunteer tax clinics

The Government of Canada has committed to providing improved support to Canadians who are eligible for, but are not receiving, available benefits and credits. The CRA's Community Volunteer Income Tax Program is a key part of the Agency's efforts to address this priority. The Program helps eligible individuals who have a modest income and a simple tax situation to complete their tax return and access the benefits to which they are entitled. Through this program the Agency works every year with more than 2,000 organizations to host clinics where 16,000 volunteers prepare over 600,000 tax returns for Canadians who need help.

The CRA sends out approximately 130 million pieces of correspondence annually

The CRA supports these organizations and volunteers by offering online registration, training and support for first-time community organizations who want to host a clinic, and a variety of communication resources such as posters in many languages, and web videos.

The CRA also continues to help Canadians receive their full benefits and credits. For example, the Agency is collaborating with a number of provinces to automatically enroll families for both federal and provincial child benefits when children are registered at birth. Canadians also no longer need to apply for the GST credit because they are now automatically enrolled. Meanwhile, the CRA automatically applies the appropriate deduction and credit such as the employment and pension credit when an individual reports income that makes him or her eligible.

Looking to the future, partnerships with other government service organizations such as Employment and Social Development Canada, the Canada Border Services Agency, Shared Services Canada, as well as provincial and territorial governments will be critical to the CRA's efforts to provide seamless easy to access services to Canadians. This includes the CRA's lead role in the Government of Canada Web Renewal Initiative, which will streamline and consolidate all federal government online information and services for Canadians under one Canada.ca website.

Improving our services to small and medium enterprises

The CRA is committed to reducing the compliance burden on small and medium enterprises (SMEs). The Agency held consultations in 2014 with small and medium business owners, bookkeepers, and accountants in more than 20 cities Canada-wide and online to learn how we could improve our services to them.

The feedback the Agency received has been instrumental in helping the Agency develop an innovative action plan of service improvements. These include improving telephone service, providing accessible tax information using plain language, minimizing the reporting burden related to filing requirements and frequency, expanding online services to meet the unique needs of small and medium businesses, and improving information sharing with federal government partners and provincial and territorial governments in order to reduce the administrative burden and improve the audit process. Equally important, the CRA is focused on helping small and medium businesses by offering information resources and programs to help them avoid errors before they become costly problems. For example, the Liaison Officer Initiative helps small and medium-sized businesses avoid mistakes by reaching out to them at key points in the business cycle.

The Agency also regularly meets with stakeholders such as the Canadian Federation of Independent Business, the Chartered Professional Accountants of Canada (CPA Canada), the Canadian Payroll Association, and the EFILE Association of Canada to ensure the Agency continues to focus on the changes important to small and medium businesses. Ongoing dialogue with the business community, which began with extensive consultations held in 2012, has allowed the Agency to continue to make significant and sustained improvements positively impacting businesses' bottom line, such as eliminating more than 800,000 payroll remittances for over 50,000 small businesses.

The Agency works with more than 2,000 organizations to prepare over 600,000 tax returns for Canadians who need help

Compliance

Promoting, supporting and enforcing all aspects of compliance are cornerstones of the CRA's mission. The Agency identified over \$21.9 billion of non-compliance in 2014-2015.

While most Canadians voluntarily file and pay their taxes on time, a small percentage of taxpayers fail to do so. Some make simple errors or misunderstand their obligations while others willfully avoid paying the taxes they owe. The Agency's systems and processes help to detect and correct many of these simple errors, identify taxpayers who are at higher risk of non-compliance, and track and resolve debts owed by those who have failed to comply with their obligations.

Fighting the underground economy

The CRA is increasing its efforts to combat the underground economy (UE) in which business activities are not reported to the Agency, undermining the fairness and integrity of the tax system. The Government of Canada is investing an additional \$118 million over five years to expand the number of teams specializing in the UE from 20 to 35, increasing capacity to conduct audits. These teams will focus on special in-depth audits designed to identify unreported income in sectors with a higher risk of UE activity. The CRA is also continuing to educate consumers on how the UE damages Canada's economy.

The Agency will use \$118 million to enhance its audit capacity by expanding its UE specialist teams

Combatting international tax avoidance

Many countries are working together through the Organization for Economic Cooperation and Development (OECD) to prevent multinational corporations from exploiting the interaction between domestic and international tax rules by shifting profits away from the countries where economic activity has taken place. With Finance Canada, the CRA played a lead role in negotiations which led to the OECD Base Erosion and Profit Shifting (BEPS) final recommendations, which were released in the fall of 2015 and endorsed by G-20 Leaders. Implementation of the BEPS recommendations will strengthen the integrity of the international tax system, increase its transparency and make it more difficult for companies to inappropriately minimize their taxes.

Fighting tax evasion

In addition to its efforts on tax avoidance, the CRA is continuing to detect, correct and deter tax evasion. Last year, the CRA's international and large business program detected \$7.8 billion in unreported tax, an increase of more than \$1 billion from the previous year and up 39% over the last four years.

The CRA will continue to target high net worth individuals participating in offshore tax evasion. The Agency has begun auditing taxpayers identified by the paid informant program. The CRA will also use more than 11 million records of International Electronic Funds Transfers it will receive on a yearly basis from banks and other financial intermediaries. The CRA will analyze funds transfers to higher risk jurisdictions and will contact taxpayers with unexplained transactions. In addition, the CRA will continue to focus on promoters of offshore tax evasion schemes, using the full range of tools and sanctions available from audits to criminal prosecution where warranted.

Lastly, the CRA will continue to work closely with international partners who are also committed to tackling tax avoidance and evasion. We will work with the OECD's Forum on Tax Administration and its new Joint International Tax Shelter Information and Collaboration program to put in place better cross-border approaches that benefit Canada and other countries.

Integrity and security

Canadians need to be able to trust the CRA to uphold all tax laws with the utmost integrity, and to safeguard personal client information.

The CRA has a strong culture of integrity with policies and procedures to protect client information and help employees make the right decisions. For example, integrity measures are included in all executive performance agreements and employees are required to annually review their obligations under CRA's Code of integrity and professional conduct. The CRA is currently implementing the new Treasury Board Secretariat Policy on Government Security to further improve security practices and keep client information safe. The CRA makes sure only employees with a specific job requirement have access to client information by maintaining records of electronic access through a national audit trail system and performing regular security checks. The Agency also uses a comprehensive security screening process to ensure employees have the right level of access at all times.

CRA employees are expected to act with integrity in everything they do. Systems are in place to report any wrongdoing employees may see when working. The Agency takes misconduct very seriously and applies consequences—up to and including termination—based on the severity of the act, and the impact on the Agency.

The security risks associated with digital services will continue to be a key consideration for the CRA. The Agency's Information technology (IT) meets or exceeds all security standards set by the Government of Canada.

The Agency uses a comprehensive security screening process to ensure employees have the right level of access at all times

Innovation

The CRA is a leader among federal government departments and agencies in providing digital services for taxpayers and benefit recipients, but the pace of change is accelerating and innovation is now an Agency-wide enterprise. Seeking new solutions, and doing things better, more efficiently, and in new ways, are key priorities for the CRA.

CRA is committed to improving service. The Agency continually researches and tests new approaches to service and applies best practices from Canada and abroad. Launched in 2015, the CRA's Accelerated Business Solutions Lab supports Agency and government priorities by using innovative approaches such as advanced data analysis and behavioural economics.

For example, the CRA has been using a “nudge” approach to influence behaviour. Nudge uses an understanding of human behaviour to guide how choices are presented to people to get a desired outcome. This can be a more cost-effective way of influencing behaviour than trying to motivate people through monetary rewards or penalties. The CRA's pilot projects have proven very effective and, over the next three years, the Agency will continue to explore and develop new and innovative approaches to improve compliance.

Over the next three years, the CRA will continue to develop and implement innovative approaches to service to keep pace with, and anticipate, client expectations. For example, the CRA is looking to make mobile apps interactive to allow us to crowd-source user feedback on services. We will also look at how to make services more efficient in such areas as payments and registration.

Innovation is now an Agency-wide endeavour, impacting every area of business

Our people

The CRA will continue to recruit and develop employees who embody the CRA's core values of professionalism, integrity, collaboration and respect

There are many challenges facing the CRA's workforce. More than 30% of all CRA employees and more than half of the Agency's executive cadre will be eligible to retire in five years. With advances in technology, the nature of work is shifting from transactional to knowledge-based, and the pace of change is accelerating.

To meet these challenges and ensure the organization can deliver on its priorities, the CRA will continue to recruit and develop employees who embody the CRA's core values of professionalism, integrity, collaboration and respect. We will build a workforce with the education and skills to navigate in a rapidly changing environment.

The CRA will ensure its workforce represents the Canadian population it serves and will also ensure Canadians continue to be served in both official languages. The CRA will hire talented individuals who support a respectful workplace free of harassment and discrimination. We are proud to be recognized repeatedly as one of Canada's Top Employers for Young People and will promote this honour in recruitment campaigns.

As experienced employees retire, the CRA will transfer their valuable corporate knowledge to new recruits. We will also support informal and formal learning for new and existing employees and prepare employees earlier in their careers to take on challenging leadership roles and highly specialized work. The Agency will work as well with the Canada School of Public Service to ensure employees continue to have the skills to meet the challenges of today and tomorrow.

More information on the CRA's people management strategies is outlined in Agency Workforce Plan.

Key indicators

The following indicators will be used to assess the CRA’s performance in providing Canadians with access to timely, modern, and innovative services, while promoting and supporting compliance. Results will be published in the CRA’s yearly performance report. These indicators are a subset of the CRA’s overall performance measurement framework as described in pages 72 to 87 of the plan. The table below explains how each key indicator contributes to the CRA’s overall performance story.

	Indicators	Why it is important
1	Percentage of individuals who paid their taxes on time	Indicating the rate of on-time payment by taxpayers strengthens trust and confidence in the CRA and most importantly, in the voluntary compliance system.
2	Dollar value of payments the CRA processed	Specifying the value of tax dollars collected demonstrates the volume of tax processing and supports transparency by reporting the value of Canadian taxpayer dollars recovered by the Agency.
3	Dollar value of benefit and credit payments to recipients	Reporting the dollar value of support provided to eligible families and individuals under provincial, territorial, and federal programs, demonstrates the volume of benefit payment processing and supports benefit program transparency.
4	Percentage of electronic filing rates for individuals; Percentage of electronic filing rate for businesses	Reporting on the percentage of electronic filing rates for individuals and businesses demonstrates the CRA’s efforts and success in directing taxpayers to electronic channels. Electronic filing allows for more taxpayer control; it is faster, more convenient and secure, and reduces the compliance burden.
5	Electronic return processing timeframes for individuals; Electronic return processing timeframes for businesses	The CRA’s electronic return processing timeframes demonstrate the level of service provided to taxpayers who chose to file electronically. It demonstrates the efficiency of electronic filing and the certainty it provides for taxpayers.
6	Percentage of individual taxpayers with a My Account, either directly or through their tax representative; Percentage of businesses with a My Business Account, either directly or through their tax representative	Reporting on the percentage of individual taxpayers and businesses with a My Account or My Business Account, either directly or through their representative, demonstrates the CRA’s commitment to promoting innovative and modern services that are easy to access.
7	Dollar value of identified non-compliance	Identifying how much money is owed by taxpayers failing to meet their obligations promotes accountability and transparency in cases where individuals/corporations do not abide by the tax laws. This also quantifies the CRA’s work to address non-compliance and protect the revenue base.

	Indicators	Why it is important
8	Tax debt as a percentage of gross revenues	Describing CRA's success in collecting payments owed on behalf of the Crown.
9	Caller accessibility	This demonstrates the ability of individuals and businesses to access timely responses to their tax enquiries on the telephone.
10	Percentage of service complaints resolved in 30 working days	This demonstrates the aim to resolve issues quickly, assist the taxpayer and improve service. This helps ensure all the mechanisms are in place to resolve issues effectively as well as foster co-operation with taxpayers.
11	Percentage change in appeals (closing) inventory	Managing the appeals inventory demonstrates CRA's commitment to preserving the integrity of the tax system while providing exceptional service to Canadians.
12	Average number of days key positions remain vacant	This provides an indication of the effectiveness of the Agency's succession planning practices.

How to read this plan

The foregoing sets out the strategic priorities the CRA will use to guide decision-making for the 2016-2019 planning period. The following chapters provide a brief description of the key aspects of the Agency's core business including the day-to-day activities necessary to achieve the CRA's ongoing operational objectives. To align with guidelines established by the Treasury Board Secretariat, this more detailed business discussion is presented under the following chapter titles:

- Taxpayer and Business Assistance
- Assessment of Returns and Payment Processing
- Reporting Compliance
- Collections, Compliance, and Verification
- Appeals
- Benefit Programs
- Internal Services

In developing these chapters, the key activities carried out by each branch of the Agency are described, as well as the planned branch initiatives, budget allocations, and performance measures in support of the Agency priorities.

This plan also includes a section to describe the CRA Board of Management and its Board committees in support of CRA priorities: Audit, Governance, Human Resources, and Resources. The Board section is followed by a section to present the CRA's organizational structure, and provides detailed performance measurements, service standards, and financial details for each of the program branches.

Budgetary Financial Resources (Dollars) Human Resources (Full-Time Equivalents)

The financial and human resource information presented in this plan includes all of those items for which the Canada Revenue Agency has received approval as of February 1, 2016. Any approvals for funding adjustments received after that date will be reflected in future documents.

		2016-17 Main Estimates	2016-17 Planned	2017-18 Planned	2018-19 Planned
Canada Revenue Agency	\$	4,082,482,329	4,082,482,329	3,928,125,099	3,918,631,281
	FTE		37,847	37,444	36,971
Taxpayers' Ombudsman	\$	3,235,854	3,235,854	3,227,940	3,234,541
	FTE		31	31	31
Total	\$	4,085,718,183	4,085,718,183	3,931,353,039	3,921,865,822
	FTE		37,878	37,475	37,002

Section 2: Programs Taxpayer and Business Assistance

The Taxpayer and Business Assistance program is committed to providing taxpayers with the accurate and timely information they need to comply with Canada's tax laws. The Canada Revenue Agency (CRA) website is organized according to taxpayer needs, giving detailed information on its programs and services to individuals and families, businesses, charities and giving, and taxpayers' representatives. Taxpayers with more complex information needs can contact the CRA's call centres, refer to its publications and videos, or use its technical interpretations and rulings services. To further support taxpayers, the CRA monitors charities and administers registered plans to make sure they meet legislative requirements.



