



SERVING YOU | BETTER

Report on the Canada Revenue Agency's
2016 Serving You Better consultations with
small and medium businesses



Canada Revenue
Agency

Agence du revenu
du Canada

Canada 

MINISTER'S MESSAGE

I am pleased to present the results from the Canada Revenue Agency's (CRA) 2016 Serving You Better consultations with small and medium businesses.

The Government of Canada recognizes that small and medium businesses are important to the growth of Canada's economy. In total, they employ approximately 10.5 million Canadians, which is more than 90% of the private sector workforce.

As Minister of National Revenue, I am committed to improve services for small and medium businesses to ensure the tax system is easier to use. As a small business owner myself, I am aware of how challenging it is to run a successful business. The Serving You Better consultations are important because they allow the CRA to hear your feedback and make improvements to make it easier for you to meet your tax obligations.

In the fall of 2016, the CRA sought feedback from small and medium businesses, accountants, and stakeholders. In response to the more than 1,500 comments and suggestions heard throughout the consultations, the CRA has developed a report and action plan that outlines clear and achievable deliverables to improve services for small and medium businesses from now through 2019.

I would like to personally thank the Canadian Chamber of Commerce and the Chartered Professional Accountants of Canada (CPA Canada) for hosting 21 sessions across Canada and their continued partnership with the CRA.

The input and feedback heard during the 2016 Serving You Better consultations will directly contribute to the evolution of the CRA's services, programs, and administration. I look forward to continuing to shape a more innovative, collaborative, efficient and fairer Canada Revenue Agency, together, for the benefit of all Canadians.

The Honourable Diane LeBouthillier,
Minister of National Revenue







CONSULTATION WITH SMALL AND MEDIUM BUSINESSES AT A GLANCE

In the fall of 2016, the Canada Revenue Agency (CRA), received feedback from small and medium businesses and accountants that will help make our programs and services more helpful and easier to use.



Over
1,500
comments
and suggestions

What you want us to do

-  Modernize and raise awareness of the CRA's digital services
-  Make tax information easier to access, understand, and use
-  Clarify information about payment options
-  Improve services related to the audit, collections, and appeals processes

THE CRA'S 2017 TO 2019 SERVING YOU BETTER ACTION PLAN

Contains Over

50 action items to improve services for businesses.

Top 10 things you will be able to do

- 1 Receive a CRA security code by email
- 2 Call a new dedicated telephone service for tax preparers that helps with more complex technical issues
- 3 Request a Liaison Officer visit
- 4 Provide T4 information slips to your employees in electronic format (certain conditions apply)
- 5 Use T2 Auto-fill through commercial software
- 6 Create your own filing and balance confirmation letters online
- 7 View short "how-to" videos that explain the services on My Business Account
- 8 Experience telephone service improvements as we transition to the Government of Canada telephony platform over the next four years
- 9 Share feedback about your audit experience in a new post-audit survey
- 10 Resolve objections faster

What you told us



"Really appreciate CRA is giving us such a platform to give our feedback!!"

- Shared by an online participant



"Registering for My Business Account is not an easy process."

- Heard from a small business owner



"The vast majority of Canadians do everything right."

- Heard from a CRA employee



"Both my clients and I are frustrated that we are not able to obtain remittance forms online."

- Heard from an accountant



"Objections are a nightmare just to get assigned."

- Heard from an accountant

How we consulted



In-person



Online

Who we consulted



Accountants



Small and medium businesses



CRA employees

"Business owners join their local chambers of commerce all across Canada because they know it will help their businesses thrive and grow. Our members also know that by helping the CRA better understand the tax issues they face, they are helping to hone their competitive edge. The Canadian Chamber of Commerce is pleased to add the 2016 Serving You Better consultations to our list of productive partnerships with the CRA, and we look forward to continuing the work with the agency on behalf of businesses of all sizes."

- The Honourable Perrin Beatty, President and CEO, Canadian Chamber of Commerce

"The Serving You Better roundtables provided an effective avenue for our members to share important feedback with the CRA relating to their services."

- Gabe Hayos, FCPA, FCA, Vice-President, Taxation, CPA Canada

Where we went

● Minister of National Revenue attended



THANK YOU!

To learn more

canada.ca/cra-serving-you-better

Our partners

The Chartered Professional Accountants of Canada

The Canadian Chamber of Commerce

2016 SERVING YOU BETTER CONSULTATIONS WITH SMALL AND MEDIUM BUSINESSES

The Government of Canada is committed to ensuring tax fairness for all Canadians, and recognizes the importance of small and medium businesses in creating jobs and supporting the economy. That is why it has committed to making the Canada Revenue Agency (CRA) a fairer, more service-oriented organization to help support these businesses, while ensuring tax fairness for the middle class.

The Honourable Diane Lebouthiller, Minister of National Revenue, is committed to modernizing and simplifying services at the CRA so that they are more helpful and easier to use. As part of this commitment, she launched the CRA's Serving You Better consultations with small and medium businesses and accountants on October 3, 2016. These consultations created a forum for small and medium businesses and their service providers to share valuable insights that the CRA can use to make its programs and services more streamlined and client-focused.

