



## The CRA takes action to enforce tax laws

Ottawa, Ontario, April 3, 2009 . . . Some Canadians are finding out the hard way that they cannot avoid paying their share of taxes.

The Canada Revenue Agency (CRA) uses a variety of tools and methods to identify non-compliance and take action to address tax cheating, as well as to correct honest mistakes.

The CRA is committed to promoting the integrity of the tax system through a wide range of compliance activities. In 2007-2008, the CRA:

- obtained more than 761,000 tax returns from individuals and corporations who had failed to file;
- made over 1 million adjustments to individual tax returns after comparing the information reported by taxpayers with data filed by third parties, such as employers;
- conducted over 350,000 audit and review actions, including about 17,300 underground economy audits, and more than 1,100 audits of taxpayers suspected of earning income from illegal activities;
- identified a total dollar value of \$5.7 billion in non-compliance for international and large business and \$2.1 billion for small and medium sized enterprises;
- reviewed nearly 4,000 businesses to ensure they were maintaining proper books and records;
- undertook legal action that resulted in the conviction of 1,296 taxpayers who had not filed tax returns or not registered for goods and services tax/harmonized sales tax (GST/HST);
- referred 243 income tax and GST/HST criminal investigations for prosecution. Of the prosecution cases completed in the past year, 96% resulted in convictions;
- contacted close to 11,000 small and medium-sized businesses to educate and help them meet their tax obligations;
- reassessed over 20,000 individuals who had participated in one or more of 20 unacceptable tax shelter gifting arrangements; and
- recovered \$11.9 billion through collections activities.

The CRA is reminding all taxpayers when they file their 2008 return to be sure to report their income, deductions, and credits accurately.

More information on the compliance activities the CRA undertook in the past year can be found in the Canada Revenue Agency Annual Report to Parliament 2007-2008 at [www.cra.gc.ca/annualreport](http://www.cra.gc.ca/annualreport).

The CRA's Web site contains information on programs such as the **Voluntary Disclosures Program** ([www.cra.gc.ca/voluntarydisclosures](http://www.cra.gc.ca/voluntarydisclosures)). This program allows taxpayers to come forward and correct their tax affairs without penalty or prosecution, as long as the disclosure is made before the CRA begins any audit action or investigation.

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