Tax Information Services and Assistance

The Tax Information Services and Assistance subprogram gives taxpayers the accurate and timely information they need to comply with Canada's tax laws. It provides this information on the CRA website, in response to enquiries, and in printed products.

Planning highlights

The CRA answers several million information requests each year, primarily through its website and by telephone. In 2014-2015, the CRA website received 157 million visits, and the Agency answered 17.1 million phone enquiries. Another 6.4 million calls related to benefits enquiries were answered through agents and automated phone services. By continually modernizing its information services, the CRA aims to make it easier for taxpayers to understand and comply.

The CRA will:

- > review and revise key elements of the CRA's plain language correspondence with taxpayers to make sure it is easily understood. The Agency will launch new print and electronic versions of the following: T1 (individual) forms by February 2016; benefits statements by May 2016; PD7A, *Statement of Account for Current Source Deductions*, by May 2016; and business forms (T2 and GST/HST) by October 2016.
- > eliminate the need for callers to repeat authentication information when they are transferred to another CRA agent. Enhanced tools will allow agents who are transferring a call to indicate if they have already completed the authentication process with the caller. Scheduled for completion in spring 2016.
- > move the CRA's call centres to a common hosted platform as part of the federal government's Contact Centre Transformation initiative. This technology could enable the CRA to offer new features as early as 2016-2017, and completion is scheduled for 2020.
- > implement a "call driver strategy" to better understand the most common reasons taxpayers call, and set up more ways to meet their information needs. Each program area will get information on call drivers in their area, which will help them develop action plans to reduce the need for calls. Call volumes will be monitored to determine the impact of new initiatives. Implementation is scheduled for 2017-2018.
- > migrate CRA website content over to the central Canada.ca government information site, effectively joining the federal government's web renewal initiative to offer Canadians a "one-stop shop" for all government-related information. Content migration is scheduled for completion by June 2016, and decommissioning of the CRA's URL and web platforms will take place by December 2016.

Charities

The Charities subprogram is responsible for administering the national registration program for charities, registered Canadian amateur athletic associations, and registered national arts service organizations. It is also responsible for activities that span the full spectrum of the compliance continuum, including registration, communications and outreach, processing and examination, audit and enforcement, and policy and technical guidance.

Planning highlights

Charities play a valuable role in society and contribute to public debate and public policy on behalf of all Canadians. To support this contribution and to ensure charities understand their obligations under the law, the CRA will review and clarify the rules governing a registered charity's involvement in political activities, in collaboration with the charitable sector.

Canadians donate billions of dollars each year to support registered charities, and they expect their donations to be used appropriately to benefit the intended causes. To safeguard the interests of taxpayers and, at the same time, help charities meet their legal obligations under the *Income Tax Act*, the CRA will introduce new service options for charities.

The CRA will:

- > modernize its information technology systems to reduce the administrative burden on charities by setting up new electronic service options. The following new services will make it easier for organizations to register and fulfill their obligations on time each year:
 - online applications for charitable registration, available November 2017.
 - electronic filing of the annual *Registered Charity Information Return* (T3010), available November 2018.

Registered Plans

The Registered Plans subprogram enforces the provisions of the *Income Tax Act* relating to deferred income and savings plans by registering and monitoring the plans and by approving the deductibility of employer contributions to defined benefit pension plans. It also gives information about registered plans on the CRA website and in response to enquiries.

Planning highlights

Canadians who rely on registered plans to help them secure income for the future depend on the CRA to protect taxpayer investments. The Agency strives to make sure registered plans comply with legislative requirements and, at the same time, reduce the administrative burden on plan administrators by enabling new electronic service options.

The CRA will:

- > increase the number of registered plan-related forms accessible electronically by March 2018.
- > explore opportunities for receiving supporting documentation electronically, along with plan-related forms, by March 2019.

Policy, Rulings, and Interpretations

The Policy, Rulings, and Interpretations subprogram offers taxpayers, registrants, and tax intermediaries binding rulings and non-binding interpretations of the acts the CRA administers, including the *Canada Pension Plan* and the *Employment Insurance Act*. In doing so, it gives taxpayers early certainty by explaining how the law applies to specific situations. It also works closely with the Department of Finance Canada in developing legislative policy and providing legislative policy and administrative services to other Canadian government organizations.

Planning highlights

Taxpayers, businesses, tax professionals, and industry associations depend on the CRA for current and accurate technical tax information. The CRA will continue to update initiatives and introduce new ones designed to provide early certainty on tax matters, help prevent errors and, in some cases, reduce the number of individual requests for rulings.

The CRA will:

- > develop a rulings e-service to allow clients to send requests for rulings and interpretations and receive responses electronically. This service will become available in 2017.
- > develop the tools necessary to implement the Common Reporting Standard by July 1, 2017 and complete the first exchange of information by September 2018. The Common Reporting Standard is a global standard for the automatic exchange of financial account information between countries to better fight tax evasion and improve tax compliance. Foreign tax authorities will provide information to the CRA relating to financial accounts in their jurisdictions held by Canadian residents. The CRA will, on a reciprocal basis, provide corresponding information to the foreign tax authorities on accounts in Canada held by residents of foreign jurisdictions.
- > develop Income Tax Folios, which are key tools for interpreting income tax information and education, thereby leading to increased compliance. Hundreds of thousands of taxpayers, tax professionals, CRA officials, and other members of the tax community refer to folios throughout the year.

Budgetary Financial Resources (Dollars) Human Resources (Full-Time Equivalents)

		2016-17 Main Estimates	2016-17 Planned ¹	2017-18 Planned ¹	2018-19 Planned ¹
Program					
Taxpayer and Business Assistance ²	\$	412,286,804	412,286,804	280,544,765	281,256,789
	FTE		3,665	3,641	3,635
Subprogram					
Tax Information Services and Assistance	\$		156,187,232	154,053,432	154,701,758
	FTE		2,108	2,090	2,089
Charities	\$		30,170,124	30,304,457	30,077,498
	FTE		328	325	321
Registered Plans	\$		15,842,716	16,097,367	16,156,682
	FTE		167	166	166
Policy, Rulings, and Interpretations ²	\$		205,541,117	75,458,672	75,673,160
	FTE		1,022	1,020	1,019
Charities – Public Safety and Anti-Terrorism	\$		4,545,615	4,630,837	4,647,691
	FTE		40	40	40

¹ Planned spending refers to those amounts for which a Treasury Board submission approval has been received by no later than February 1, 2016. This cut-off date differs from the Main Estimates process. While in any given year planned spending may include amounts incremental to planned expenditure levels presented in the Main Estimates, this year it does not.

² The decrease in planned spending from 2016-17 to 2018-19 under the Taxpayer and Business Assistance Program and the Policy, Rulings, and Interpretations Subprogram results primarily from disbursements for an amount of \$128 million to the provinces under the *Softwood Lumber Products Export Charge Act, 2006* in 2016-17 that will conclude the agreement between Canada and United States on softwood lumber.

Performance measurements

The CRA performance measurements for taxpayer and business assistance are set out beginning on page 73. The CRA has 47 service standards. For the activities described in this chapter, 19 service standards apply; they are listed beginning on page 83.

Program

Assessment of Returns and Payment Processing

The Assessment of Returns and Payment Processing program assesses and processes tax returns and payments for individuals and businesses as quickly and accurately as possible, giving them early certainty to help them manage their tax affairs confidently. The Canada Revenue Agency (CRA) aims to reduce red tape by providing streamlined and timely services to individuals and businesses while securing Canada's revenue base.



Individual Returns

The Individual Returns subprogram helps individuals to voluntarily comply with Canada's tax laws by processing their information as quickly and accurately as possible. It assesses the information individuals give and tells them the results of their assessment or reassessment.

Planning highlights

The CRA is improving service to taxpayers by expanding its range of digital services which are making it easier for Canadians to do their self-assessments and voluntarily comply with their tax obligations. Over the planning period, the CRA will implement its e-interactions strategy and the following initiatives will contribute to making CRA services user-centric, secure, and digital from beginning to end. The CRA will:

- > accept T3 special tax returns electronically through InfoDec¹ as of January 2016. This initiative will improve client service by introducing the first electronic filing service for those filing T3 returns on behalf of trusts.
- > enable T1 filers to change their address using the NETFILE certified software products by February 2017.
- > improve secure online portals My Account and Represent a Client to make these portals easier for taxpayers and their representatives to use, while preparing for future program growth and advances in technology. Improvements will include a more seamless and logical navigation between services, a common user interface for the portals, and correct portal content display on any device. Options and analysis phase to be completed in spring 2016.

82% of T1 returns were filed online during the 2015 tax season.

Service innovations

The CRA's service innovations are making it easier for clients to complete returns online and avoid common errors made during manual data entry. During the 2015 tax filing season, the Agency implemented the Tax Data Delivery (or Auto-fill my return) service, allowing authorized representatives, using EFILE certified software, to request the secure electronic transmission of tax information from the CRA to automatically fill in parts of their clients' tax return.

In February 2016, the service will be available to individuals, who are fully registered for My Account, to automatically populate parts of their returns when using a NETFILE certified software. The service will also expand the list of tax information that is available to include, among others, T3 and T5 information slips.

1. Information Declaration (InfoDec) manages the capture, amending, and storage of several different third-party information returns provided to the CRA by employers (T4), financial institutions (T5), trust companies (T3), and government agencies.

Business Returns

The Business Returns subprogram helps businesses voluntarily comply with Canada's tax laws by processing their information as quickly and accurately as possible. It assesses the information businesses give and tells them the results of their assessment or reassessment. It also registers businesses for a business number and administers T2, GST/HST, excise, and other levies programs.

Planning highlights

The CRA's digital services are the preferred service channel for businesses and tax representatives—86% of corporation returns were filed online in 2014-2015. The Agency is adding new features and services to simplify and streamline processes and make it easier for businesses to get timely information and comply with tax obligations.

The CRA will:

- > improve secure online portals My Business Account and Represent a Client to make these portals easier for taxpayers and their representatives to use, while preparing for future program growth and advances in technology. Improvements will include enabling a more seamless and logical navigation between services, a common user interface for the portals, and correct portal content display on any device. Options and analysis phase to be completed in spring 2016.
- > expand the Submit Documents service to include the GST/HST Rebates program, by December 2016. This service allows taxpayers to submit documents (when the CRA asks for them) through the secure portals.
- > work with Industry Canada on adopting the business number (BN) as the common identifier for federal business-facing programs and services. This initiative will be completed by October 2018 and will reduce duplication of effort by businesses and government administration, while enabling future opportunities for client-centric service design and delivery.

Payments

The Payments subprogram helps individuals and businesses voluntarily comply with Canada's tax laws by processing payments.

Planning highlights

The CRA will improve electronic payments and related digital services, which are more efficient for taxpayers and for CRA stakeholders such as financial institutions.

The CRA will:

- > expand the current Interac payment options to include payment by Visa Debit in My Payment, to be implemented by February 2016.
- > facilitate e-payments by working with financial institutions to convert their payments to Electronic Data Interchange (EDI). By May 2016, the CRA will change the name on the remittance vouchers for individuals, TFSAs, and benefits.

Voluntary Disclosures Program

The Voluntary Disclosures subprogram encourages and processes voluntary disclosures by taxpayers and their representatives who want to correct inaccurate or incomplete information.

Planning highlights

A significant portion of the \$1.3 billion in unreported income disclosed through voluntary disclosure in 2014-2015 was a result of continued successful international efforts to share tax data and the CRA's increased efforts to detect and correct offshore non-compliance. The program is a cost-effective way for the Agency to obtain compliance. The following initiatives will make it easier for taxpayers to come forward voluntarily, correct their tax affairs, and pay their fair share.

The CRA will:

- > enable electronic filing of voluntary disclosures, including allowing taxpayers and their representatives to send their disclosure through CRA portals by October 2016.

Budgetary Financial Resources (Dollars) Human Resources (Full-Time Equivalents)

		2016-17 Main Estimates	2016-17 Planned ¹	2017-18 Planned ¹	2018-19 Planned ¹
Program					
Assessment of Returns and Payment Processing	\$	503,182,149	503,182,149	496,115,166	493,780,046
	FTE		4,519	4,486	4,409
Subprogram					
Individual Returns	\$		222,094,098	216,940,322	215,267,035
	FTE		2,702	2,675	2,650
Business Returns	\$		255,423,903	253,760,556	252,984,771
	FTE		1,511	1,505	1,493
Payments	\$		19,463,548	19,265,714	19,359,021
	FTE		239	239	187
Voluntary Disclosures Program	\$		6,200,600	6,148,574	6,169,219
	FTE		67	67	79

¹ Planned spending refers to those amounts for which a Treasury Board submission approval has been received by no later than February 1, 2016. This cut-off date differs from the Main Estimates process. While in any given year planned spending may include amounts incremental to planned expenditure levels presented in the Main Estimates, this year it does not.

Performance measurements

The CRA performance measurements for assessment of returns and payment processing are set out on page 75. The CRA has 47 service standards. For the activities described in this chapter, 10 of them apply; they are listed on page 85.

Program Reporting Compliance

The Reporting Compliance program seeks to protect the integrity of Canada's voluntary compliance system by identifying and addressing the small segment of the population which does not report income accurately. Canada Revenue Agency (CRA) compliance interventions follow an escalating approach moving from influencing compliance to enforcing it. The CRA seeks to influence compliance attitudes by increasing taxpayers' understanding of their tax obligations through targeted outreach activities, client service, and education. It also completes examinations, audits, and investigations at the domestic and international level to make sure Canada's tax laws are being followed.



Effective April 1, 2016, the CRA is splitting its existing Compliance Programs Branch into two new branches. This split will allow for a dedicated focus on strategically combatting the most significant forms of tax avoidance and tax evasion by high net worth individuals and corporations.

The Compliance, International, and Large Business Branch will be responsible for international tax, aggressive tax planning, large business and non-resident audit programs, criminal investigations, and the development of strategies to combat offshore tax avoidance.

The Compliance and Small and Medium Enterprises Branch will be responsible for small and medium enterprise income tax and GST/HST compliance programs, and the administration of the scientific research and experimental development program.

International and Large Business

The International and Large Business subprogram helps to ensure that Canada receives its share of taxes from international and large entities with complex financial transactions. It enforces compliance with Canada's tax legislation by encouraging, assisting, and verifying compliance by large entity tax filers. It does this through taxpayer consultations, education, legislative reviews, and enforcement measures.

