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Agence du revenu
du Canada

Reporting Fees for Service (RFS) Initiative

Final Report

Prepared for the Canada Revenue Agency

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Canada 

Reporting Fees for Service (RFS) Initiative

Final Report

Prepared for the Canada Revenue Agency by Sage Research Corporation

June 2020

The Canada Revenue Agency (CRA) commissioned Sage Research Corporation to conduct a qualitative public opinion research study with small and medium size businesses regarding reporting fees for service (RFS) requirements. The CRA will use this research to address knowledge gaps, help ensure reporting obligations are less time-intensive and as seamless as possible, and assist in developing outreach and education strategies.

The CRA will use this research to review its policies, procedures, and communication to the target audience, which includes all entities who, in the course of their business, pay fees for services. Ten focus groups were conducted between February 25 and March 5, 2020, with two groups in each of Moncton, Montreal, Toronto, Calgary and Vancouver. The target group was businesses that are subject to RFS requirements. Five focus groups were conducted with Small Businesses and five with Medium Business.

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Executive Summary

The Canada Revenue Agency (CRA) commissioned Sage Research Corporation to conduct a qualitative public opinion research study with small and medium size businesses regarding reporting fees for service (RFS) requirements.

Paragraph 153(1)(g) and regulation 200 (1) of the Income Tax Act indicate that every person paying at any time in a taxation year fees, commissions or other amounts for services, other than amounts described in subsection 115(2.3) or 212(5.1), shall make an information return in prescribed form in respect of the payment unless an information return in respect of the payment has been made under sections 202, 214, 237 or 238. For most payers, box 048 of the T4A slip is the prescribed method to report. A business must issue a T4A for a vendor if payments to that vendor for services is more than \$500 in a calendar year.

Preliminary public opinion research has revealed that there is a general lack of awareness of the obligation to issue a slip/report to the CRA when a fees for services payment has been made.

The research objectives for this study were to:

- Gauge awareness of the obligation to report with business audiences and understand where knowledge gaps exist;
- Better understand how compliance with this requirement could affect businesses, including any actual and perceived burdens it may place, particularly on small businesses;
- Help determine options for outreach and effective communications to ensure businesses can effectively be made aware of the reporting requirement and obligation.

Results from the research will be used to:

- Address knowledge gaps;
- Help ensure reporting obligations are less time intensive and as seamless as possible for businesses and providers of services by identifying any actual and perceived burdens; and
- Assist in developing outreach and education strategies, as well as enhancing other services for businesses and service providers, such as available information on websites and in guides.

Ten two-hour focus groups were conducted between February 25 and March 5, 2020, with two groups in each of Moncton, Montreal, Toronto, Calgary and Vancouver. The target group was senior stakeholders in businesses that are subject to RFS requirements – that is, they pay more than \$500 over the course of a calendar year to at least one vendor that provides a service to the business. Five focus groups were conducted with Small Businesses (less than 10 employees), and five with Medium Business (10 -249 employees). There were five to ten participants in each focus group, for a total of 80 participants. Participants were paid an honorarium of \$175.

This research was qualitative in nature, not quantitative. As such, the results provide an indication of participants' views about the topics explored, but cannot be statistically generalized to represent the full population. Qualitative research does, however, produce a richness and depth of response not readily available through other methods of research. It is the insight and direction provided by

qualitative research that makes it an appropriate tool for exploring participants' knowledge and opinions with respect to RFS.

Key Findings

Services Purchased

As a warm-up at the beginning of each focus group, participants were asked to name services that their business buys in the course of a calendar year. Results from this discussion suggest:

- Participants had a reasonably good “core concept” of what constitutes a “service”, but the subsequent discussion revealed substantial uncertainty about precisely what is and is not considered a service for RFS purposes by the CRA.
- While participants can quickly name some services they buy, it takes further thought and analysis to come up with all of them. That is, a complete list of services (and therefore vendors) is generally not top-of-mind.
- Based on the \$500 threshold, participants concluded they would have to file T4As for almost all vendors from which they buy services.

Awareness of RFS

Almost none of the participants were aware of RFS requirements. A small number had issued T4As for services provided to their business by an individual, however they were not aware of the much broader scope of RFS requirements.

Among participants whose business provides services to other businesses, almost none had received a T4A.