“Really appreciate CRA is giving us such a platform to give our feedback!!”

- Shared by an online participant

How we consulted

For the 2016 Serving You Better consultations, the CRA consulted four ways:

In-person

CRA senior officials met face-to-face with small and medium businesses and accountants in 18 cities across Canada. The CRA partnered with the Canadian Chamber of Commerce and the Chartered Professional Accountants of Canada (CPA Canada) to host a total of 21 sessions across the country:

- We heard from small and medium businesses in sessions hosted by local chambers of commerce in Whitehorse, Richmond, Yellowknife, Edmonton, Regina, Mississauga, Gatineau, Iqaluit, Moncton, Dartmouth, Charlottetown, and St. John's.
- We heard from accountants in sessions hosted by CPA Canada and their members in Vancouver, Yellowknife, Edmonton, Winnipeg, Toronto, Québec, Ottawa, Iqaluit, and Halifax.

Online

Anyone in the business community who wanted to share feedback but could not attend in person or preferred to do so online had the ability to share views using the online tool, CRA Engage.

With key stakeholders

The CRA reached out to key stakeholder associations for suggestions and feedback from their national membership.

With CRA employees

Front-line CRA employees who frequently interact with small and medium businesses identified problem areas and offered targeted solutions. CRA senior officials met with employees in face-to-face sessions in Winnipeg, Regina, Charlottetown and Quebec City and in virtual sessions hosted by videoconference. All CRA employees were able to provide feedback online.

The feedback was constructive. Although you told us that we have made progress, you wanted us to do more. Here are some highlights of what you told us as well as our Serving You Better action plan for 2017 to 2018 and 2018 to 2019. You can track our progress as we complete individual action items at canada.ca/cra-serving-you-better.

In total, about 300 individuals participated in the in-person sessions, and about 135 shared their views online or in writing. We received over 1,500 comments and suggestions for improvements to CRA services. Thank you!



Northern residents

In 2017, we will publish the *Report on the Canada Revenue Agency's consultations with northern residents* that details issues and solutions specific to northern residents.

When the CRA came to Whitehorse, Yellowknife and Iqaluit, you shared your challenges related to taxes and living in the north. We heard your concerns and will tackle issues like the fact that Northern residents don't have a lot of payment options and it can take a long time to get mail, even though these are not strictly business issues.



1

WE WILL MODERNIZE AND RAISE AWARENESS OF THE CRA'S DIGITAL SERVICES

What you said:

You like our online services and would like to learn more about them. You especially want us to tell you more about the features available in My Business Account and how to use them. CRA employees told us that they want to know more, too. You told us you like videos and that you do not have too much time to read. You do not like waiting for CRA security codes to come in the mail.

What we will do:

- Make signing up for the CRA's online services faster. With telephone authorization, you will be able to telephone us to get a CRA security code sent to you instantly by email.
- Create a series of short videos that show businesses how to use the individual features of My Business Account.
- Create a mobile app for businesses to help manage interactions with the CRA.
- Let you give your employees T4 information slips in electronic format so long as your business meets certain conditions set by the CRA.
- Sign up new businesses for My Business Account and Online mail when they register for CRA program accounts such as GST/HST and payroll.
- Give presentations and hold webinars about our digital services for new CRA employees.

“Registering for My Business Account is not an easy process.”

- Heard from a business owner



2

WE WILL MAKE TAX INFORMATION EASIER TO ACCESS, UNDERSTAND, AND USE

What you said:

You told us that you do not like busy signals when you call the CRA and that you like telephone services with call-back options. Accountants told us that they want to be able to ask us complex tax questions on the phone. You like the Liaison Officer Initiative and want to be able to ask for the visit. You asked us to make our notices and letters easier to understand, and you want more information about employment insurance rules when you employ family members. You like Auto-fill my return when you do your personal taxes, and would like something similar for businesses. You want to be able to complete more tasks online.

“The vast majority of Canadians do everything right.”

- Heard from a CRA employee

What we will do:

- Transition from our aging telephone infrastructure to the Government of Canada telephony platform and complete feasibility studies for adding call-back and secure chat line features.
- Conduct a pilot for a new dedicated telephone service. This pilot project will let income tax return preparers call experienced CRA staff who can help with more complex technical issues.
- Review the *Pensionable insurable earnings report* (PIER) and other notices and letters for businesses.
- Expand the Liaison Officer Assistance Requests pilot program to allow businesses across Canada to request a Liaison Officer visit.
- Clarify the Employment Insurance contribution rules for family members in our payroll guides.
- Let corporations view the assessed value of T2 Corporation Income Tax returns and schedules and their CRA-verified capital dividend account balance in My Business Account.
- Let business representatives file requests for authorization with commercial software.
- Implement T2 Auto-fill through commercial software.
- Let business owners and representatives create their own filing and balance confirmation letters online.
- Conduct a feasibility study for a volunteer tax program that would help the smallest new businesses understand the payroll, GST/HST and other tax obligations that come with starting a business.
- Continue to improve the clarity, language and layout of our notices and letters to make them easier to understand.