Planning highlights

The CRA will continue to implement strategies to combat tax avoidance by international and large businesses. The Agency uses specialist audit teams, business intelligence, informants, and behavioural economics approaches to “nudge” or influence compliance by international and large businesses. Nudge approaches include writing letters to these businesses before a decision to audit is made, advising them of common errors and allowing them the opportunity to correct mistakes. Meanwhile, the following initiatives will help to protect law-abiding businesses and the integrity of Canada's tax base.

The CRA will:

- > fully implement the Integrated Risk Assessment System by June 2016, which will put in place an automated risk scoring system to complement our National Risk Assessment Model. The new system links information from various CRA databases and checks it against comprehensive risk algorithms resulting in automatic risk assessment for each large file. This process will allow the Agency to more effectively use compliance resources when assigning files to regions.
- > implement the business intelligence component of the Foreign Reporting Requirements Management System by March 2017. The system was developed to capture, store, and retrieve information relating to CRA's foreign reporting requirements. The Agency will continue to build on its collaborative arrangements with international partners; this includes the mutual exchange of data with banks and other tax authorities.
- > collaborate with other tax jurisdictions on other forms of non-compliance and enhance our work on joint audits with other countries.
- > fully implement our Integrated Large Business Audit Teams by April 2016. These teams include specialist auditors with knowledge in domestic and aggressive international tax planning. The integrated teams enhance collaboration and lessen the burden to the taxpayer. They provide better service under the concept of "One Team, One Voice, One Audit".

Offshore non-compliance

The Agency dedicates a wide range of initiatives to reducing offshore non-compliance which presents a complex challenge for all tax administrations around the world. Offshore non-compliance is driven by factors such as globalization, the easy movement of people and money across borders, and the growth of electronic commerce.

The Offshore Compliance Division, established in 2013, leads the Agency's approach in implementing and administering measures to address offshore non-compliance, including the use of improved risk assessment systems and business intelligence.

The CRA will:

- > expand the use of offshore business intelligence to identify files for offshore audit by December 2016. In this regard, the Agency will be analyzing Electronic Funds Transfer (EFT) data jurisdiction by jurisdiction and will be contacting taxpayers with large volumes of unexplained financial transactions.
- > develop predictive and strategic analytics solutions to generate business intelligence by March 2017.
- > implement a workload development strategy to better identify aggressive tax planning arrangements and provide appropriate solutions and remedies by April 2016. The Agency will continue to include research and risk assessment, audit, legislative change, education, and awareness tools to counter aggressive tax planning.

International cooperation

The CRA is playing a leadership role through its work with other tax administrations and international bodies as part of its strategy to address international tax avoidance.

- > the CRA Commissioner is Vice-Chair and sponsor of the Large Business Network at the Organisation for Economic Co-operation and Development (OECD) Forum on Tax Administration, where the Agency is coordinating the development and delivery of a work plan to support the OECD/G20 Base Erosion and Profit Shifting (BEPS) project. The BEPS project is a global effort that is seeking to prevent multinational corporations from inappropriately minimizing their taxes. This effort will support compliance management of large businesses and other potential projects.
- > the CRA is taking a leading role in building capacity for developing countries through the provision of advice and support in the administration of their taxation regimes.
- > the Agency will engage in bilateral and multilateral cooperation and collaboration on taxpayer-specific issues, risks, and compliance practices by March 2017 through its work with the Joint International Tax Shelter Information Centre Network. Participating in the network makes it easier to share information and helps increase the Agency's understanding of intergroup transactions.

Criminal Investigations Program

The Criminal Investigations subprogram enforces the Acts administered by the CRA by detecting and addressing tax evasion and fraud. It conducts investigations into suspected significant cases of fraudulent non-compliance and recommends such cases for prosecution. To enhance public awareness and encourage voluntary compliance, it also publicizes the results of court convictions.

Planning highlights

Each year, more than 95% of the CRA cases criminally prosecuted by the Public Prosecution Service of Canada (PPSC) result in convictions. Criminal investigators at the CRA will continue to work closely with the PPSC and federal law enforcement agencies to make sure the most serious cases of tax evasion and fraud are thoroughly investigated and referred for prosecution. The CRA is strategically focusing on large scale offenders for highest impact resulting in increased average jail sentences. This demonstrates the Agency is targeting the right offenders.

To help bring to justice those who break Canada's tax laws, the CRA will:

- > publicize successful prosecutions and investigation actions, such as searches and seizures or the laying of criminal charges, throughout the planning period. This is expected to deter serious non-compliance by communicating that tax evasion and fraud are criminal offences and offenders will be pursued and prosecuted.
- > refine how it selects high-risk files by April 2016, taking into consideration regional, national, and international priorities.
- > enhance its forensic and informatics capabilities by acquiring of tools and technological expertise needed for complex investigations by March 2017.
- > increase co-operation with law enforcement agencies including, for example, an updated Memorandum of Understanding with the Royal Canadian Mounted Police.

Small and Medium Enterprises

The Small and Medium Enterprises subprogram ensures small and medium businesses and non-resident taxpayers comply with Canada's tax laws. It supports compliance through a mix of education and compliance-based treatments and interventions depending on the level of risk of the individual or sector. This includes treatments that are aimed at preventing errors from occurring prior to tax returns being submitted, letters to educate taxpayers on how to correct past errors, and audit interventions for high risk taxpayers.

Planning highlights

The CRA's efforts to support and enforce compliance by small and medium Canadian enterprises generated \$1.3 billion in fiscal impact in 2014-2015. With the creation of a new Small and Medium Enterprises Branch on April 1, 2016, the Agency will continue to support voluntary compliance through education; through "nudge" approaches such as letter writing campaigns and working with industry associations to raise awareness and promote compliance; through engagement with key stakeholders in the business, industry, and tax professional communities; and by providing in-person assistance designed to help businesses comply with their tax obligations. The new branch will further complement traditional approaches with innovative interventions such as Liaison Officer visits, registration of tax preparers, sector approaches and other efforts that are more proactive and collaborative and are aimed at helping those who want to comply. The Agency will also continue to identify and pursue individuals and businesses participating in the underground economy and who are not reporting all their income. In that regard, for those who choose not to comply, the CRA's traditional audit and enforcement measures will apply.

The following initiatives illustrate how the Agency will reduce the compliance burden for small and medium enterprises and reduce the impact participation in the underground economy causes to Canada.

The CRA will:

- > implement phase 3 of the Liaison Officer Initiative by April 2016. Through the initiative, businesses receive in-person support and information at key points as their business grows to help them understand their rights, navigate the tax system, cut through red tape, and more easily comply with their tax obligations. The first two pilot phases of the initiative were very well received and feedback from participating businesses on the services, information and support provided in each region was used to design phase 3 to better meet the needs of new and small businesses.
- > launch the Registration of Tax Preparers Program in October 2016 and start education and outreach activities by 2018. Tax preparers who file and prepare income tax returns for a fee will have to register with the Agency. The program will improve compliance and the accuracy and completeness of tax returns by providing guidance to tax preparers who make frequent errors.

Underground economy

The CRA will continue implementing its underground economy strategy, announced in 2014. The strategy has three themes:

1. **Refine the CRA's understanding of the underground economy (UE):** The CRA will use its past experience and knowledge of the underground economy, combined with advanced data analysis and input from stakeholders. The Agency will also hold roundtable meetings with the provinces and territories to better understand who participates in the underground economy, and why and how they do so.
2. **Reduce the social acceptability of participating in the underground economy:** Working with partners, the CRA will develop strategies to make participating in the underground economy less acceptable to consumers. By 2018, the second *Get it in Writing!* campaign, launched in March 2015 in partnership with the Canadian Home Builders' Association, will be completed.
3. **Use initiatives to encourage compliance and reduce participation in the underground economy:** The CRA will detect, correct and, where appropriate, penalize underground economy activity as ways to support behavioural change. For example, CRA Underground Economy Specialist Teams will conduct audits in industry sectors where participation in the underground economy is high, and point-of-sales teams will address the electronic suppression of sales. Also, taxpayers who repeatedly participate in the underground economy will be referred to the CRA's criminal investigations division.

Industry Campaign Approach

Through the Industry Campaign Approach, the CRA aims to raise the level of compliance in an industry sector by working with associations to identify common mistakes and develop communications products to help businesses in the sector. The CRA expects these efforts to reduce the number of costly face-to-face audits and to make sure the audits undertaken are better directed to those who intentionally do not comply. The first industry campaign began in March 2014. New campaigns have since begun and the CRA will send campaign letters to new businesses and repeat late-filers in these new industry sectors in April 2016.

Office Audit Letter Campaign

The CRA Office Audit Letter Campaign is designed to change behaviour by informing taxpayers of their reporting requirements. It also tells clients how to correct past errors by filing a T1 Adjustment Request and alerts them the CRA may be conducting audits in their sector in the coming year. The CRA Office Audit Letter Campaign will be undertaken every January and February.

Audit e-services

The Agency will enable auditors to securely communicate electronically with taxpayers who are under audit. The first phase of this email functionality project will launch by May 2016. Subsequent phases will allow auditors to initiate the dialogue and expand the capabilities to individual taxpayers.

GST/HST Program

The GST/HST subprogram is responsible for enhancing the reporting compliance of GST/HST registrants with the *Excise Tax Act*. The subprogram is designed to promote compliance and identify, address, and deter non-compliance with the legislation through a risk-based, balanced approach including quality audits, examinations, education, targeted communication, and outreach activities.

Planning highlights

The CRA completes more than 70,000 GST/HST audits every year. The audits generated more than \$2.2 billion in fiscal impact in 2014-2015. The following initiatives will help the Agency to make sure GST/HST registrants comply with reporting requirements. It will also help the CRA prosecute those who participate in the underground economy and aggressive GST/HST planning schemes.

The CRA will:

- > write to GST/HST registrants before we decide to audit in order to provide registrants with the opportunity to voluntarily correct their returns and also to advise them of common errors. This initiative will begin in May 2016 and is expected to raise the level of compliance by helping businesses to better understand their tax obligations and encourage them to correct any inaccuracies in their recently filed returns. The CRA will evaluate the pilot by December 2016, considering the effectiveness of its risk assessment model and the effect of the letter on registrant behaviour.
- > refine new risk assessment criteria and baseline for monitoring compliance trends. The information will be used to validate and refine risk assessment models, measure the success of audit strategies, and improve audit programs with respect to workload development, performance measurement, and risk assessment. The program will:
 - gather the data from the completed research audits and prepare it for analysis by September 2017
 - analyze the data and identify the risks from September to December 2017
 - establish performance measures of risk assessment criteria by December 2018
- > continue to use extensive third party data (e.g., banks, other tax administrations) to target high risk non-compliance files.
- > increase stakeholder engagement with the Chartered Professional Accountants of Canada (CPA Canada) through regular meetings of the CRA/CPA Canada Commodity Tax Committee in 2016-2017.

Scientific Research and Experimental Development

The Scientific Research and Experimental Development subprogram (which includes the Film Tax Credit) provides tax assistance and investment tax credits to Canadian businesses as an incentive to conduct qualifying industrial research and development activities and film or video production activities in Canada. This subprogram ensures that all claims are in line with the legislative requirements, tax laws, policies, and procedures. It also ensures that the applicants have the information and timely services they need to access investment tax credits, and that the tax credits or cash refunds are delivered in a prompt, consistent, and predictable manner.

Planning highlights

The CRA processes approximately 24,000 claims every year under the Scientific Research and Experimental Development (SR&ED) program. The CRA also processes approximately 6,500 claims every year under film and media tax credit programs supporting Canadian film or video production and related services.

The following initiatives support research and development activities by Canadian businesses who use the SR&ED program. The CRA will:

- > review the services SR&ED program offers to make sure they are meeting the needs of businesses and the CRA. By April 2016, the Agency will complete the review and develop a service strategy for the SR&ED program. Components of the strategy will be implemented over three years, from April 2016 to April 2019.
- > improve predictability for businesses, in particular small and medium-sized enterprises claiming SR&ED tax incentives. By April 2016, the Agency will launch a pilot project providing businesses with a formal pre-approval of their claims under the SR&ED program.
- > expand outreach activities by April 2016 to increase awareness of the SR&ED program through engagement with other government departments and industry associations, and greater use of digital communications and social media.
- > make sure claims are treated consistently across the country by implementing a redesigned SR&ED Quality Assurance Program, which will enable the CRA to effectively identify, investigate, and address any issues of inconsistency by April 2016.

Budgetary Financial Resources (Dollars) Human Resources (Full-Time Equivalents)

		2016-17 Main Estimates	2016-17 Planned ¹	2017-18 Planned ¹	2018-19 Planned ¹
Program					
Reporting Compliance	\$	1,067,140,214	1,067,140,214	1,062,160,684	1,054,616,518
	FTE		9,663	9,660	9,560
Subprogram					
Compliance, International, and Large Business Branch					
International and Large Business	\$		258,352,446	256,479,828	252,786,579
	FTE		2,041	2,037	1,999
Criminal Investigations Program	\$		80,282,292	80,077,095	80,264,732
	FTE		597	597	597
Compliance and Small and Medium Enterprises Branch					
Small and Medium Enterprises	\$		363,181,563	361,512,484	363,044,079
	FTE		3,637	3,637	3,638
GST/HST	\$		283,338,167	282,326,433	283,234,153
	FTE		2,699	2,699	2,700
Scientific Research and Experimental Development	\$		81,985,746	81,764,844	75,286,975
	FTE		689	690	626

¹ Planned spending refers to those amounts for which a Treasury Board submission approval has been received by no later than February 1, 2016. This cut-off date differs from the Main Estimates process. While in any given year planned spending may include amounts incremental to planned expenditure levels presented in the Main Estimates, this year it does not.

The International and Large Business subprogram includes Planned Spending (Dollars) for Offshore Compliance.

- 2016-17: \$12,672,413
- 2017-18: \$12,329,428
- 2018-19: \$8,105,835

Performance measurements

The CRA performance measurements for reporting compliance are set out beginning on page 76. The CRA has 47 service standards. For activities described in this chapter, six service standards apply; they are listed on page 86.

Program Collections, Compliance, and Verification

The Collections, Compliance, and Verification program identifies, addresses, and prevents non-compliance to make sure tax debt is resolved promptly. The Canada Revenue Agency (CRA) takes a progressive approach to compliance and debt collection, starting with education and outreach activities to remind taxpayers of their compliance obligations. The CRA works with individuals and businesses that have outstanding tax returns or remittances or owe money, to help them meet their tax obligations and pay what they owe. When needed, the CRA takes action to address non-compliance through a range of activities to make sure Canada's tax laws for registration, filing, withholding, and debt payment are followed.