In the context of almost no awareness of RFS requirements, many participants wondered whether or not their accountant was aware, as they had not heard anything about RFS from their accountant. A small number assumed their accountant was aware of RFS and might even be dealing with the requirements. Most were just not sure if their accountant was aware.

Participants were asked whether or not they thought their accounting software could handle compiling the data needed for T4As and to generate T4As. Not surprisingly, given almost no awareness of RFS and the related role of T4As, there was a lot of uncertainty.

Participant Questions and Perceived Issues

What is a service? Almost all participants concluded that the CRA will need to provide clear guidance on what constitutes a service. While some things clearly appear to be “services”, there are other situations that are less clear, depending on how one looks at them. Participants cited a number of examples which can be perceived as including a service component and a product component. The question participants raised with respect to RFS is whether it is to be classified as 100% service, 100% product, or some mix of service and product.

Dealing with a combination of a service and a good: Many participants were concerned about how to deal with situations where, for RFS purposes, the cost of a service needs to be separated from the cost of goods. There were two major concerns: (1) the vendor does not always split out the two different costs on their invoice, and (2) when the costs are split out on an invoice, the current bookkeeping practice may be to combine both costs as a single entry. Overall, the combination of these two concerns led many participants to conclude that dealing with combinations of services and goods would substantially increase the time and cost of complying with RFS requirements.

Services purchased from vendors outside of Canada: Some participants said they buy services from a vendor outside of Canada, and asked whether or not RFS requirements apply to these vendors. The moderator said that there is a T4A-NR which might need to be filed. The fact the question was raised suggests there may be an issue with lack of awareness of T4A-NR filing requirements, and at least some participants did not appear to recognize the T4A-NR when the moderator mentioned it.

\$500 reporting threshold: Many participants felt that this threshold is too low: all or almost all the vendors they buy services from are paid more than \$500 in a calendar year, so they said that T4As would have to be issued for virtually all the services they buy. The most common suggested alternative thresholds were in the \$5,000 to \$10,000 range.

Overall Participant Reaction to the Impact of RFS

A small number of participants – most of whom were smaller businesses – felt that complying with RFS would not be too much work – typically based on their assumptions about how many T4As they would have to issue (e.g. less than 10) and ease of meeting the requirements with their existing accounting system.

However, the large majority of participants had a negative reaction to RFS because they believed that compliance would have substantial costs in terms of their time, staff costs and accounting costs.

Perceptions of the Rationale for RFS

Some participants said they did not know why the RFS requirements exist, but the majority appeared to quickly conclude that this is being done to check on whether vendors are declaring all their income – that is, to combat the underground economy.

A small number of participants felt that RFS is a reasonable tool for the CRA to use in combatting the underground economy.

However, most did not see this as a good reason for RFS requirements. The primary reason is that these participants felt the cost/burden put on business outweighs any benefits in terms of reducing the underground economy. They were not opposed to the CRA taking steps to combat the underground economy, but they did not feel that RFS would be effective enough to justify the cost and burden to business.

Participant Suggestions for How to Inform Business about RFS

Suggestions included:

- *Educate accountants:* Most participants said it would be very important to ensure accountants are well-informed about RFS requirements – particularly given that almost none had heard about RFS from their accountant.
- *Mail information about RFS:* Informing business by mail was a frequent suggestion. Some suggested a mailing dedicated to RFS, while some suggested inserting information in existing mailings, such as the Notice of Assessment.
- *Work with accounting software providers:* The major concern of most participants was that RFS will increase costs and workload. In this context, the functionality of accounting software is perceived to play a critical role in reducing cost and workload.
- *Educate vendors, as applicable, on splitting costs of services and goods on invoices*
- *CRA’s My Business Account:* Some participants who use the CRA’s *My Business Account* suggested a prominent notice here could be effective in getting their attention.
- *CRA Website:* Suggestions for the CRA website included putting a visually prominent message about RFS on the main pages that businesses are likely to visit, and creating a special section of the website dedicated to providing information about RFS requirements.
- *Explain what is a “service”:* Suggestions included providing a definition, providing lists of what count as services, and providing a list of examples of things that might seem to be services but are not (for RFS purposes).
- *Provide a dedicated information phone line*
- *Publicize the penalties for noncompliance:* A few participants suggested businesses will not be motivated to learn about RFS until it is clear that penalties will be imposed for noncompliance.