3

WE WILL CLARIFY INFORMATION ABOUT PAYMENT OPTIONS

What you said:

You make payments but they do not always go where you expect them to. You did tell us that there have been improvements, but you still have concerns about these misallocated payments and the time it takes to resolve them. You would like to know that the CRA has received your payments, and it is unclear to you why you cannot print your own remittance vouchers to pay at a bank.

What we will do:

- Improve the information available in My Business Account to explain to users how to fix misallocated payments where and when they want to.
- Raise awareness for direct deposit, which allows the CRA to deposit money directly to your bank account.
- Make the remittance voucher order form more prominent in My Business Account to help you order remittance vouchers online.
- Add text on the Order remittance voucher page in My Business Account that explains how magnetic ink is used and why vouchers cannot be printed using regular home or office printers.
- Give a clear explanation of how remittance vouchers are personalized to ensure payments go to the right accounts.

“My clients and I are frustrated that we are not able to obtain remittance forms online.”

- Heard from an accountant



4

WE WILL IMPROVE SERVICES RELATED TO THE AUDIT, COLLECTIONS, AND APPEALS PROCESSES

What you said:

You told us loud and clear that you are not happy with the lengthy amount of time it takes to resolve an objection. You want us to improve communications between businesses, their representatives, and our auditors. You wonder why a collections agent calls after you have made a payment arrangement.

What we will do:

- Improve the time it takes to resolve an objection. In the fall of 2016, we developed a comprehensive action plan to improve timeliness and better inform Canadians of the expected and actual timeframes for resolving an objection based on complexity level.
- Improve audit processes and communications with businesses and their representatives. We will learn your views by launching a post-audit survey for small businesses and monitoring the feedback we hear.
- Enhance the clearance certificate process by communicating earlier when you apply, and by providing information that helps identify situations when you may not require a clearance certificate.
- Ensure national consistency by communicating collection procedures to audit branches and offering training for auditors.

“Objections are a nightmare just to get assigned.”

- Heard from an accountant

YOUR FEEDBACK DELIVERS RESULTS!

Examples of what the CRA has done based on what you told us in 2012 and 2014.

1. Introduced the Liaison Officer initiative
2. Engaged associations including the Canadian Payroll Association and the Chartered Professional Accountants of Canada (CPA Canada) to identify CRA guides and forms needing to be simplified and clarified
3. Reduced the payroll remittance burden for the smallest new employers
4. Allowed businesses to request a payment search using the My Business Account Enquiries Service and to submit cashed cheques as proof of payment using Submit Documents
5. Included a My Audit tab in My Business Account that allows electronic communications between businesses and auditors
6. Provided a streamlined Interactive Voice Response system that makes it easier for business callers to connect with an agent
7. Introduced training to help auditors become more sensitive to the needs and realities of small and medium businesses
8. Set up an audit quality assurance review program
9. Committed to consult with businesses regularly
10. Completely reviewed our notices and letters to make them clearer and easier to understand
11. Introduced permanent GST/HST NETFILE access codes
12. Enabled one-time pre-authorized debit agreements for GST/HST NETFILE users
13. Released a new ePay video on the CRA YouTube channel
14. Agreed to work in partnership with the Chartered Professional Accountants of Canada (CPA Canada), the Canadian Federation of Independent Business, other small business associations, and with federal, provincial, and municipal governments to encourage them to adopt the Business Number as a common business identifier
15. Conducted an automated post-call satisfaction survey
16. Reduced the need for callers to repeat information when a call is transferred from one agent to another
17. Set up a way to connect callers to the right expert



A FINAL WORD

The Canada Revenue Agency is thankful to have productive partnerships with the Canadian Chamber of Commerce and the Chartered Professional Accountants of Canada (CPA Canada). This report shows just how much the CRA and these two national organizations can accomplish when they take an active role to make sure the Government of Canada has an improving, evolving, and world-class tax and benefits administration.

We were pleased to learn that you appreciate the CRA's efforts to improve our programs and services for businesses. You expressed a real appetite to share ideas and also to engage in a discussion that will lead to improvements to the tax system. These Serving You Better consultations are very important to the CRA.

They are a primary source of direct feedback from small and medium businesses and their stakeholders. Thanks to all who provided comments and suggestions.

The CRA wishes to thank all the representatives of provincial, territorial, and local governments who participated in the Serving You Better consultations.



"Business owners join their local chambers of commerce all across Canada because they know it will help their businesses thrive and grow. Our members also know that by helping the CRA better understand the tax issues they face, they are helping to hone their competitive edge. The Canadian Chamber of Commerce is pleased to add the 2016 Serving You Better consultations to our list of productive partnerships with the CRA, and we look forward to continuing the work with the agency on behalf of businesses of all sizes."

- The Honourable Perrin Beatty, President and CEO, Canadian Chamber of Commerce



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- Gabe Hayos, FCPA, FCA, Vice-President, Taxation, CPA Canada



"Thanks to @CanRevAgency for coming to @MBOTOntario today as part of #ServingYouBetter consultations with SMEs."

- From Twitter



"Thank you CRA for this opportunity to make our voices heard."

- Online participant