Compliance and Verification

The Compliance and Verification subprogram enforces registration and completes validations and reviews of withholding, remitting, reporting, and filing obligations for individuals and businesses, payroll deductions, GST/HST, other levies, and non-resident taxes. It is designed to encourage individuals, businesses, and trusts to file on time, to educate them about their tax obligations, and to help them with their obligations.

Planning highlights

To promote, support, and enforce all aspects of compliance, the CRA continually seeks ways to provide easier access to the information and tools required by taxpayers. Employers are a significant element of Canada's self-assessment tax system. Approximately 1.6 million employers collect income tax through source deductions, accounting for more than \$200 billion in annual tax revenue. The CRA helps prevent non-compliance among employers using cost-effective, educational, and proactive methods to prompt timely and appropriate action. These methods include webinars, automated phone calls, and letters to remind employers of their obligations associated with payroll deductions, GST/HST, and other levies. Recently, the Agency developed a mobile app for business clients that can be used to create custom reminder alerts for due dates related to instalment payments, returns, and remittances.

The CRA will:

- > make available employer assessment notices and other communications in electronic format through the *My Business Account* secure portal. Employers who register for electronic correspondence will receive notifications when new items are posted. These options will be available by December 2016.
- > expand the ability for taxpayers to view electronic correspondence and to submit documents through the CRA portal. These changes will be implemented by 2017-2018.
- > apply behavioural economics to improve responsiveness to compliance interventions, such as letter campaigns or automated messages. The potential of multiple approaches will be examined, with experimental design and initiation starting in 2016-2017.
- > continue to educate employers and taxpayers of their responsibilities by exploring new channels for outreach and by modernizing communications tactics, such as the use of webinars. This approach will continue throughout 2016-2019.
- > continue to address non-compliance in specific areas such as GST/HST, employer withholding, and income tax obligations; this will in turn contribute to the CRA's efforts to identify non-filers participating in the underground economy. This approach will continue throughout 2016-2019.

Collections – Tax and Government Programs

The Collections – Tax and Government Programs subprogram collects tax debts on behalf of the federal, provincial, and territorial governments, as well as for other government departments and agencies. It also collects non-tax debts including social program overpayments and defaulted Canada Student Loan debt on behalf of various government programs that have transferred collection responsibilities to the CRA.

Planning highlights

Improved information technology and data analysis are enabling the CRA to take a more targeted and risk-based approach to collecting tax debt. By differentiating lower-risk taxpayers (those who can and want to pay, or those who owe but need time to pay) from those who do not intend to pay, the CRA can customize its approach to encourage or enforce compliance as needed. A significant proportion of tax debt may be prevented or resolved more quickly as a result of the following measures.

The CRA will:

- > expand its use of e-services to transmit and receive communications electronically with more taxpayers and third parties, by March 2017.
- > further automate current processes to help improve timeliness and achieve further efficiencies in debt collections by March 2017.
- > develop an online calculator to help taxpayers determine repayment amounts and options, and to promote making online payments. The online calculator will be available by March 2017.
- > expand its use of social media tools including posting a second collections video and launching it on YouTube; exploring the use of other social media such as Twitter; and posting more answers to the “frequently asked questions” on the Web. These initiatives will be implemented by March 2017.
- > refine the way it allocates historically non-compliant debtor files to specialized collection teams across Canada in order to improve timeliness and enhance the effectiveness of debt collections, by March 2017.
- > develop specialized strategies to manage the unique risks associated with tax debt on complex workloads, such as international accounts and tax avoidance schemes. This includes enhancing the framework and processes for managing tax treaty referrals to other jurisdictions. To be implemented by March 2017.
- > continue to advance its use of nudge messaging to promote early resolution of collection files. This initiative will include analyzing the results of the Agency’s nudge activities to date, and establishing appropriate future strategies, by March 2017.

- > continue to expand the use of business intelligence and data-mining capabilities designed to better predict taxpayer behaviour and identify risks to the accounts. The CRA will optimize the use of these capabilities to further tailor its strategies based on risk levels. Low risk accounts will be resolved through low cost processes, allowing for higher risk accounts to be addressed in the CRA's tax service offices. This initiative will be implemented by March 2018.

Budgetary Financial Resources (Dollars)

Human Resources (Full-Time Equivalents)

		2016-17 Main Estimates	2016-17 Planned ¹	2017-18 Planned ¹	2018-19 Planned ¹
Program					
Collections, Compliance, and Verification	\$	632,051,666	632,051,666	618,542,264	616,220,531
	FTE		9,461	9,196	9,034
Subprogram					
Compliance and Verification	\$		302,015,006	295,279,857	296,554,966
	FTE		4,643	4,482	4,451
Collections – Tax and Government Program	\$		330,036,660	323,262,407	319,665,565
	FTE		4,818	4,714	4,583

¹ Planned spending refers to those amounts for which a Treasury Board submission approval has been received by no later than February 1, 2016. This cut-off date differs from the Main Estimates process. While in any given year planned spending may include amounts incremental to planned expenditure levels presented in the Main Estimates, this year it does not.

Performance measurements

The CRA performance measurements for collections, compliance, and verification are set out on page 77.

Program Appeals

The Appeals program offers a timely and objective redress process to resolve disputes resulting from decisions the Canada Revenue Agency (CRA) made. The program also reviews requests for taxpayer relief and resolves service complaints.



Income Tax/Commodity Taxes Objections and Appeals to the Courts

The Income Tax and Commodity Taxes Objections and Appeals to the Courts subprograms offer timely and objective dispute resolution processes for taxpayers who disagree with decisions relating to assessments or determinations the CRA made under the *Income Tax Act* or the *Excise Tax Act*. They are also responsible for working with the Department of Justice Canada on appeals before the courts.

Planning highlights

The CRA is taking steps to improve the timely resolution of objections. The Agency receives approximately 80,000 objections each year and aims to make sure each taxpayer is treated fairly, in accordance with applicable tax laws such as the *Income Tax Act*. By engaging in dialogue with the taxpayer, an appeals officer conducts an impartial review of the decision to try to resolve the dispute. As part of its ongoing commitment to improve services, the CRA will:

- > find ways to process objections more quickly. Initiatives will include innovation den brainstorming sessions, simplifying documentation, possible procedural changes, and a variety of pilot projects. Implementation is ongoing.
- > resolve new intake of low-complexity objections within 180 days, 80% of the time.
- > continue to reduce its group objections inventory. In 2014-2015, the Agency worked on over 91,000 group files. More than 25,000 of them were resolved and the remainder are pending reassessment or a court decision. In addition to the 20,000 cases available to be worked on, there are currently 75,000 cases associated with 28 different national groups being held in abeyance pending court decisions; these will become workable as cases are heard by the courts or resolved through settlements.
- > review external forms and publications to improve clarity and promote electronic service delivery.

Canada Pension Plan (CPP) / Employment Insurance (EI) Appeals to the Minister and Appeals to the Courts

The Canada Pension Plan/Employment Insurance Appeals to the Minister and Appeals to the Courts subprogram offers a timely and objective dispute resolution process to parties who disagree with decisions relating to assessments or rulings made under the *Canada Pension Plan* and the *Employment Insurance Act* by the CRA. It is also responsible for working with the Department of Justice Canada on appeals before the courts.

Planning highlights

Thousands of Canadians rely on payments through the Canada Pension Plan (CPP) or employment insurance (EI), and prolonged disputes can potentially cause financial hardship. Each year the CRA receives and resolves approximately 3,000 CPP/EI disputes relating to assessments or rulings made under the *Canada Pension Plan* and the *Employment Insurance Act*. To provide better service for Canadians who depend on payments from CPP or EI, the CRA will continue to seek process efficiencies.

The CRA will:

- > improve its method of file distribution, which should result in more effective management of the workload. This will also make service across Canada more uniform. Implementation is scheduled for 2016.

Service Complaints

The Service Complaints subprogram offers taxpayers a process to resolve complaints about the service, quality, or timeliness of the CRA's work and complaints related to the *Taxpayer Bill of Rights*.

Planning highlights

In 2014-2015, the Agency resolved more than 3,300 service complaints within 30 business days more than 95% of the time. In the past year, the CRA's expansion of electronic service delivery also made it possible for taxpayers to file service complaints online, through the secure portals. Taxpayer feedback is a source of valuable insight for the CRA, and better enables the Agency to identify and implement service improvements. The Agency collects taxpayer comments through its service complaints program, call centres, and other formal and informal channels. The CRA will:

- > develop an Agency-wide service feedback model to enable the Agency to better collect and track comments received from taxpayers in order to identify systemic service issues and improve our service to Canadians.

Taxpayer Relief

The Taxpayer Relief subprogram administers the process under which the Minister of National Revenue may, under legislative provisions, grant relief from penalties and interest to taxpayers who are unable to meet their tax obligations because of personal misfortune or circumstances beyond their control.

Planning highlights

Requests for taxpayer relief can arise due to any number of circumstances, ranging from widespread disaster to individual hardship. In 2014-2015, the Agency granted relief in more than 400,000 cases. The CRA continually seeks to improve service. In 2014-2015, the Agency enhanced its inventory management process to provide better service to Canadians and to allow for more efficient and balanced distribution of incoming taxpayer relief requests.

The CRA will:

- > introduce a new service standard to acknowledge receipt of taxpayers' requests for relief within 30 days, 85% of the time. This will begin in April 2016.

Budgetary Financial Resources (Dollars) Human Resources (Full-Time Equivalents)

		2016-17 Main Estimates	2016-17 Planned ¹	2017-18 Planned ¹	2018-19 Planned ¹
Program					
Appeals	\$	185,568,739	185,568,739	185,234,324	185,573,890
	FTE		1,646	1,641	1,665
Subprogram					
Income Tax Objections and Appeals to the Courts	\$		135,050,565	135,353,589	134,852,948
	FTE		1,008	1,008	1,009
Commodity Taxes Objections and Appeals to the Courts	\$		18,287,459	18,224,312	18,274,336
	FTE		189	189	195
Canada Pension Plan/ Employment Insurance Appeals to the Minister and Appeals to the Courts	\$		4,957,723	4,923,843	4,957,487
	FTE		136	136	147
Service Complaints	\$		7,715,805	7,680,711	7,708,703
	FTE		91	91	89
Taxpayer Relief	\$		19,557,187	19,051,869	19,780,416
	FTE		222	217	225

¹ Planned spending refers to those amounts for which a Treasury Board submission approval has been received by no later than February 1, 2016. This cut-off date differs from the Main Estimates process. While in any given year planned spending may include amounts incremental to planned expenditure levels presented in the Main Estimates, this year it does not.

Performance measurements

The CRA performance measurements for appeals are set out beginning on page 78. The CRA has 47 service standards, and four apply to the activities described in this chapter. Those four service standards are listed on page 87.

Program Benefit Programs

The Benefit Programs help many Canadians who depend on benefit payments for a large part of their household income. The Canada Revenue Agency (CRA) administers a range of ongoing benefits and one-time payment programs, such as the Canada child tax benefit, the GST/HST credit, and the universal child care benefit, on behalf of the provinces and territories and the federal government. The CRA makes sure the right benefit payment is made to the right individual at the right time and gives recipients accessible information and timely responses to their enquiries.



The CRA issues benefit and credit payments worth close to \$22 billion to over 12 million Canadians each year.

Benefit Enquiries

The Benefit Enquiries subprogram offers benefit recipients timely and accessible information on their entitlements and obligations through the CRA's call centres.

Planning highlight

The CRA responds every year to more than six million telephone enquiries from Canadians who depend on the benefit and credit programs the CRA administers for an important part of their income. Through the following initiatives, the Agency will make sure it continues to respond to this high volume of enquiries with timely and accurate information.

The CRA will:

- > improve the service experience of benefit recipients by updating the technology supporting its contact centres and by analyzing the reasons for calls. These initiatives are discussed in more detail in the chapter "Taxpayer and business assistance".

Benefit Programs Administration

The Benefit Programs Administration subprogram delivers a range of ongoing benefits and one-time payment programs supporting the economic and social well-being of Canadians. Through its processing and validation activities, it makes sure the right benefit payment is made to the right individual at the right time.

Planning highlights

The CRA will continue to administer 135 benefit and credit programs and services on behalf of the provinces and territories and the federal government. The Agency's expertise and systems allow for flexible and efficient administration of these programs and services, reducing the need to create duplicate administration structures across federal, provincial, and territorial jurisdictions.

Through the following initiatives, the Agency will improve the service experience for recipients while making sure its systems support program growth.

The CRA will:

- > enhance its communications strategy to include a focus on proactively increasing awareness of benefits and credits, and informing recipients of their rights and obligations. The CRA wants all Canadians to understand what benefits and credits are available to them. This initiative will help Canadians who may not be aware of the benefits and credits for which they may be eligible, and therefore do not apply.

More than 72% of benefit payments were made by direct deposit in 2014-2015

- > expand the online mail function to benefit programs to enable individuals to view their benefit notices and slips in My Account.
- > add information on benefit payments to the MyCRA mobile app in 2016.
- > implement the *Disability Tax Credit Promoters Restrictions Act* regulations. The Act received Royal Assent in May 2014. Its purpose is to establish a maximum fee under the Act and whether some promoters can or should be exempt from the reporting requirements.
- > continue encouraging use of direct deposit to make sure refunds and benefits are received in timely manner. The Agency will develop a service level agreement with Employment and Social Development Canada to share direct deposit information. The CRA will also revise the direct deposit consent statement to allow the Agency to share banking information with other government of Canada departments.
- > continue the multi-year renewal of the benefits system. The Benefits System Renewal Project will modernize processes and incorporate more efficient technologies to make sure benefit payments and services are delivered without interruption, while enabling future program growth.

Budgetary Financial Resources (Dollars) Human Resources (Full-Time Equivalents)

		2016-17 Main Estimates	2016-17 Planned ¹	2017-18 Planned ¹	2018-19 Planned ¹
Program					
Benefit Programs	\$	434,832,503	434,832,503	441,578,904	447,739,404
	FTE		1,545	1,572	1,570
Subprogram					
Benefit Enquiries	\$		39,358,589	39,323,706	39,555,488
	FTE		550	559	558
Benefit Programs Administration	\$		106,473,914	108,255,198	109,183,916
	FTE		995	1,013	1,012
Statutory Children's Special Allowance Payments	\$		289,000,000	294,000,000	299,000,000
	FTE		-	-	-

¹ Planned spending refers to those amounts for which a Treasury Board submission approval has been received by no later than February 1, 2016. This cut-off date differs from the Main Estimates process. While in any given year planned spending may include amounts incremental to planned expenditure levels presented in the Main Estimates, this year it does not.

