



News Release

CRA takes action to enforce tax laws

Ottawa, Ontario, January 8, 2008... You cannot avoid paying the taxes you owe by not filing a tax return, or by not reporting all of your income.

The Canada Revenue Agency (CRA) uses a variety of tools to identify non-compliance and take action to address mistakes or tax cheating.

The CRA is committed to promoting the integrity of the tax system through a number of compliance activities. In 2006-2007, the CRA:

- Identified a total dollar value of non-compliance of about \$12.7 billion, including almost \$4.9 billion for international and large businesses;
- Obtained more than 800,000 returns from taxpayers who had not filed their returns;
- Made almost 820,000 adjustments to individual tax returns after comparing the information reported by taxpayers with data filed by third parties, such as employers;
- Reviewed more than 6,400 businesses to ensure they were maintaining proper books and records;
- Conducted over 393,000 audit and review actions, including 20,635 underground economy audits, and more than 1,300 investigations of taxpayers suspected of earning income from illegal activities;
- Undertook legal action that resulted in the conviction of 1,266 taxpayers who had not filed tax returns or not registered for goods and services tax/harmonized sales tax (GST/HST);
- Referred 259 income tax and GST/HST criminal investigations for prosecution. Of the prosecution cases completed in the past year, 98% resulted in convictions; and
- Recovered \$9.7 billion through collections activities.

More information on the compliance activities the CRA undertook in the past year can be found in the 2006-2007 Annual Report to Parliament, available at www.cra.gc.ca/annualreport. The Web site also contains information on CRA programs such as the **Voluntary Disclosures Program**, which allows taxpayers to come forward and correct their tax affairs before the CRA begins any audit action or investigation.

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