CRA Concepts for Supporting Business

Written notice of apparent low T4A filing, with a follow up offer to help the business understand their T4A reporting requirements. The idea here is that the CRA would identify businesses that appear to have a low level of T4A reporting based on, for example, the categories of expenses they report. There would be a follow-up offer to help the business better understand T4A filing requirements, and the business would be given an opportunity to correct its T4A filing if necessary. It was emphasized to participants that the intent of this initiative would be educational. Some participants thought the concept was a good idea, providing the intent truly is educational, and that it will not be used to “punish” a business. Some others were not supportive because it was perceived to sound “threatening” or to “sound like an audit.”

Putting T4As on My Business Account: The idea is that *My Business Account* would have all the T4A slips sent or received by a business. Many participants who currently use *My Business Account* liked this idea. Perceived benefits included:

- Helpful if a T4A sent to the business does not arrive
- A back-up copy if the business’s copy gets lost or destroyed

- Allows checking of exactly what T4As the CRA has on file for the business

Contract value: \$89,508.43 including HST

Political Neutrality Certification

I hereby certify as Senior Officer of Sage Research Corporation that the deliverables fully comply with the Government of Canada political neutrality requirements outlined in the *Communications Policy* of the Government of Canada and Procedures for Planning and Contracting Public Opinion Research. Specifically, the deliverables do not include information on electoral voting intentions, political party preferences, and standings with the electorate or ratings of the performance of a political party or its leaders.



Rick Robson
Vice-President
Sage Research Corporation

Sommaire exécutif

L'Agence du revenu du Canada a demandé à Sage Research Corporation de mener, auprès de petites et moyennes entreprises, une étude de recherche qualitative sur l'opinion publique concernant les exigences en matière de déclaration des honoraires ou autres sommes pour services rendus (DHASSR).

L'alinéa 153(1)g de la *Loi de l'impôt sur le revenu* et le paragraphe 200(1) du *Règlement de l'impôt sur le revenu* indiquent que toute personne qui verse au cours d'une année d'imposition des honoraires, commissions ou autres sommes pour services, à l'exception des sommes visées aux paragraphes 115(2.3) ou 212(5.1), doit produire une déclaration de renseignements au moyen du formulaire prescrit à l'égard de ce paiement, sauf si une déclaration de renseignements à l'égard du paiement a été produite en vertu de l'article 202, 214, 237 ou 238. Pour la plupart des payeurs, la case 048 du feuillet T4A est la méthode de déclaration prescrite. Une entreprise doit émettre un feuillet T4A pour un fournisseur si les paiements versés à ce fournisseur pour des services sont supérieurs à 500 \$ au cours d'une année civile.

Une étude de recherche préliminaire sur l'opinion publique a révélé qu'il existe un manque général de sensibilisation à l'obligation d'émettre un feuillet ou un rapport à l'Agence lorsqu'un paiement d'honoraires pour services a été effectué.

Les objectifs de la recherche dans le cadre de cette étude étaient les suivants :

- évaluer le degré de sensibilisation concernant l'obligation de déclaration auprès des gens d'affaires et comprendre où il existe des lacunes au niveau des connaissances;
- mieux comprendre la façon dont l'observation de cette exigence pourrait avoir une incidence sur les entreprises, y compris les fardeaux réels et perçus qu'elle peut imposer, surtout aux petites entreprises;
- aider à déterminer les options de sensibilisation et de communication efficace afin de s'assurer que les entreprises peuvent être mises au courant de l'exigence et de l'obligation en matière de déclaration.

Les résultats de la recherche seront utilisés pour :

- combler les lacunes en matière de connaissances;
- aider à veiller à ce que les obligations en matière de déclaration prennent moins de temps et qu'elles soient aussi homogènes que possible pour les entreprises et les fournisseurs de services en déterminant les fardeaux réels et perçus;
- aider à élaborer des stratégies de visibilité et de sensibilisation, ainsi qu'à améliorer d'autres services pour les entreprises et les fournisseurs de services, comme les renseignements disponibles sur les sites Web et les guides.

