



February 21, 2014

Mr. Andrew Treusch  
Commissioner of Revenue  
Office of the Commissioner  
555 MacKenzie Avenue, 7<sup>th</sup> Floor  
Ottawa, Ontario K1A 0L5

**Re: PBO Information Request IR0102: Tax Gap Estimate**

Dear Mr. Treusch:

I am replying to your letter of October 15, 2013 concerning PBO information request IR0102, an estimate of Canada's tax gap. In that letter, you expressed confidence that the CRA could handle the PBO request for taxpayer data consistent with taxpayer confidentiality and s. 241 of the *Income Tax Act*.

At your suggestion, my staff met with CRA officials to develop a workable solution. While these informal meetings appeared productive, CRA staff recently notified us that they will be unable to provide my staff access to anonymized micro data on any PBO project, citing legislative prohibitions.

As a consequence, I am unable to fulfil part of my legislative mandate regarding analysis and research regarding the state of the nation's finances. This would also preclude analysis on two projects that have been requested by parliamentarians.

I remain open to any other options you may have to resolve this impasse.

Yours sincerely,

A handwritten signature in blue ink that reads 'Jean-Denis Fréchette'.

Jean-Denis Fréchette  
Parliamentary Budget Officer

c.c.: Hon. Scott Brison, Member of Parliament – Kings-Hants, Nova Scotia  
Hon. Percy E. Downe, Senator, Charlottetown, Prince Edward Island  
Rick Stewart, Assistant Secretary to the Cabinet, Privy Council Office, Liaison Secretariat for  
Macroeconomic Policy  
Michael Horgan, Deputy Minister of Finance Canada  
Mireille Éthier, Director General, Canada Revenue Agency