Performance measurements

The CRA performance measurements for benefit programs are set out on page 79. The CRA has 47 service standards, and eight apply to activities described in this chapter. Those eight service standards are listed on page 87.

Internal Services

A solid foundation of sound financial management, secure and reliable information technology, and a diverse and high-performing workforce sustains Canada's tax administration. Maintaining cost-effective internal services allows the Canada Revenue Agency (CRA) to deliver and continually improve services to Canadians, achieve the highest levels of integrity and security, and respond effectively to those who do not comply with their tax obligations.



Human Resources

The Agency has over 40,000 employees in offices across the country. It counts on a diverse and high-performing workforce to administer tax, benefits, and related programs, to provide customer service, and to ensure compliance on behalf of governments across Canada.

Planning highlights

The CRA will:

- > implement strategies to address the aging CRA workforce and the shift in the CRA's work from transaction-based to knowledge-based activities. The Agency will:
 - conduct targeted national recruitment campaigns by December 2016, working in partnership with other government agencies and departments and with external stakeholders, such as the professional accounting associations and the Public Service Commission, as appropriate.
 - enhance its visibility on post-secondary campuses.
 - concentrate on post-secondary recruitment in specific fields by attending various recruitment events at post-secondary schools and community organizations, in addition to recruitment and development initiatives for the audit community.
 - continue succession planning initiatives to develop and maintain its leadership capacity and adopting the new Key Leadership Competencies in recruiting executives by June 2016.
- > foster a positive and respectful workplace by implementing national, regional and branch action plans based on the results of the 2014 Public Service Employee Survey by April 2016.
- > maintain a strong and vibrant workforce representative of the Canadian population it serves, including representation for the four employment equity groups (Aboriginal peoples, persons with disabilities, members of visible minorities, and women). The CRA's representation levels for the four groups continued to surpass labour market availability in 2014 and the Agency is committed to implementing specific practices and measures to make sure it maintains its good record on this front.
- > continue to communicate and consult with official language minority communities as part of its outreach plan and contribution to the government's commitment under Part 7 of the *Official Languages Act*.

Integrity and Security

The CRA considers integrity and security in all activities, planning, and decision-making. Every CRA employee has a duty to protect the privacy and confidentiality of Canadians' personal information. The CRA's computer systems are also designed to protect personal information and the Agency has mechanisms, such as electronic transactions monitoring and identity and access management tools, to prevent, detect, and mitigate unauthorized access to its systems.

Planning highlights

The CRA will:

- > implement a pilot project for internal investigations within the regional security program by March 2017. The CRA's internal investigations program will pilot a project with the Ontario and Pacific regions to complete simple internal investigations. Lower-risk files will be completed by the regional security manager and their officers who will be responsible for the full internal investigation process. The pilot project is expected to better utilize existing CRA resources.
- > complete the Identity and Access Management (IAM) project by June 2017. The national program will oversee all IAM activities and processes to make sure they are consistent and standardized. The program will effectively align all IAM activities to create a common framework and will define a set of principles, processes, and controls to strengthen the Agency's information security.
- > make sure the CRA's security policy structure and programs remain aligned with an anticipated new Treasury Board Secretariat Policy on Government Security within two years of its release. The Agency expects changes to the policy will strengthen security management, clarify roles and responsibilities, and include security considerations in delivering shared services, such as those provided by Shared Services Canada.

By April 2018, nearly 48% of CRA executives will be eligible to retire.

Openness and transparency

The CRA works to build and maintain taxpayers' trust by being as open and transparent as possible about how it administers taxes and benefits. The Agency also builds trust by continually improving client service, by simplifying and streamlining the filing and payment process, and by proactively communicating news about taxes and benefits to clients.

The Agency reports to Canadians on its plans through this document, and on its performance and expenditures through its performance reports. These plans and reports are tabled in Parliament and published online to provide full transparency about the Agency's strategies, operations, results and spending.

The Agency regularly consults with taxpayers to help identify opportunities for service improvements, and to explain its initiatives. For example, the CRA held cross-country consultations with small businesses and their tax representatives in 2014 to identify priorities for reducing the compliance burden. The Agency will be implementing initiatives identified through the consultations—such as increasing its range of digital services—throughout the planning period.

The CRA proactively communicates information to help taxpayers meet their obligations, and help benefit recipients receive their entitlements. The Agency regularly offers webinars and publishes online videos and publications anticipating and responding to client questions about taxes and benefits. The CRA actively promotes this information through traditional and social media. The CRA also analyses the millions of enquiries it receives annually to identify recurring issues and opportunities to improve its services and information accordingly.

The CRA also engages with stakeholder groups representing various segments of its client population. For example, the CRA works closely with numerous professional, industry and civil society groups such as the Chartered Professional Accountants of Canada, the Canadian Federation of Independent Business and the Canadian Taxpayers' Federation to draw on their expertise and insights. The Agency also supports community groups providing tax assistance to those with lower and fixed incomes through the Community Volunteer Income Tax Program.

The CRA supports the Open Government initiative which makes government data and information freely available to the public in a way that makes it easy to search, discover and reuse. To date, the CRA has released 44 information tables and datasets on the Government of Canada's Open Data portal at www.open.canada.ca. The CRA datasets are among the 25 most downloaded from the portal, confirming their high value. The CRA will complete its data inventory by October 2016 and continue publishing data sets on the portal throughout the planning period. In doing so, the CRA will maximize the release of data and information of business value, subject to restrictions for privacy, confidentiality and security.

Access to Information and Privacy

The CRA protects and manage the confidentiality of taxpayers' personal and financial information in accordance with the laws it administers, such as the *Income Tax Act*, the *Excise Tax Act*, and the *Excise Act, 2001*. The Agency also complies with the *Access to Information Act* and the *Privacy Act*.

Planning highlights

The CRA will:

- > enhance privacy oversight through the continued monitoring and reporting of the Agency's privacy management framework by the CRA Chief Privacy Officer. The CRA will continue monitoring completion of key indicators such as the CRA privacy impact assessment plan; privacy breach management, and communications related to integrity and privacy.
- > implement recommendations from audits by the Office of the Privacy Commissioner. Six of the nine recommendations will be implemented by December 2016. The remaining recommendations require the implementation of more complex IT system and control measures in the CRA, and will be completed by April 2017.
- > implement all recommendations from the third-party review of the Access to Information and Privacy (ATIP) Directorate's privacy management framework. The effectiveness of these measures will be evaluated in 2016-2017.

Finance and Administration

Sound comptrollership supports CRA programs and activities, ensuring timely, accurate and relevant financial information is available for senior management planning and decision-making. The CRA uses a robust system of financial controls to ensure the integrity and effective management of the funds it receives and disburses. The strength of the CRA's financial management function is founded on clear accountabilities, an efficient financial services delivery model, and a structured approach to resource management committed to fiscal prudence and the optimal use of financial resources and investments through alignment with the strategic direction and priorities of the organization.

The CRA regularly reviews its finance and administration organizational and service delivery models to maximize efficiencies, simplify processes and procedures, and identify improvement and savings opportunities.

Planning highlights

The CRA will continue to advance the Chief Financial Officer (CFO) Model and consolidate the oversight of its Financial Management Systems (FMS):

- > The CFO model is a government-wide best practice to formalize the CFO as the lead senior executive for all aspects of financial management, program financing, financial reporting and disclosure. In 2015-16 the model was advanced in CRA with the establishment of direct

reporting relationships between the financial management advisors of HQ branches and the CFO. Effective April 1, 2016, this model will further progress when the five regional directors of finance and administration will begin reporting under the CFO to strengthen communications between HQ and the regions. It will also ensure consistency and standardization in services across the Agency by providing common leadership and support in all aspects of the Agency's financial and administrative matters.

- > FMS consolidation will provide for the creation of a single division to manage FMS systems and applications. These changes strengthen management of the FMS portfolio, and improve the governance, oversight, and collaboration with respect to systems investments.

Accommodations are one of the CRA's largest expenditures and optimizing space is a priority. While space optimization has been a long-standing goal, the implementation of a Workplace 2.0 environment beginning in April 2011 has led to greater opportunities for savings.

- > The Agency has reduced its footprint by 87,500 square metres (9.3% of inventory) and will further reduce it by 64,500 square metres (6.7% of inventory) by March 2019.
- > The CRA will make sure its investments in work spaces reflect industry best practices and meet operational needs by continuing to implement the Workplace 2.0 initiative throughout the planning period.

Information Technology

The CRA handles large volumes of tax and benefit transactions accurately, on time, efficiently and cost-effectively with modern tools, systems, and information technology (IT) solutions. More than 80% of individual returns are filed electronically, and more than 60% of benefit payments and payment processing is automated. This reliance on IT will increase as the CRA releases more electronic self-service options and as taxpayers adopt these tools.

Planning highlights

The CRA will focus on the following IT priorities:

- > **IT security:** Guided by its IT security strategy, the Agency protects taxpayer data from inappropriate access and from increasingly complex cyber threats. Multi-year projects currently in progress and scheduled for completion in fiscal 2018-2019 include the Data Security Initiative, the Identity and Access Management project, and the National Audit Trail System Modernization project. These projects will enable better protection of the Agency's data and technology assets.

For example, the National Audit Trail System Modernization project—to be completed in fiscal 2016-2017—will provide the ability to detect and proactively analyze questionable transactions on taxpayer information through the application of business intelligence. Also, the Identity and Access Management project—to be completed in fiscal 2017-2018—will provide greater assurance security policies are being respected by centralizing and standardizing the provisioning, tracking and auditing of end-user and privileged user accounts.

- > **Expansion of e-services:** The CRA will continue to enhance its self-service applications in support of the e-Interactions strategy to provide flexible and convenient on-line services. By 2018, the CRA will have delivered the foundation to reengineer the secure online portals My Account, My Business Account, and Represent a Client to make them easier for taxpayers and their representatives to use, while also preparing for future program growth and advances in technology.
- > **Business intelligence analytics:** The CRA will continue to strengthen its Business Intelligence (BI) foundation through a renewal of the BI computing platform, tools and processes to be completed by the end of fiscal 2018-2019. The renewed BI environment will enhance the Agency's capability to conduct advanced research, trend analysis and compliance risk analysis in a timely manner.
- > **Core system redesign and renewal:** The CRA will continue advancing the Application Sustainability Program to make sure its systems remain stable and to protect the integrity of the tax base and benefits services. IT innovation is at the core of the CRA's risk-based compliance strategies, enabling the Agency to quickly detect and correct errors, validate data, and direct enforcement resources to the highest-risk accounts. For example, the CRA is reengineering the T1, benefits, and various business systems including the Business Number (BN) system to incorporate flexible and resilient foundations, efficient, modern technologies and processes, and to enable future program growth. The T1 and Benefits Systems will both fully deploy in February 2019.
- > **Government of Canada IT initiatives:** The CRA works closely with Shared Services Canada (SSC) to make sure IT infrastructure services meet its needs and support the federal government's approach to delivering reliable, secure, and lower-cost IT infrastructure services. The CRA will continue several joint initiatives with SSC, including Data Centre Consolidation, Email Transformation, Telecommunication Transformation Project, Contact Centre Transformation, and cyber and IT security measures.

Budgetary Financial Resources (Dollars)

Human Resources (Full-Time Equivalents)

		2016-17 Main Estimates	2016-17 Planned ¹	2017-18 Planned ¹	2018-19 Planned ¹
Internal Services	\$	847,420,254	847,420,254	843,948,992	839,444,103
	FTE		7,348	7,248	7,098

¹ Planned spending refers to those amounts for which a Treasury Board submission approval has been received by no later than February 1, 2016. This cut-off date differs from the Main Estimates process. While in any given year planned spending may include amounts incremental to planned expenditure levels presented in the Main Estimates, this year it does not.

Section 3:

Board of management strategic priorities

The Board, working with CRA management, is focussed on the continuous improvement in service to Canadians, simplifying and streamlining processes for small and medium enterprises, and enhancing integrity and security.

Board goal for 2016-2017 to 2018-2019

The Board will continue to provide oversight of the CRA's strategic framework and management practices as specified in the *Canada Revenue Agency Act*. Over this planning period, Board members will be specially focussed on innovative ways the CRA improves services and meets the evolving needs of Canadians.

Board priorities for 2016-2017 to 2018-2019

Board priorities are to provide continuity with preceding Summaries of the Corporate Business Plan (Summary) and align with overall CRA priorities for the planning period. Guiding development of the Summary is a core Board responsibility. Members monitor performance against the Summary's objectives, using assessment tools such as the annual Board of Management Oversight Framework process and quarterly Board Commitments and Performance Dashboards. The Board also participates in the performance assessment of the Commissioner. In addition, as part of its oversight, the Board approves the Corporate Risk Profile and Enterprise Risk Action Plans, which are integrated into the CRA's annual corporate planning.

Board priorities focus on the continuous improvement in service to Canadians, simplifying and streamlining processes internally and externally, supporting integrity and security, managing people, and optimizing resources. In this Summary, the Board is adding a new CRA priority, innovation. Board priorities for the period 2016-2017 to 2018-2019 are summarized in the following sections.

Service to Canadians

The Board fully supports the CRA's commitment in this Summary to continuously improve service for individuals, small businesses, and partners including tax practitioners and preparers, and various industry association partners and professional organizations. The Board encourages collaboration with partners to promote financial literacy and assist Canadian businesses in meeting their regulatory requirements. The Board will continue to provide advice to the CRA on services to Canadians, including cost effective digital services with timely, complete and accurate information.

The Board places a very high priority on the CRA's actions to reduce the administrative burden on Canadian taxpayers, both individuals and small businesses, and to make it easier for them to comply and to communicate with the CRA. Amongst other initiatives, the Board fully endorses using plain language for external administrative correspondence and making the digital service experience seamless for Canadians.

In addition, the Board will continue to champion the streamlining and simplification of internal processes and increased efficiency, as CRA management and employees change the way they work, in response to the Blueprint 2020 challenge.

Integrity and security

The Board strongly supports the emphasis the government and the CRA place on security and integrity initiatives, to ensure the taxpayers' trust is enhanced and their personal information is protected. The Board will review the CRA's reports on security and on improvements to security processes, as well as the yearly update to the Integrity Framework, and reporting on internal disciplinary processes. In the information age, a large part of security concerns information technology and the digital world: the Board will continue to support and monitor the CRA's work with Shared Services Canada.