On a mené 10 séances de discussion de deux heures entre le 25 février et le 5 mars 2020; il y avait deux groupes dans chacune des villes, à savoir Moncton, Montréal, Toronto, Calgary et Vancouver. Le groupe cible était constitué d'intervenants principaux d'entreprises qui sont assujetties aux

exigences de la DHASSR, c'est-à-dire qu'ils paient plus de 500 \$ au cours d'une année civile à au moins un fournisseur qui fournit un service à l'entreprise. On a mené cinq séances de discussion auprès de petites entreprises (moins de 10 employés) et cinq autres auprès de moyennes entreprises (de 10 à 249 employés). Chaque groupe de discussion comptait entre 5 et 10 participants, pour un total de 80 participants. Les participants ont reçu une rétribution de 175 \$.

Cette recherche était de type qualitatif et non de type quantitatif. Par conséquent, les résultats reflètent l'opinion des participants concernant les sujets étudiés. Toutefois, ils ne peuvent pas être généralisés statistiquement pour représenter l'ensemble de la population. Néanmoins, la recherche qualitative permet d'obtenir des réponses riches et approfondies qu'il n'est pas possible d'obtenir au moyen d'autres méthodes de recherche. L'aperçu et l'orientation fournis par la recherche qualitative en font un outil approprié pour examiner les connaissances et les opinions des participants en ce qui concerne la DHASSR.

Principales constatations

Services achetés

À titre de mise en train au début de chaque séance de discussion, on a demandé aux participants de nommer les services que leur entreprise achète au cours d'une année civile. Les résultats de cette discussion indiquent ce qui suit :

- Les participants avaient une assez bonne « idée de base » de ce qui constitue un « service », mais la discussion subséquente a révélé une incertitude considérable à l'égard de ce que l'Agence considère ou ne considère pas comme un service aux fins de DHASSR.
- Bien que les participants puissent rapidement nommer certains services qu'ils achètent, ils ont besoin d'une réflexion et d'une analyse plus poussées pour tous les nommer. Autrement dit, une liste complète des services (et, par conséquent, des fournisseurs) n'est généralement pas une principale préoccupation.
- En fonction du seuil de 500 \$, les participants ont conclu qu'ils auraient à produire des feuillets T4A pour presque tous les fournisseurs auprès desquels ils achètent des services.

Sensibilisation à la DHASSR

Presque aucun des participants n'était au courant des exigences en matière de DHASSR. Un petit nombre d'entre eux avaient émis des feuillets T4A pour des services qu'un particulier avait fournis à leur entreprise, mais ils n'étaient pas au courant de la portée beaucoup plus large de ces exigences.

Parmi les participants dont l'entreprise fournit des services à d'autres entreprises, presque aucun n'avait reçu de feuillet T4A.

Comme presque aucun des participants n'était au courant des exigences de la DHASSR, bon nombre d'entre eux se demandaient si leur comptable les connaissait, car ils ne l'avaient pas entendu en parler. Un petit nombre d'entre eux supposaient que leur comptable était au courant de la DHASSR et qu'ils pouvaient même traiter les exigences. La plupart d'entre eux n'étaient tout simplement pas sûrs si leur comptable était au courant.

On a demandé aux participants s'ils croyaient que leur logiciel de comptabilité pouvait prendre en charge la compilation des données nécessaires pour les feuillets T4A et générer ces feuillets. Sans surprise, étant donné qu'aucun d'entre eux, ou presque, n'était au courant de la DHASSR et du rôle connexe des feuillets T4A, une grande incertitude régnait.

Questions des participants et problèmes perçus

Qu'est-ce qu'un service? Presque tous les participants ont conclu que l'Agence devrait fournir des directives claires sur ce qui constitue un service. Bien que certains éléments semblent clairement être des « services », il y en a d'autres qui sont moins évidents, selon la perception. Les participants ont mentionné plusieurs exemples pouvant être perçus comme comportant une composante de service et une composante de produit. En ce qui concerne la DHASSR, la question que les participants ont soulevée est de savoir s'il faut considérer qu'il s'agit d'une composante de service à 100 %, d'une composante de produit à 100 % ou d'une combinaison des deux.

