



Canada Revenue Agency Agence du revenu
du Canada

Commissioner Commissaire

Parliamentary Budget Officer

FEB 19 2018

Directeur parlementaire
du budget

FEB 16 2018

Mr. Jean-Denis Fréchette
Parliamentary Budget Officer
Office of the Parliamentary Officer
10th Floor
50 O'Connor Street
Ottawa ON K1A 0A9

Dear Mr. Fréchette:

Thank you for your recent correspondence concerning Information Request IR0345 from December 19, 2017, and January 17, 2018.

I understand that the Canada Revenue Agency officials participated in several working-level discussions with your staff, clarifying the scope of the request, data delivery format and examining limitations in terms of data linkages across business lines. I am pleased with this collaborative approach and trust the information we share will aid your team in achieving its objectives.

At your request, the Agency focused on preparing data concerning Forms T1135, RC438 and T3. These data are set to be shared with Mr. Mahabir, Director of Policy and General Counsel, on February 16, 2018. The Agency continues its work in preparing aggregate data for your analysis, with the remaining information to be provided by February 28, 2018.

The Agency recognises the important role that the Parliamentary Budget Officer plays in strengthening financial accountability by providing parliamentarians with independent, authoritative and non-partisan financial and economic analysis. We are committed to facilitating timely access to quality information in an open and transparent manner.

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Thus far, the CRA has published reports on two components of our tax gap (Goods and Services Tax/Harmonized Sales Tax and domestic personal income tax gaps) and we will publish a tax gap report this year focusing on the international component of the personal income tax gap. Through our own work on the tax gap estimation, the CRA has learned that it is a complex undertaking, which can require using different methodologies. In an effort to continue our collaboration, my officials would be pleased to discuss the data and methodologies relating to estimating the tax gap with your officials.

Should you require additional information, please do not hesitate to contact me or Mr. Yves Giroux, Assistant Commissioner, Strategy and Integration Branch, at 613-952-3660.

Sincerely,



Bob Hamilton

c.c. Ms. Katharine Rechico
Assistant Secretary to the Cabinet
Liaison Secretariat to Macroeconomic Policy
Privy Council Office

Honourable Percy Downe
Senator
Senate of Canada