People management

The Board is aware of the importance of recruiting and retaining the right personnel. The approval of the annual Agency Workforce Plan is an important part of the Board's oversight responsibilities. The Board will also review overall human resources performance through an annual report and regular updates on the workforce, workplace, leadership and human resources modernization.

The Board will be apprised of human resources trends as well as their impact on recruitment strategies and activities, and will continue to support a diverse and multi-talented workforce. The Board will examine proposed measures to retain and develop employees and ensure appropriate succession planning for the CRA.

Innovation

The Board will work with the Commissioner and senior management to monitor the implementation of innovative strategies and services. Board members will review with interest the work of the CRA's Accelerated Business Solutions Lab, whose long-term objective is improving service to Canadians. The Board's annual planning meeting with external and internal stakeholders will continue to provide a forum for the Board and the Agency to learn of current environmental opportunities, challenges and best practices.

Resource optimization

The CRA is responsible for prudent fiscal management. The Board fully supports fiscal responsibility and will: work with the CRA to make sure financial controls are maintained; monitor all major project expenditures; review the CRA's Strategic Investment Plan, examine quarterly financial results, and approve the CRA's annual financial statements.

Board membership

The Board of Management of the CRA consists of 15 members appointed by the Governor in Council. They include the Chair, the Commissioner and Chief Executive Officer, a director nominated by each province, one director nominated by the territories, and two directors nominated by the federal government. Members of the Board bring a diverse business and community perspective from the private, public, and not-for-profit sectors to the work of the CRA.

The Board is responsible for overseeing the organization and administration of the CRA and the management of its resources, services, property, personnel, and contracts. It undertakes its oversight role in cooperation with CRA management to ensure the CRA fosters sound management and service delivery.

Board members as of March 2016:

Richard (Rick) Thorpe, CPA, FCPA, CMA, FCMA

Chair, Board of Management
Penticton, British Columbia

Myles Bourke, B.Comm., FCPA, FCA

Corporate Director
Lethbridge, Alberta

Rossana Buonpensiere, CMC, LL.B

Partner, Consulting Services
MNP LLP
Winnipeg, Manitoba

Richard J. Daw, FCPA, FCA, CMC

Corporate Director
St. John's, Newfoundland and Labrador

Mark S. Dwor, B.A., LL.B

Corporate Director
Vancouver, British Columbia

Gerard J. Fitzpatrick, CPA, FCA, TEP

Partner
Fitzpatrick & Company Chartered
Accountants
Charlottetown, Prince Edward Island

Norman G. Halldorson, B.Comm., FCPA, FCA

Corporate Director
Clavet, Saskatchewan

Susan Hayes, LL.B

Chief Professional Resources Officer
Stewart McKelvey
Halifax, Nova Scotia

Fauzia Lalani, P.Eng.

Director, Logistics Services
Suncor Energy Services Inc.
Calgary, Alberta

Robert (Bob) M. Manning, B.B.A.

Associate
Owens MacFadyen Group
Saint John, New Brunswick

Francine Martel-Vaillancourt, FCPA, FCA, ASC

Corporate Director
Saint-Laurent-de-l'île-d'Orléans, Quebec

Todd J. McCarthy, B.A., LL.B

Senior Partner
Flaherty McCarthy, LLP
Ajax, Ontario

Margaret Melhorn, B.A., M.A.

Corporate Director
Yellowknife, Northwest Territories

Joyce Sumara, B.A.

Corporate Director
Haliburton, Ontario

Andrew Treusch, B.A., M.A.

Commissioner of Revenue and
Chief Executive Officer of the CRA
Canada Revenue Agency
Ottawa, Ontario

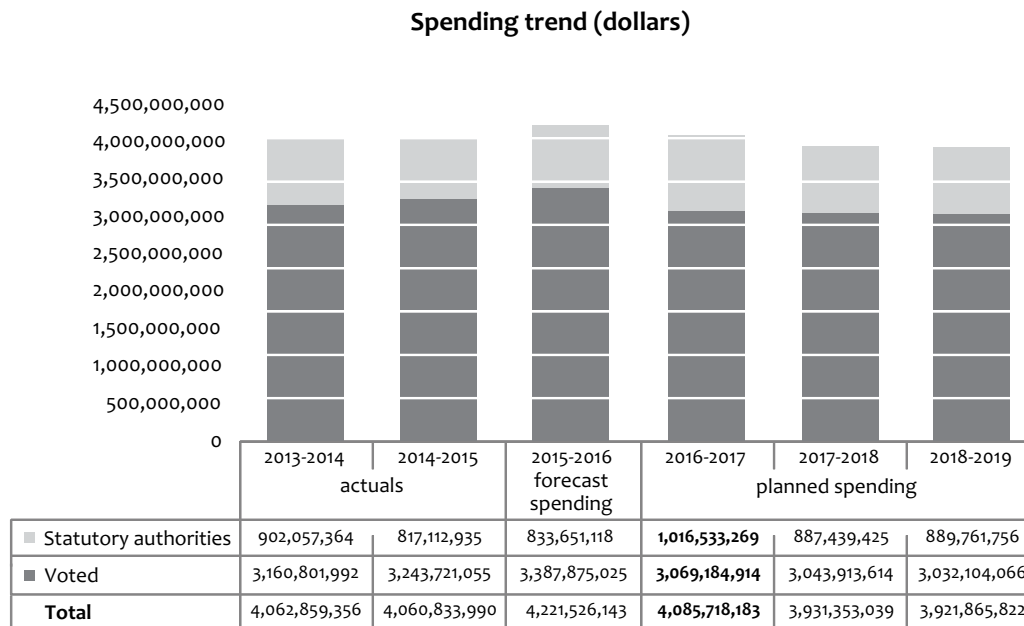
The Board is supported by four committees with mandates to assist the Board in fulfilling its oversight responsibilities; the role and membership of these committees are outlined below. In addition, the Board has delegated the responsibility for reviewing and approving the Board of Management Oversight Framework (BoMOF), and for conducting the annual assessment of the performance of the CRA against the BoMOF, to a specially-constituted subcommittee.

Committee	Mandate	Membership
Audit Committee	The Audit Committee reviews the CRA's accounting framework, financial and performance information, internal controls and risk tolerance, and compliance with financial and environmental legislation.	<p>Chair: Norman G. Halldorson</p> <p>Vice-chair: Richard J. Daw</p> <p>Members:</p> <ul style="list-style-type: none"> • Myles Bourke • Gerard J. Fitzpatrick • Susan Hayes • Francine Martel-Vaillancourt • Rick Thorpe
Governance Committee	The Governance Committee reviews all aspects of the Board's governance framework to ensure the Board functions in an effective and efficient manner to successfully support the operations of the CRA.	<p>Chair: Fauzia Lalani</p> <p>Vice-chair: Norman G. Halldorson</p> <p>Members:</p> <ul style="list-style-type: none"> • Myles Bourke • Rossana Buonpensiere • Mark S. Dwor • Joyce Sumara • Andrew Treusch • Rick Thorpe
Human Resources Committee	The Human Resources Committee reviews the management of human resources within the CRA and provides recommendations and advice on the CRA's human resources management strategies, initiatives, and policies.	<p>Chair: Richard J. Daw</p> <p>Vice-chair: Rossana Buonpensiere</p> <p>Members:</p> <ul style="list-style-type: none"> • Susan Hayes • Francine Martel-Vaillancourt • Todd J. McCarthy • Margaret Melhorn • Andrew Treusch • Rick Thorpe

Committee	Mandate	Membership
Resources Committee	<p>The Resources Committee reviews the CRA's operating and capital budgets and oversees the development of administrative management frameworks, strategies, policies and practices for the management of funds, real property, contracts, equipment, information, information technology, and environmental obligations.</p>	<p>Chair: Bob Manning</p> <hr/> <p>Vice-chair: Margaret Melhorn</p> <hr/> <p>Members:</p> <ul style="list-style-type: none"> • Myles Bourke • Mark S. Dwor • Gerard J. Fitzpatrick • Fauzia Lalani • Todd J. McCarthy • Joyce Sumara • Andrew Treusch • Rick Thorpe

Financial tables

Spending trend



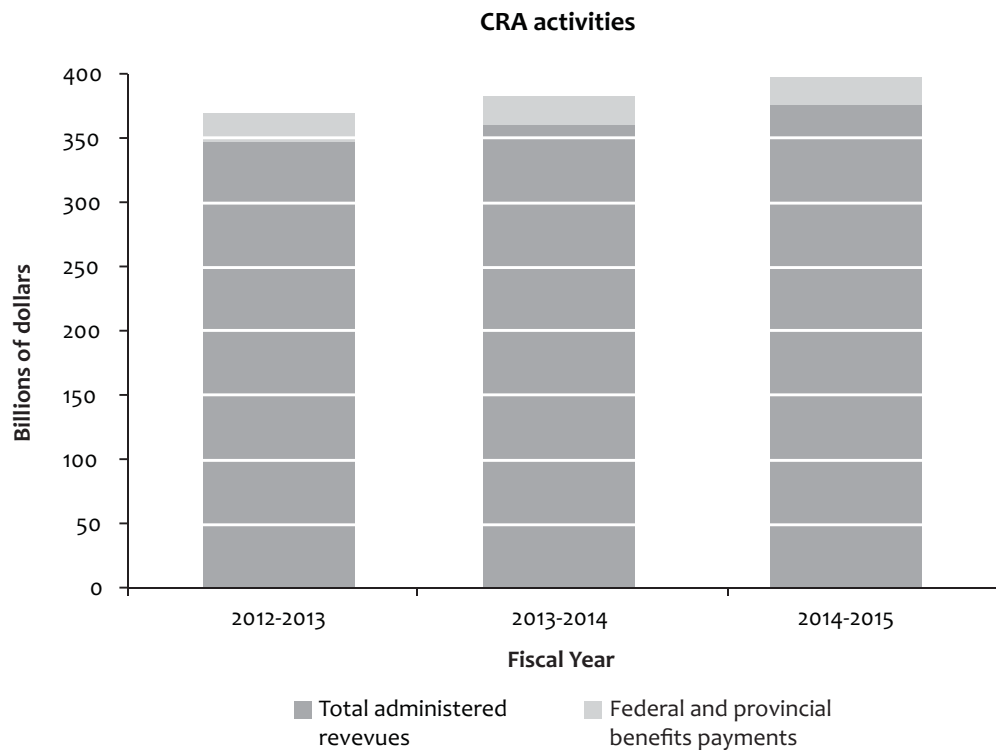
Planned Spending refers to amounts in Main Estimates, as well as any other additional funding for inclusion in the Agency's reference levels, approved by Treasury Board no later than February 1, 2016. In fiscal year 2016-17 Planned Spending is identical to expenditure levels presented in the Main Estimates.

The Planned Spending trend shows all parliamentary appropriations (Main Estimates and Supplementary Estimates) and revenue sources provided to the Canada Revenue Agency for: policy and operational initiatives arising from various federal budgets and economic statements; transfers from the Department of Public Services and Procurement Canada for accommodations and real property services; disbursements under the Softwood Lumber Agreement; responsibilities related to the harmonization of sales tax; the children's special allowance payments, as well as the implementation of initiatives to improve efficiency.

Total spending for fiscal years 2013-14 to 2015-16, also includes certain technical adjustments such as the CRA's carry forward adjustments from the previous year and funding for maternity and severance benefits.

Over the period 2013-14 to 2018-19, the CRA's appropriations show a decline, primarily as a result of the funding received for the upgrade of the individual income tax processing system and various wage settlements being more than offset by decreases due to the following:

- > the implementation of initiatives to improve efficiency;
- > the fluctuation in the CRA's Statutory Authorities for the disbursements to the provinces under the *Softwood Lumber Products Export Charge Act, 2006* and the rates of the contributions to employee benefit plans;
- > the decrease in funding for the implementation of the Harmonized Sales Tax, the Affordable Living Tax Credit for Nova Scotia; and the administration of the Softwood Lumber Agreement;
- > other miscellaneous reductions such as transfers to Public Services and Procurement Canada for accommodation and real property services; adjustment to funding previously transferred to Shared Services Canada; and the transfer to Canada School of Public Service.



As demonstrated in the CRA activities figure, CRA's work volume, as measured based on total administered revenues and benefit payments processed, has increased.

Planned Spending and Full-Time Equivalents

Main Estimates, Planned Spending and Full-Time Equivalents

(in dollars)	2015-16 Forecast	2016-17 Planned	2017-18 Planned	2018-19 Planned
Total Main Estimates	3,804,844,388	4,085,718,183	3,931,353,039	3,921,865,822
Taxpayers' Ombudsman included in Main Estimates above	(3,198,657)	(3,235,854)	(3,227,940)	(3,234,541)
Supplementary Estimates				
2015 Federal Budget – Legislative Measures	30,516,460			
2015 Federal Budget – Enhancements to Compliance Measures	33,422,105			
2015 Federal Budget – “Get in Writing Campaign” for Canadian Home Builders’ Association	(250,040)			
Transfer from Public Services and Procurement Canada for accommodation and real property services	19,616,890			
Other Adjustments:				
Adjustment to the spendable non-tax revenues	(1,068,775)			
Planned Base Spending	3,883,882,371	4,082,482,329	3,928,125,099	3,918,631,281
Taxpayers' Ombudsman	3,198,657	3,235,854	3,227,940	3,234,541
Items not yet included in outer years' planned spending				
Carry Forward from 2014-15	261,445,115	-	-	-
Maternity and Severance payments	73,000,000	-	-	-
Total Planned Spending¹	4,221,526,143	4,085,718,183	3,931,353,039	3,921,865,822
Respendable non-tax revenues pursuant to the Canada Revenue Agency Act	(168,397,480)	(166,604,106)	(161,082,878)	(160,234,943)
Cost of services received without charge	448,893,534	452,470,955	452,350,893	451,280,463
Total CRA Spending	4,502,022,197	4,371,585,032	4,222,621,054	4,212,911,342
Human Resources (Full-Time Equivalents)				
Canada Revenue Agency	39,289	37,847	37,444	36,971
Taxpayers' Ombudsman	31	31	31	31
Total Full-Time Equivalents	39,320	37,878	37,475	37,002

¹ The reduction in Forecast and Planned Spending over the planning period (from \$4.222 billion in 2015-16 to \$3.922 billion in 2018-19) is primarily attributable to:

- > certain technical adjustments that are reflected only in 2015-16 including: a carry-forward of funds from 2014-15 and funding for maternity and severance benefits;
- > the sunset of funding received for special projects and the conclusion of the Softwood Lumber Agreement, as well as adjustments for accommodation and real property services, the Canada School of Public Service, and funding for the Government advertising program; and
- > the implementation of initiatives to improve efficiency.

