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Taxpayers' Ombudsman

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Perspectives

Promoting Service, Fairness, and Accountability

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Welcome to the first issue of *Perspectives*, the newsletter of the Office of the Taxpayers' Ombudsman (OTO). This newsletter will provide updates on the work that my Office is doing to uphold taxpayer service rights and to ensure taxpayers receive the professional service and fair treatment they are entitled to from the Canada Revenue Agency (CRA).

In addition to informing you about our activities and accomplishments, you can look forward to valuable information such as tips for taxpayers when dealing with the CRA, case summaries which demonstrate how my Office is making a difference in the lives of Canadians, and more. To be sure you do not miss any of our future issues, visit our Web site to subscribe to our electronic mailing list.

'who do I contact...'
'transferred from one agent to another...'
'who can give me a clear answer...'
'where is the explanation...'

When Canadians interact with the CRA, they expect to speak with an agent who will treat them professionally. But how many taxpayers are aware that that expectation is actually a right?

Receiving both professional service and fair treatment from the CRA is within your rights—the service rights you have as a taxpayer when dealing with the CRA.

The [Taxpayer Bill of Rights](#) is a statement of the CRA's commitment

to accuracy, professionalism, courteousness, and fairness. However, these rights are not maximized without awareness and an independent officer to uphold them and ensure the CRA meets its commitment. That role belongs to the Taxpayers' Ombudsman.

Since its inception in February of 2008, the OTO has received many complaints from taxpayers who believe they have not received

professional service or fair treatment from the CRA. The OTO reviews these complaints, determines which service rights—if any—were infringed upon, and resolves complaints based on the evidence.

Article 5 of the Taxpayer Bill of Rights provides that taxpayers have the right to be treated professionally, courteously, and fairly.

Among the complaints and enquiries our Office has received, a number have identified administrative errors made by the CRA that can have a negative impact on taxpayers.

For example, a taxpayer was issued a large refund from the CRA in error. The refund had resulted from a CRA amendment to her tax return intended to correct a perceived mistake in reporting her [Home Buyers' Plan](#)

amount. The taxpayer had, however, correctly reported this amount. When the CRA became aware of its error, a re-assessment was issued to reclaim the excess refund, as well as interest owing.

Feeling that the interest charge on an excess refund that had resulted from an error by the CRA was unfair, the taxpayer made several attempts to explain her position and have the interest charge cancelled. After her efforts proved unsuccessful, the taxpayer contacted the OTO.

Upon examining the issue, the OTO was able to establish communication between the CRA and the taxpayer, ensuring that the taxpayer's situation would be heard and reconsidered. Following our intervention, the CRA recognized the lack of fairness, agreed that Taxpayer Relief provisions of the *Income Tax Act* were applicable to the case, and cancelled all interest charges.

The Taxpayer Bill of Rights states that taxpayers are entitled to fairness, professionalism, accountability, and clear and accurate information from the CRA.

Our Office received a complaint from a taxpayer who was experiencing difficulty obtaining information about a letter she received advising that her tax refund would be withheld to pay an outstanding 'Crown debt.' The letterhead indicated that the

correspondence was from the Government of Canada, but did not identify a particular department or agency, nor did it provide any contact name for enquiries.

A toll-free number within the letter directed the taxpayer to a provincial revenue ministry, however transfer after transfer to multiple departments and agencies shed no further light on the debt or the origin of the letter. The taxpayer finally sought the assistance of her Member of Parliament who referred her to our Office.

Article 6 of the Taxpayer Bill of Rights provides that taxpayers have the right to complete, accurate, clear, and timely information.

During our investigation of the taxpayer's complaint, discussions were facilitated between the CRA and the provincial revenue ministry. These discussions revealed that the CRA was collecting on behalf of a provincial program, which the letter did not make clear to the taxpayer. It was further determined that the taxpayer should not have been in the collection database. As a result of our enquiry, her name was removed and a refund was issued.

Through the application of the service right articles of the Taxpayer Bill of Rights to taxpayer service-related

complaints like the examples discussed above, the Taxpayers' Ombudsman seeks to improve the fair treatment of Canadians by the CRA. These examples are intended to inform taxpayers who may have issues with the CRA, but may not necessarily be aware of their service rights or know if their issues are service-related.

Keep an eye out for more examples of how our Office is making a difference in the lives of Canadians in future issues of *Perspectives*.

TIP FOR TAXPAYERS: KEEP RECORDS OF YOUR CONVERSATIONS WITH THE CRA

When contacting the CRA by telephone, the Ombudsman recommends that taxpayers verify information by:

- writing down the agent's name and identification number;
- taking notes of your conversation; and
- reviewing notes you have taken with the agent.

Interested in reading the next issue of *Perspectives*? Subscribe to our electronic mailing list using our [Web site](#) to be notified when future issues are posted.

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