Traitement des cas de déclaration combinée de services et de marchandises : De nombreux participants se sont dits préoccupés quant au traitement des situations où, aux fins de DHASSR, le coût d'un service doit être séparé de celui des marchandises. Deux grandes préoccupations ont été soulevées : 1) le fournisseur ne distingue pas toujours les deux types de coûts sur sa facture; et 2) lorsque les coûts sont séparés sur une facture, la pratique de tenue de livres actuelle peut être de combiner les deux coûts comme une seule entrée. Dans l'ensemble, ces deux préoccupations ont incité de nombreux participants à conclure que le traitement des combinaisons de services et de marchandises augmenterait considérablement le temps et le coût liés au respect des exigences de la DHASSR.

Services achetés auprès de fournisseurs à l'extérieur du Canada : Certains participants ont indiqué qu'ils achetaient des services auprès d'un fournisseur à l'extérieur du Canada et ont demandé si les exigences de la DHASSR s'appliquaient à ces fournisseurs. Le modérateur a répondu qu'il se pourrait qu'il faille produire un feuillet T4A-NR. Le fait que la question a été soulevée laisse croire à une méconnaissance des exigences en matière de production des feuillets T4A-NR, et à tout le moins certains participants ne semblaient pas reconnaître le feuillet T4A-NR lorsque le modérateur en a parlé.

Seuil de déclaration de 500 \$: De nombreux participants étaient d'avis que ce seuil était trop faible. En effet, comme tous les fournisseurs ou presque tous les fournisseurs auprès desquels ils achètent des services sont payés plus de 500 \$ au cours d'une année civile, ils ont fait remarquer qu'il faudrait émettre des feuillets T4A pour pratiquement tous les services qu'ils achètent. Les seuils de remplacement qui ont été suggérés le plus souvent se situaient dans la fourchette de 5 000 \$ à 10 000 \$.

Réaction globale des participants à l'incidence de la DHASSR

Un petit nombre de participants, dont la plupart étaient de petites entreprises, estimaient que respecter les exigences de la DHASSR ne représenterait pas trop de travail. En général, ils fondaient cet avis sur leurs hypothèses quant au nombre de feuillets T4A qu'ils auraient à émettre (par

exemple, moins de 10), ainsi que sur la facilité de satisfaire aux exigences au moyen de leur système de comptabilité existant.

Toutefois, la grande majorité des participants avaient une opinion défavorable de la DHASSR parce qu'ils croyaient que l'observation entraînerait des pertes de temps considérables, ainsi que des coûts de personnel et de comptabilité.

Perceptions au sujet de la justification de la DHASSR

Certains participants ont indiqué qu'ils ne connaissaient pas la raison d'être des exigences de la DHASSR, mais la plupart d'entre eux ont semblé vite conclure qu'elles visaient à vérifier si les fournisseurs déclarent tous leurs revenus, c'est-à-dire à favoriser la lutte contre l'économie clandestine.

Un petit nombre de participants étaient d'avis que la DHASSR était un outil raisonnable permettant à l'Agence de lutter contre l'économie clandestine.

Toutefois, la plupart d'entre eux ne trouvaient pas que cela justifiait les exigences de la DHASSR. La principale raison est que ces participants estimaient que le coût et le fardeau imposés aux entreprises dépassaient les avantages sur le plan de la réduction de l'économie clandestine. Ils ne s'opposaient pas à ce que l'Agence prenne des mesures pour lutter contre l'économie clandestine, mais ils ne croyaient pas que la DHASSR serait suffisamment efficace pour justifier le coût et le fardeau imposés aux entreprises.

Suggestions des participants sur la façon d'informer les entreprises de la DHASSR

Voici quelques suggestions qui ont été formulées :

- *Sensibiliser les comptables* : La plupart des participants ont indiqué qu'il serait très important de s'assurer que les comptables sont bien renseignés au sujet des exigences de la DHASSR, d'autant plus que presque aucun des participants n'avait entendu leur comptable parler de la DHASSR.
- *Envoyer par la poste des documents d'information sur la DHASSR* : Il a souvent été suggéré d'informer les entreprises au moyen d'un envoi postal. Certains participants ont suggéré un envoi consacré entièrement à la DHASSR, tandis que d'autres ont avancé l'idée d'ajouter des renseignements à ce sujet dans des envois existants, comme l'avis de cotisation.
- *Collaborer avec les fournisseurs de logiciels de comptabilité* : La principale préoccupation de la plupart des participants était que la DHASSR augmenterait les coûts et la charge de travail. Dans ce contexte, la fonctionnalité des logiciels de comptabilité est perçue comme étant déterminante dans la réduction des coûts et de la charge de travail.
- *Sensibiliser les fournisseurs, s'il y a lieu, au fractionnement des coûts des services et des biens sur les factures*
- *Mon dossier d'entreprise de l'Agence* : Certains participants qui utilisent le service Mon dossier d'entreprise de l'Agence ont soutenu qu'un avis bien en vue à cet endroit pourrait s'avérer efficace pour attirer leur attention.

