



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

October 11th, 2022

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

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

Information Request: IR0656

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 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:

- For each of the three most recent years of data available, please provide the following information:
 1. Total number of tax filers claiming a capital gains tax exemption for the sale of a principal residence (i.e. Ticked box 1 at line 17900 of Schedule 3 of the T1 return, and have completed Form T2091(IND) or Form T1255)
 2. Number of tax filers claiming a capital tax exemption for the sale of a principal residence (i.e. Ticked box 1 at line 17900 of Schedule 3 of the T1 return) and that satisfy all of the following conditions:
 - a. owned a residence for only 1 year (answer is 1 or 0 on line 9956 on Form T2091IND AND box 9955 is equal or exactly one less than the tax year)
 - b. did not have a change in Marital Status from the previous tax filling year

- c. a return is not made for a Deceased individual, and
 - d. did not claim moving expenses (line 21900/219 on the T1 return is 0 or empty)
3. For individuals identified in 2. Please provide:
- a. the average proceeds of disposition (box 9954 of Form T2091(IND))
 - b. the average capital gain from personal-use property (box 15800 in Schedule 3)
 - c. the average taxable capital gains (line 12700/127 in T1)
 - d. the average total income (line 15000/150 in T1)
 - e. the average net income (line 23600/236 in T1), and
 - f. the average taxable income (line 26000/260 in T1)
4. Repeat 2 and 3, but add the following identifying condition (in other words, count the number of tax filers satisfying the following condition in addition to 2 a.,b.,c., and d., then tabulate the averages for this group as in 3):
- a. did not apply for a new disability tax credit certificate (T2201)

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 **November 8th, 2022**. If access to the requested information cannot be granted by that date, a response must be provided by you or your commissioner as soon as possible.

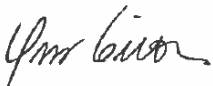
Should you or your staff have any questions about this information request, the analyst responsible, Louis Perrault can be contacted directly at Louis.Perrault@parl.gc.ca, 613-292-7426.

Attached is a reply form. It too should be filled out and returned by November 8th, 2022, whether or not you provide access to the requested information. Should you refuse to provide access to the requested information, you or your 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 IR0656