



OFFICE OF THE PARLIAMENTARY BUDGET OFFICER
BUREAU DU DIRECTEUR PARLEMENTAIRE DU BUDGET

17 December 2019

The Honourable Diane Lebouthillier, Minister
Canada Revenue Agency
555 MacKenzie Avenue
Connaught Building, 7th Floor
Ottawa, ON
K1A 0L5

cra.minister-ministre.arc@cra-arc.gc.ca

Information Request: IR0440

Dear Minister Lebouthillier:

As you are likely aware, the Parliamentary Budget Officer (PBO) provides independent and non-partisan analysis to the Senate and to the House of Commons about matters related to the nation's finances and the economy, the estimates, certain other documents government documents and the cost of proposals. In carrying out my mandate, I often require information held by government departments and Crown corporations and I am entitled to free and timely access – subject to limited exceptions – to such information under section 79.4 of the *Parliament of Canada Act*.

I am currently undertaking an analysis pursuant to paragraph 79.2(1)(a) of the *Parliament of Canada Act*, which mandates the PBO to prepare reports analyzing the following federal government documents: (i) a budget tabled by or on behalf of the Minister of Finance; (ii) an economic and fiscal update or statement issued by the Minister of Finance; (iii) a fiscal sustainability report issued by the Minister of Finance; (iv) the estimates of the government for a fiscal year.

For this analysis, I am requesting the following information pertaining to business tax compliance programs, that is compliance programs related to Corporate Income Tax and Goods and Services/Harmonized Sales Tax.

- 1) A list of current and past (as far back as possible) business tax compliance programs for which the federal government has allocated funding to the Canada Revenue Agency.
- 2) List of performance metrics used to measure the results of business tax compliance programs identified in 1). Please also provide the results of those metrics if available.
- 3) Annual funding received for each of the business tax compliance programs identified in 1), and actual annual amount spent on those programs.
- 4) Detailed description of the use of funds (for example, software purchase, increase full-time equivalents, etc.) for each business tax compliance program identified in 1), as well as related spending for each use identified.
- 5) Annual revenues (tax revenues, fines or penalties) generated for each business tax compliance program identified in 1) as a result of the increased spending on business tax compliance programs . Please provide expected revenues for future years as well.
- 6) Assumptions of the Canada Revenue Agency with regard to future compliance of businesses that have been deemed non-compliant in the past, as well as the effect of those assumptions on revenues expected for future years.
- 7) Number and dollar amount of all tax assessments and for tax assessments that have been objected, appealed, and written off. Please provide the longest history available for these data.

In order to provide the analysis to parliamentarians in a timely manner, I ask the information to be provided to my office no later than **24 January 2020**. If access to the requested information cannot be granted by that date, a response must be provided by you or the Commissioner as soon as possible.

Should you or your staff have any questions about this information request, the analyst responsible, Diarra Sourang can be contacted directly at Diarra.Sourang@parl.gc.ca, 613-295-2257.

Attached is a reply form. It too should be filled out and returned by 24 January 2020, whether or not you provide access to the requested information. Should you refuse to provide access to the requested information, you or the Commissioner must provide a written justification for the refusal as required under section 79.41 of the Parliament of Canada Act.

The response letter will be posted on the PBO website and, therefore, it should not be marked "confidential". As well, the requested information should be attached separately. If

this information is confidential, please clearly mark it as such, either on the electronic spreadsheet or the hard copy version.

Providing timely and effective analysis to the Senate and House of Commons and promoting greater budget transparency and accountability are the PBO's primary objectives. The degree to which this is possible depends, to a large extent, on free and timely access to quality information held by government departments. In doing so, you are assisting us in better serving the Senate, the House of Commons, and their members.

Yours sincerely,



Yves Giroux
Parliamentary Budget Officer

c.c.: Antoine Brunelle-Côté, Privy Council Office, Assistant Secretary to the Cabinet,
Liaison Secretariat for Macroeconomic Policy
Bob Hamilton, Commissioner of Revenue and Chief Executive Officer, Canada Revenue
Agency

Attachment: Reply form for IR0440