- *Site Web de l'Agence* : Parmi les suggestions liées au site Web de l'Agence, mentionnons l'ajout d'un message bien en vue au sujet de la DHASSR sur les principales pages que les entreprises sont susceptibles de visiter, ainsi que la création d'une section spéciale du site Web consacrée aux exigences en matière de DHASSR.
- *Expliquer ce qu'est un « service »* : On a notamment suggéré de présenter une définition, de fournir des listes d'éléments constituant des services, ainsi que de donner des exemples d'éléments qui pourraient sembler être des services, mais qui n'en sont pas (aux fins de DHASSR).
- *Fournir une ligne téléphonique d'information réservée*
- *Faire connaître les pénalités pour inobservation* : Quelques participants ont soutenu que les entreprises ne seraient pas motivées à en apprendre davantage sur la DHASSR à moins qu'il soit clair que des pénalités seraient imposées en cas d'inobservation.

Concepts de l'Agence pour soutenir les entreprises

Avis écrit d'une faible production apparente des feuillets T4A, avec une offre de suivi pour aider l'entreprise à comprendre ses obligations en matière de déclaration des feuillets T4A. L'idée est que l'Agence cernerait les entreprises qui semblent présenter un faible taux de déclaration des feuillets T4A en fonction, par exemple, des catégories de dépenses qu'elles déclarent. Une offre de suivi serait faite à l'entreprise pour l'aider à mieux comprendre les exigences en matière de production des feuillets T4A. Ainsi, l'entreprise aurait la possibilité de corriger son comportement à cet égard, au besoin. On a souligné aux participants que cette initiative serait axée sur la sensibilisation. Certains participants trouvaient que c'était une bonne idée, à condition qu'elle vise véritablement à sensibiliser les entreprises et ne serve pas à les « punir ». D'autres participants n'étaient pas d'accord avec cette démarche parce qu'elle avait l'air d'une « menace » ou d'une « vérification ».

Intégration des feuillets T4A dans Mon dossier d'entreprise : Selon cette idée, Mon dossier d'entreprise comprendrait tous les feuillets T4A envoyés ou reçus par une entreprise. Cette idée a plu à de nombreux participants utilisateurs de Mon dossier d'entreprise. Avantages perçus :

- Cette solution serait utile dans les cas où l'entreprise ne reçoit pas un feuillet T4A qui lui a été envoyé.
- Elle permettrait de disposer d'une copie de sauvegarde en cas de perte ou de destruction de l'exemplaire de l'entreprise.
- Elle permettrait de consulter le portrait exact des feuillets T4A que l'Agence a dans ses dossiers pour l'entreprise.

Valeur du contrat : 89 508,43 \$ (TVH comprise)

Attestation de neutralité politique

J'atteste, par la présente, à titre d'agent principal de Sage Research Corporation, que les produits livrables se conforment entièrement aux exigences en matière de neutralité politique du gouvernement du Canada énoncées dans la Politique de communication du gouvernement du Canada et dans la Procédure de planification et d'attribution de marchés de services de recherche sur l'opinion publique. Plus précisément, les produits livrables ne comprennent pas d'information

sur les intentions de vote électoral, les préférences quant aux partis politiques, les positions des partis ou l'évaluation de la performance d'un parti politique ou de ses dirigeants.

A handwritten signature in blue ink that reads "Rick Robson". The signature is fluid and cursive, with the first name "Rick" and last name "Robson" clearly distinguishable.

Rick Robson
Vice-président
Sage Research Corporation

Detailed Findings

The Canada Revenue Agency (CRA) commissioned Sage Research Corporation to conduct a qualitative public opinion research study with small and medium size businesses regarding reporting fees for service (RFS) requirements.