Planned Spending by program and Full-Time Equivalents

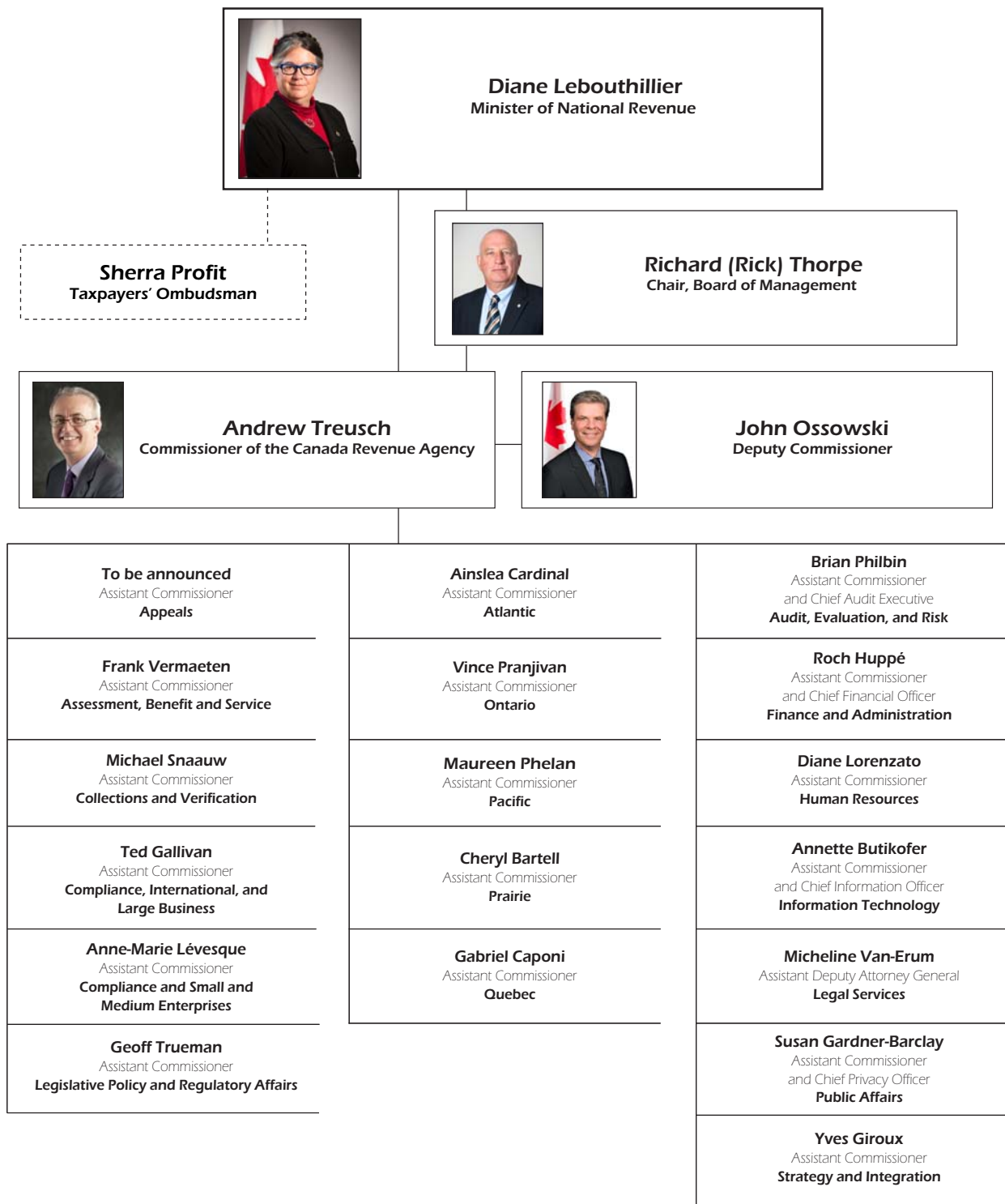
(in dollars)	2015-16 Forecast	2016-17 Planned	2017-18 Planned	2018-19 Planned
Taxpayer and Business Assistance	290,364,894	412,286,804	280,544,765	281,256,789
Assessment of Returns and Payment Processing	687,698,295	503,182,149	496,115,166	493,780,046
Reporting Compliance	1,092,386,302	1,067,140,214	1,062,160,684	1,054,616,518
Collections, Compliance and Verification	491,303,158	632,051,666	618,542,264	616,220,531
Appeals	182,669,682	185,568,739	185,234,324	185,573,890
Benefit Programs	389,834,229	434,832,503	441,578,904	447,739,404
Internal Services	1,084,008,294	847,420,254	843,948,992	839,444,103
Taxpayers' Ombudsman	3,261,289	3,235,854	3,227,940	3,234,541
Total Planned Spending¹	4,221,526,143	4,085,718,183	3,931,353,039	3,921,865,822
Respendable non-tax revenue pursuant to <i>Canada Revenue Agency Act</i>	(168,397,480)	(166,604,106)	(161,082,878)	(160,234,943)
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- > the implementation of initiatives to improve efficiency.

Other items of interest

Organizational structure



As of April 2016

Performance measurements

Strategic outcome

Strategic Outcome	Indicator	Target
Taxpayers meet their obligations and Canada's revenue base is protected	Percentage of returns filed on time, by the specified due dates, without direct intervention on the part of the CRA	90%
	Percentage of known businesses registered for GST/HST	90%
	Percentage of reported taxes (including instalments) and source deductions that are paid on time	90%
Eligible families and individuals receive timely and accurate benefit payments	Percentage of Canada child tax benefit payments issued to benefit recipients on time (by the 20th of each month)	99%
	Percentage of Canada child tax benefit recipients who provide complete and accurate information and receive the proper entitlement	95%
	Percentage of potentially entitled benefit recipients that receive the Canada child tax benefit (reported after each Census)	95%

Taxpayer and Business Assistance

Program/ Subprogram	Expected Result	Indicator	Target
Taxpayer and Business Assistance	Taxpayers and businesses have access to the information and services they require to voluntarily comply with tax laws	Percentage of service standard targets that are met or mostly met for individual and business enquiries	100%
	Organizations and businesses administering and/or producing registered plans, charities, and excise dutiable-products are compliant with applicable legislation	Percentage of charity, registered plans and commodity audits completed compared to planned	100%
Tax Information Services and Assistance	Individual taxpayers have access to timely and accurate responses to their tax enquiries	Percentage of individual callers who succeed in reaching the CRA telephone service (peak season)	85%
		Percentage of individual callers who succeed in reaching the CRA telephone service (non-peak season)	80%
		Percentage of accurately updated internal reference materials for taxpayer services agents (individual)	100%
	Businesses have access to timely and accurate responses to their tax enquiries	Percentage of business callers who succeed in reaching the CRA telephone service	85%
		Percentage of accurately updated internal reference materials for taxpayer services agents (business)	100%

Program/ Subprogram	Expected Result	Indicator	Target
Policy, Rulings, and Interpretations	Taxpayers and businesses receive timely rulings and interpretations under the <i>Income Tax Act</i> , <i>Excise Tax Act</i> , and various other federal legislation	Advance income tax rulings issued within 90 business days	85%
		Income tax - Technical interpretations issued within 90 business days	85%
		Written requests for GST/HST rulings and interpretations – response provided within 45 business days of when CRA receives written request and all relevant facts and supporting documentation (this excludes highly technical and precedent- or policy-setting rulings and interpretations)	80%
	Non-compliance with the <i>Excise Act</i> and the <i>Excise Act, 2001</i> with respect to dutiable products is detected and addressed	Percentage of excise regulatory reviews and excise compliance activities completed compared to planned	100%
Registered Plans	Registered plan administrators and their agents receive timely service in response to applications	Percentage of registered plan applications reviewed within the established timeframes (180 days)	85%
	Non-compliance by registered plan administrators and their agents with legislation and regulations pertaining to registered plans is detected and addressed	Percentage of registered plan audits completed compared to planned	100%
Charities	Registered charities and applicants for charitable status receive timely service	Percentage of charities calls in agent queue responded to within two minutes	80%
		Percentage of charitable registration applications that are reviewed and responded to within established timeframes (2 months for simple and 6 months for regular applications)	80%
	Charities' non-compliance with legislation and regulations is detected and addressed	Percentage of charities that file their annual information return on time	80%

Assessment of Returns and Payment Processing

Program/ Subprogram	Expected Result	Indicator	Target
Assessment of Returns and Payment Processing	Individuals, businesses and registrants are provided timely and accurate tax assessment notices and tax payment processing	Percentage of service standards targets that are met or mostly met relating to timeliness of processing for individual, business and GST/HST returns	100%
Individual Returns	Individual taxfilers receive timely and accurate assessment notices	Percentage of service standards targets that are met or mostly met relating to T1 i individual and T3 trust returns activities	100%
		Percentage of individual (T1) returns processed accurately	98%
		Percentage of individual (T1) returns received on time processed by mid-June	98%
	Individuals file electronically	Individual (T1) electronic filing rates (tax filing season)	84%
Business Returns	Business taxfilers receive timely and accurate assessment notices	Percentage of service standards targets that are met or mostly met relating to business taxfilers (T2, GST/HST, excise and other levies) activities	100%
		Percentage of T2 returns processed accurately	98%
	Corporations file electronically	Corporation (T2) electronic filing rates (fiscal year)	85%
Payments	Remittance of payments to the Receiver General are processed on time	Percentage of payments to the Receiver General are deposited within 24 hours of receipt	96%
Voluntary Disclosures Program	Timely and accurate processing of voluntary disclosure submissions	Percentage of verified voluntary disclosures cases that comply with program review standards.	90%
		Percentage of second level administrative review files completed within 60 days of receipt	100%

Reporting Compliance

Program/ Subprogram	Expected Result	Indicator	Target
Reporting Compliance	Reporting non-compliance is detected and corrected by targeting compliance actions through effective risk assessment	Change rate (percentage of risk-assessed audit activities that result in detection of non-compliance by individuals and corporations)	75%
International and Large Business	Reporting non-compliance is detected and corrected by targeting compliance actions through effective risk assessment of the largest and most complex tax filers.	Change rate for ILB Audits (percentage of risk-assessed audit activities that result in detection of non-compliance)	75%
Criminal Investigations Program	Suspected cases of tax evasion or fraud are detected and addressed through referrals to Public Prosecution Service of Canada (PPSC)	Percentage of files accepted by PPSC that result in a conviction	80%
Small and Medium Enterprises	Reporting non-compliance is detected and corrected by targeting compliance actions through effective risk assessment of individuals, small and medium businesses and non-residents	Change rate for SME audits (percentage of risk-assessed audit activities that result in detecting non-compliance)	75%
GST/HST	Reporting non-compliance is detected and corrected by targeting compliance actions through effective risk assessment of GST/HST registrants	Change rate for GST/HST audits (percentage of risk-assessed audit activities that result in detecting non-compliance)	75%
Scientific Research and Experimental Development	Eligible claimants receive timely Scientific Research and Experimental Development (SR&ED) tax incentives	Percentage of service standards targets that are met or mostly met relating to SR&ED	100%
	Reporting non-compliance is detected and corrected by targeting compliance actions through effective risk assessment of SR&ED claimants	Change rate for SR&ED audits (percentage of risk-assessed audit activities that result in detecting non-compliance)	75%

Collections, Compliance, and Verification

Program/ Subprogram	Expected Result	Indicator	Target
Collections, Compliance, and Verification	Ensure compliance with payment obligations	Percentage of tax debt resolved compared to planned	100%
		Percentage of government programs debt resolved compared to planned	100%
	Ensure compliance with registering, filing and remitting requirements	Percentage of cases resolved, returns obtained, and accounts registered compared to forecast	100%
Compliance and Verification	Non-compliant taxpayer behaviour is detected and corrected through effective risk assessment	Filing compliance ratio – Value of returns resolved vs outstanding returns	> 1:1
		Registration compliance – Percentage of identified GST/HST accounts registered following CRA intervention	100%
		Reporting compliance ratio – Value of T1 returns assessed in targeted vs random reviews	>= 2:1
Collections – Tax and Government Programs	The tax debt is collected and resolved on a timely basis	Percentage of tax collections inventory (tax services office) aged > 5 years old	17%
		Percentage of unpaid assessments > 8 years old (by tax year) for personal, corporate and GST/HST accounts	5%
		Percentage of unpaid assessments > 5 years old (by tax year) for payroll tax accounts	10%
	Debts are collected and resolved for the federal, provincial and territorial governments and within targeted levels	Percentage of the dollar value of debt resolved compared to intake	90%
		Percentage of collections inventory under one year compared to annual gross revenues	4%

Appeals

Program/ Subprogram	Expected Result	Indicator	Target
Appeals	Taxpayers receive a timely review of contested decisions made under legislation administered by the CRA, service complaints, and requests for interest and/or penalty relief	Percentage of service standard targets that are met or mostly met relating to timeliness for acknowledging Income Tax and commodity tax objections, CPP/EI appeals to the Minister, service complaints and requests to the taxpayer relief program for interest and/or penalty relief	80%
	Taxpayers receive an objective review of contested decisions made under the legislation administered by the CRA and a consistent review of requests for interest and/or penalty relief	Percentage of decisions on disputes filed under the legislation administered by the CRA and requests for interest and/or penalty relief which meet or exceed quality assurance standards	90%
Income Tax Objections and Appeals to the Courts	Taxpayers receive a timely review of contested decisions made under the <i>Income Tax Act</i>	Percentage of decisions on low complexity objections filed under the <i>Income Tax Act</i> that are issued within 180 days	80%
	Taxpayers receive an objective review of contested decisions made under the <i>Income Tax Act</i>	Percentage of decisions on objections filed under the <i>Income Tax Act</i> determined to meet or exceed quality assurance standards	90%
Commodity Taxes Objections and Appeals to the Courts	Taxpayers receive a timely review of contested decisions made under the Excise Tax Acts	Percentage of decisions on low complexity objections filed under the Excise Tax Acts that are issued within 180 days	80%
	Taxpayers receive an objective review of contested decisions made under the Excise Tax Acts	Percentage of decisions on objections filed under the Excise Tax Acts determined to meet or exceed quality assurance standards	90%
Canada Pension Plan/ Employment Insurance Appeals to the Minister and Appeals to the Courts	Taxpayers receive a timely review of contested decisions made under the <i>Canada Pension Plan</i> or <i>Employment Insurance Act</i>	Percentage of benefits pending and benefits non-pending reviews of appeals to the Minister filed under the <i>Canada Pension Plan</i> or <i>Employment Insurance Act</i> completed within established timeframes	85%
	Taxpayers receive an objective review of contested decisions made under the <i>Canada Pension Plan</i> or <i>Employment Insurance Act</i>	Percentage of decisions regarding CPP/EI appeals to the Minister determined to meet or exceed quality assurance standards	90%

