

Minister
of National Revenue



Ministre
du Revenu national

Ottawa, Canada K1A 0A6

JUL 29 2013

Mr. R. G. Allen
Income Tax Consultant
3614 21 Avenue
Vernon BC V1T 1H6

Dear Mr. Allen:

I am replying to your correspondence of May 28 and June 7, 2013, sent to my predecessor, the Honourable Gail Shea, about the income tax affairs of your client, [REDACTED]. I am giving you the following confidential information because you have [REDACTED] written authorization.

Canada's tax system is based on self-assessment. Although there is a high degree of public compliance with the law, the Canada Revenue Agency (CRA) can maintain this system only by continually examining tax returns. To make sure taxpayers respect the law, the CRA runs various review and enforcement programs that examine all categories of returns and choose files for audit based on objective criteria using risk assessment techniques.

When carrying out audit or enforcement activities, CRA officials make every effort to be fair, considerate, and responsive to taxpayers' needs. Officials are also required to respect taxpayers' rights and show integrity and impartiality while doing their jobs. The CRA's goals include conducting quality audits and applying the law and its administrative policies fairly and consistently.

The *Income Tax Act* requires the CRA to process returns promptly. However, when a return needs a more detailed review, the CRA will not assess the return until it completes the review.

I note your comments about the delay in assessing your client's return and the recent Federal Court decision in *Alice Ficek v. The Attorney General of Canada*. The CRA is reviewing the Court's decision to see if there are implications for the assessment of your client's return. Once it finishes the review, the CRA will announce its decision.

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If you or [redacted] wants to discuss the audit of [redacted] return, I invite you to contact Ms. Franca Caligiuri, Manager of the Compliance Programs Section at the Winnipeg Tax Centre, by writing to 66 Stapon Road, Winnipeg MB R3C 3M2, or by calling 204-983-8701. The CRA accepts collect calls. Ms. Caligiuri is aware of our correspondence and will be pleased to assist you.

I trust the information I have provided is helpful.

Yours sincerely,

Kerry-Lynne D. Findlay

Kerry-Lynne D. Findlay, P.C., Q.C., M.P.

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