



News release

Harper Government: standing up for honest businesses

Thunder Bay, Ontario, February 24, 2011... The Honourable Keith Ashfield, Minister of National Revenue, Minister of the Atlantic Canada Opportunities Agency, and Minister for the Atlantic Gateway today held a roundtable discussion with local business leaders about how the Government of Canada is supporting job-creating businesses and working to combat the underground economy. Minister Ashfield also spoke to students on what the government is doing to address their needs as future business owners.

“Businesses are the economic drivers of our country,” said Minister Ashfield. “Our government recognizes that it is the strength of the private sector that will determine the economic future of Canada. For example, the underground economy makes it difficult for law abiding businesses to compete because it gives an unfair, illegal advantage to those who cheat the system.”

During the roundtable meeting, Minister Ashfield and local business leaders discussed the impact of the underground economy on growth. The Minister talked about how the government is helping honest business people through tax reductions and cutting red tape. He also noted that the government is working to address the underground economy through outreach, education and communication, as well as through audit and enforcement programs.

Outreach activities include informing trades-people and homeowners of the importance of having written contracts for all construction and renovation projects. The CRA also conducts seminars to assist businesses with remitting GST/HST, reporting income, payroll, and other topics. To make tax compliance easier, the CRA has significantly reduced the effect of red tape on business by cutting more than 8,000 obsolete or non-essential forms, filings and other obligations. Besides helping Canadians meet their tax obligations, the government encourages Canadians to comply with tax laws by offering credits, deductions and rebates.

“Our government has reduced taxes for businesses and individuals close to 120 ways since 2006,” said Minister Ashfield. “Measures like the Tradesperson’s Tools Deduction, the Apprenticeship Tax Credit, and the GST/HST rebate help to reduce the tax burden on businesses and make it easier for companies to grow.”

Minister Ashfield also reminded Canadians that individuals and businesses can come forward and correct their tax affairs through the CRA’s Voluntary Disclosures Program (VDP). Taxpayers who come forward through the VDP will not be penalized or prosecuted if they make a valid disclosure before they become aware of any CRA action against them. These taxpayers may only have to pay the taxes owing, plus interest.

- For more information on the Voluntary Disclosures Program, go to www.cra.gc.ca/voluntarydisclosures.
- For more information on how the CRA combats the underground economy, go to www.cra.gc.ca/undergroundeconomy.



- For more information on tax credits for individuals and business, go to **www.cra.gc.ca/taxcuts**.

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