Program/ Subprogram	Expected Result	Indicator	Target
Service Complaints	Taxpayers receive timely resolutions to their service complaints	Percentage of taxpayers service complaints resolved within 30 business days	80%
Taxpayer Relief	Taxpayers receive a consistent review of requests for interest and/or penalty relief	Percentage of decisions on taxpayer relief requests determined to meet or exceed quality assurance standards	90%

Benefit Programs

Program/ Subprogram	Expected Results	Indicators	Target
Benefit Programs	Benefit recipients are provided timely and accurate eligibility determinations and payments, and have access to timely and accurate information	Percentage of service standards targets that are met or mostly met relating to benefits administration and enquiries	100%
		Percentage of enquiries (correspondence, written enquiries, or telephone referrals from call centres) received from benefit recipients that are responded to accurately	98%
Benefit Enquiries	Benefit recipients have access to timely and accurate responses to their telephone enquiries	Percentage of Canada child tax benefit callers who succeed in reaching the CRA telephone service	80%
		Percentage of GST/HST credit callers who succeed in reaching the CRA telephone service	80%
		Percentage of accurately updated internal reference materials for benefit services agents	100%

Program/ Subprogram	Expected Results	Indicators	Target
Benefit Programs Administration	Benefit and credit eligibility determination and payment processing are timely and accurate	Payment accuracy rate – Percentage of accurate payments issued after processing an application or account maintenance transaction	98%
		Percentage of respondents satisfied with benefit application processing time	75%
		Benefits validation and compliance rate – Percentage of Canada child and family benefit and credit accounts targeted under validation programs that were adjusted	50%
		Percentage of benefit and credit payments that are issued by direct deposit	78%

Service standards

Service standards

The Canada Revenue Agency's public service standards state the level of service taxpayers and benefit recipients can expect under normal circumstances. The standards reinforce the Agency's commitment to transparency, management accountability, and client-focused service.

Managing service Standards

The CRA will continue to examine opportunities to update and streamline service standards to keep pace with changes, client preferences, technology and business processes, and evolving services. The CRA recognizes the importance of public input, and considers the perspectives of taxpayers and benefit recipients in developing and updating service standards.

New service standards

Due to changes in the operating environment and taxpayer expectations, in 2016 the CRA will introduce three new service standards.

The first new service standard is to process electronic goods and services tax/harmonized sales tax (GST/HST) returns within 30 calendar days, 95% of the time. Since most taxpayers now choose to file electronically, having a standard for processing electronic returns will help the CRA appropriately respond and adapt to the shift to digital services.

The second new service standard is to process paper GST/HST returns within 60 calendar days, 95% of the time. Having a separate standard for paper filing is consistent with the differences in processing time for paper and electronic returns, and will be an incentive for taxpayers to choose the easier and faster electronic filing method.

The third new service standard will be to acknowledge a taxpayer relief request to cancel or waive penalties and interest within 30 calendar days of receipt, 85% of the time. Through the Taxpayer Relief Program, the CRA helps taxpayers who cannot meet their tax obligations because of circumstances beyond their control. This standard will help to assure taxpayers their request has been received and is being reviewed.

Program	Service	Service standard to be introduced	Target
Assessment of Returns and Payment Processing	Processing electronic GST/HST returns	Our goal is to process an electronic GST/HST return within 30 calendar days of receipt.	95%
	Processing paper GST/HST returns	Our goal is to process a paper GST/HST return within 60 calendar days of receipt.	95%
Appeals	Taxpayer relief requests – 30 day acknowledgment	Our goal is to acknowledge receipt of a taxpayer relief request to cancel or waive penalties and interest within 30 calendar days of receipt.	85%

Revising service standards

The CRA will revise two service standards to make them simpler and easier to understand. The two standards relate to the processing of benefit applications and marital status change forms: One standard measures accuracy and the other standard measures timeliness.

The wording of the two standards will be changed to remove reference to the marital status change forms. These forms are a small part of the overall workload and do not encompass other ways in which benefit recipients can notify the CRA of a change in marital status, such as by telephone or through My Account. The Agency will continue to monitor and report internally on the processing of these forms.

Program	Revised service	Revised standard	Target
Benefit Programs	Processing benefit applications – accuracy	Our goal is to accurately process the appropriate payment and notice, or send a letter requesting additional information.	98%
	Processing benefit applications – timeliness	Our goal is to send a payment, notice, or explanation within 80 calendar days.	98%

Retiring service standards

As part of the ongoing review process, the CRA will retire the following service standards:

- > the standard for processing GST/HST returns-because two new standards will replace it;
- > the standard for benefits validation and compliance-because it is a validation activity based on enquiries initiated by the CRA and not a recipient-driven activity. Despite the retirement of this standard, the CRA will continue to conduct benefits validation reviews and measure performance internally to make sure benefit recipients are given timely notices.
- > the standard for taxpayer requests for statistical tax data-because the CRA will no longer provide this service. Taxpayers will be advised they can still request this service from Statistics Canada. Taxpayers and benefit recipients with routine questions or concerns can continue to contact the CRA using regular service channels.

Program	Service	Standard to be retired	Target
Assessment of Returns and Payment Processing	Processing GST/HST Returns	Our goal is to process GST/HST returns within 30 calendar days of receipt.	95%
Benefit programs	Benefits validation and compliance – results of review	Our goal is to inform you of the result of our review within 45 calendar days after we receive the information requested.	90%
Internal Services	Taxpayer requests for statistical tax data	Respond to taxpayer requests for statistical data within an average of 30 calendar days.	100%

Overall review of service standards

To increase clarity and understanding, the CRA has reviewed all of its service standards. As a result, many of them have had minor wording or grammatical changes such as the use of singular nouns, plain language, and citizen-focused wording. This does not affect how the standards are measured or the targets.

The full suite of CRA service standards for 2016-2017 is listed below.

Taxpayer and Business Assistance

Service	Standard	Target
Business enquiries – telephone service level	Our goal is to respond to a call in the agent queue within two minutes.	80%
GST/HST rulings and interpretations - telephone enquiries	Our goal is to respond to a call in the agent queue within two minutes.	80%
GST/HST rulings and interpretations – written enquiries	Our goal is to respond to a written request for a GST/HST ruling or interpretation within 45 business days of receipt in the CRA. This excludes highly technical and precedent and/or policy-setting rulings and interpretations.	80%
Charities – responding to telephone enquiries	Our goal is to respond to a call in the agent queue within two minutes.	80%
Charities – responding to simple applications	Our goal is to respond to a complete simple ¹ application for charitable registration within two months.	80%
Charities – responding to regular applications	Our goal is to respond to a complete regular ² application for charitable registration within six months.	80%
Charities – written enquiries – routine	Our goal is to review and respond to a routine ³ written enquiry within 30 calendar days.	80%
Charities – written enquiries – complex	Our goal is to review and respond to a complex ⁴ written enquiry within 75 calendar days.	80%
Advance income tax rulings	Our goal is to issue an advance income tax ruling within 90 business days of receipt of all essential information from the client.	85%
e-Services Helpdesk – telephone service level	Our goal is to respond to a call in the agent queue within two minutes.	80%
General enquiries - telephone service level	Our goal is to respond to a call in the agent queue within two minutes.	80%
Technical interpretations	Our goal is to issue a technical interpretation within 90 business days of receipt of all essential information from the client.	85%

Service	Standard	Target
Actuarial valuation reports	Our goal is to provide a decision on the recommended employer contributions to a registered pension plan, within 270 calendar days of receipt of the actuarial valuation report.	80%
Applications to register pension plans	Our goal is to provide a decision within 180 calendar days of receipt of an application to register a pension plan.	80%
Deferred income plans – response to written enquiries	Our goal is to respond to a written enquiry within 60 calendar days.	80%
Deferred profit sharing plans – reviewing applications	Our goal is to provide a decision within 180 calendar days of receipt of an application to register a deferred profit-sharing plan.	80%
Education savings plans (applications to register, amend, or terminate)	Our goal is to provide a decision within 60 calendar days to a request to approve, amend, or terminate a specimen for an education savings plan.	85%
Retirement income funds (applications to register, amend, or terminate)	Our goal is to provide a decision within 60 calendar days to a request to approve, amend, or terminate a specimen for a retirement income fund.	80%
Retirement savings plans (applications to register, amend, or terminate)	Our goal is to provide a decision within 60 calendar days to a request to approve, amend, or terminate a specimen for a retirement savings plan.	80%

- ¹ An application that has exclusively charitable purposes and activities and for which no further information is needed.
- ² An application for which we need more information before we can determine if the organization qualifies for charitable registration.
- ³ An enquiry that is generally recurring and that needs little research and analysis.
- ⁴ An enquiry that is specific to a given charity or a donor and needs research or analysis, as well as consultation with internal stakeholders.

Assessment of Returns and Payment Processing

Service	Standard	Target
Processing excise tax, excise duty, softwood lumber returns, and air travellers' security charge returns	Our goal is to process an excise tax, an excise duty, a softwood lumber, or an air travellers' security charge return within 60 calendar days of receipt.	95%
Processing electronic GST/HST returns	Our goal is to process an electronic GST/HST return within 30 calendar days of receipt.	95%
Processing paper GST/HST returns	Our goal is to process a paper GST/HST return within 60 calendar days of receipt.	95%
Processing T2 corporation income tax returns - electronic	Our goal is to process an electronic T2 return (corporation income tax) within 45 calendar days of receipt.	90%
Processing T2 corporation income tax returns - paper	Our goal is to process a paper T2 return (corporation income tax) within 90 calendar days of receipt.	90%
Processing T1 individual income tax returns (EFILE and NETFILE)	Our goal is to process an electronic T1 return (EFILE and NETFILE) within an average of two weeks of receipt.	100%
Processing T1 individual income tax returns (paper)	Our goal is to process a paper T1 return and mail a notice of assessment, and refund, if applicable, in an average of four to six weeks of receipt.	100%
Processing T3 trust returns	Our goal is to process a T3 trust return within four months of receipt.	95%
Responding to taxpayer-requested adjustments (T1)	Our goal is to mail a notice of reassessment within an average of eight weeks of receipt of all requisite information from the taxpayer.	100%
Responding to taxpayer-requested adjustments (T1) received by Internet	Our goal is to mail a notice of reassessment within an average of two weeks of receipt of all requisite information from the taxpayer.	100%

Reporting Compliance

Service	Standard	Target
Claims – SR&ED tax incentives – claimant-requested adjustments to non-refundable claims	Our goal is to process claims for tax incentives from businesses that conduct scientific research and experimental development (SR&ED) in Canada within 365 calendar days from receipt of a complete claim for non-refundable claims related to adjustments requested to previously filed income tax returns.	90%
Claims – SR&ED tax incentives – claimant-requested adjustments to refundable claims	Our goal is to process claims for tax incentives from businesses that conduct scientific research and experimental development (SR&ED) in Canada within 240 calendar days from receipt of a complete claim, for refundable claims related to adjustments requested to previously filed income tax returns.	90%
Claims – SR&ED tax incentives – non-refundable claims	Our goal is to process claims for tax incentives from businesses that conduct scientific research and experimental development (SR&ED) in Canada within 365 calendar days from receipt of a complete claim for non-refundable claims.	90%
Claims – SR&ED tax incentives – refundable claims	Our goal is to process claims for tax incentives from businesses that conduct scientific research and experimental development (SR&ED) in Canada within 120 calendar days from receipt of a complete claim for refundable claims.	90%
Claims – video and film tax credits – refundable claims – audited	Our goal is to review T2 corporation income tax returns that include claims for the Canadian Film or Video Production Tax Credit, the Film or Video Production Services Tax Credit, the B.C. Film and Television Tax credit, the B.C. Production Services Tax Credit, the Manitoba Film and Video Production Tax Credit, and the Ontario Film and Television Tax Credit within 120 calendar days from the date of receipt where audit action is undertaken.	90%
Claims – video and film tax credits – refundable claims – unaudited	Our goal is to review T2 corporation income tax returns that include claims for the Canadian Film or Video Production Tax Credit, the Film or Video Production Services Tax Credit, the B.C. Film and Television Tax credit, the B.C. Production Services Tax Credit, the Manitoba Film and Video Production Tax Credit, and the Ontario Film and Television Tax Credit within 60 calendar days from the date of receipt where no audit action is undertaken.	90%

Appeals

Service	Standard	Target
Taxpayer relief requests – 30 day acknowledgment	Our goal is to acknowledge receipt of a taxpayer relief request to cancel or waive penalties and interest within 30 calendar days of receipt.	85%
First contact letter for disputes	Our goal is to acknowledge a taxpayer dispute within 30 calendar days of receipt.	85%
Service Complaints – two-day acknowledgement	Our goal is to acknowledge receipt of the complaint within two business days.	80%
Service Complaints – 30 day resolution	Our goal is to resolve the complaint within 30 business days.	80%

Benefit Programs

Service	Standard	Target
Canada child tax benefit enquiries – telephone service level	Our goal is to respond to a call in the agent queue within two minutes.	75%
GST/HST credit enquiries telephone service level	Our goal is to respond to a call in the agent queue within two minutes.	75%
Processing benefit applications – accuracy	Our goal is to accurately process the appropriate payment and notice, or send a letter requesting additional information.	98%
Processing benefit applications – timeliness	Our goal is to send a payment, notice, or explanation within 80 calendar days of receipt.	98%
Responding to benefit and credit enquiries – accuracy	Our goal is to respond with correct information to a written enquiry or telephone referral from a call centre, to accurately process new recipient information, and to accurately issue a payment, notice, or letter.	98%
Responding to benefit and credit enquiries – timeliness	Our goal is to respond to a written enquiry or a telephone referral from a call centre within 80 calendar days of receipt.	98%
Processing a request to authorize or cancel a representative – paper	Our goal is to process your complete paper request to authorize or cancel a representative within 20 business days of receipt by the CRA, provided the request is complete.	90%
Processing a request to authorize or cancel a representative – electronic	Our goal is to process your complete electronic request to authorize or cancel a representative within five business days of receipt by the CRA, provided the request is complete.	90%