



News Release

Penalties and fines for non-filers

\$63M: That is the amount the Canada Revenue Agency has assessed — from January 2009 to June 2009 — Quebec individual taxpayers and corporations who did not file their tax returns

Montréal, Quebec, January 4, 2010... From January 2009 to June 2009, the Canada Revenue Agency assessed in Quebec nearly 9,905 individual taxpayers and 1,998 individual corporations who failed to file their tax returns, for an amount totalling over \$63M. These individual taxpayers and corporations will have to pay the full amount of taxes, all related interest, and any civil penalties that apply. This is a result of not complying with the obligation to file tax returns as required by the *Income Tax Act*.

Moreover, eleven of these individual taxpayers and three of these corporations were convicted before the Court and fined a total of \$41,000. Furthermore, if those taxpayers and corporations still do not file their tax returns, they will be liable to a second prosecution involving higher fines.

The Agency's actions to trace non-filers and have them comply with the law are part of our efforts to battle the underground economy.

Canadians have to be confident that the administration of the tax system is fair. That's why the Agency works to ensure that the vast majority of Canadians who pay their taxes are not penalized by those who don't.

The CRA continues to counter non-compliance, however, taxpayers who did not file returns for past years or failed to report all their income can always, voluntarily, correct their tax status through the **Voluntary Disclosures Program**. The Agency will not prosecute them and will not charge penalties, provided they make a complete disclosure before the Agency starts any audit action or investigation. These taxpayers may only have to pay the full amount of taxes and all related interests.

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For media information:

Kareen Dionne

Communications Manager

Telephone: 514-283-2464, ext. 8288

Toll free: 1-800-292-3430, ext. 8288



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