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Preliminary public opinion research has revealed that there is a general lack of awareness of the obligation to issue a slip/report to the CRA when a fees for services payment has been made.

The research objectives for this study were to:

- Gauge awareness of the obligation to report with business audiences and understand where knowledge gaps exist;
- Better understand how compliance with this requirement could affect businesses, including any actual and perceived burdens it may place, particularly on small businesses;
- Help determine options for outreach and effective communications to ensure businesses can effectively be made aware of the reporting requirement and obligation.

Results from the research will be used to:

- Address knowledge gaps;
- Help ensure reporting obligations are less time intensive and as seamless as possible for businesses and providers of services by identifying any actual and perceived burdens; and
- Assist in developing outreach and education strategies, as well as enhancing other services for businesses and service providers, such as available information on websites and in guides.

Ten two-hour focus groups were conducted between February 25 and March 5, 2020, with two groups in each of Moncton, Montreal, Toronto, Calgary and Vancouver. The target group was senior stakeholders in businesses that are subject to RFS requirements – that is, they pay more than \$500 over the course of a calendar year to at least one vendor that provides a service to the business. Five focus groups were conducted with Small Businesses (less than 10 employees), and five with Medium Business (10 -249 employees). There were five to ten participants in each focus group, for a total of 80 participants. Participants were paid an honorarium of \$175.

This research was qualitative in nature, not quantitative. As such, the results provide an indication of participants' views about the topics explored, but cannot be statistically generalized to represent the full population. Qualitative research does, however, produce a richness and depth of response not readily available through other methods of research. It is the insight and direction provided by

qualitative research that makes it an appropriate tool for exploring participants' knowledge and opinions with respect to RFS.

Services Purchased

As a warm-up at the beginning of each focus group, participants were asked to name services that their business buys in the course of a calendar year. Participants named a variety of types of services, most of which do appear to qualify as services in the context of RFS. Some commented that listening to other participants during the warm-up led them to think of other services they buy that they had not mentioned. The appendix has a list of types of services mentioned.

Participants were asked with respect to the types of services they mentioned how often they paid more than \$500 over the course of a calendar year to individual vendors. Virtually all participants said almost all – or all – vendors exceeded the \$500 threshold. Paying less than \$500 over the course of a calendar year to a vendor was perceived to be uncommon.

In some focus groups, participants were asked for a rough, top-of-mind estimate of how many of the vendors from which they bought services exceeded the \$500 threshold. The majority of participants estimated a number between 10 and 60, while some estimated less than 10, and some estimated more than this (the largest estimates were in the 200-400 range). The largest estimates mostly came from Medium Business participants, but otherwise there was a lot of variability in the estimates within both Small and Medium business. The number appears to vary based on the nature of the business and how the business is run.

Importantly, as the discussion progressed after the warm-up phase:

- It was not uncommon for participants to think of services they buy that they had not thought of during the warm-up.
- Associated with this, it was not uncommon for participants to say they buy more services than they had originally estimated during the warm-up.
- Most subsequently raised questions about what “services” means for RFS purposes.

These results from the warm-up suggest the following:

- Participants had a reasonably good “core concept” of what constitutes a “service”, but the subsequent discussion revealed substantial uncertainty about precisely what is and is not considered a service for RFS purposes by the CRA.
- While participants can quickly name some services they buy, it takes further thought and analysis to come up with all of them. That is, a complete list of services (and therefore vendors) is generally not top of mind.
- Based on the \$500 threshold, participants concluded they would have to file T4As for almost all vendors from which they buy services.

Awareness of RFS

The moderator read a brief description of the RFS requirements, and asked participants how many had heard of these, and subsequently asked some questions about the T4A.

In the Moncton, Toronto, Calgary and Vancouver focus groups, there was almost no awareness of RFS. One participant had some rather vague knowledge of it, and none of the rest had heard of it. The one participant recalled reviewing some T4As created by their accountant, but they did not realize how broad in scope the RFS requirements are. In Montreal, awareness was similarly low in the Small Business group, but there was somewhat more awareness in the Medium Business. However, most of the latter were not aware of the broad scope of RFS requirements, and only one participant appeared to have a reasonably full understanding of the requirements.

Participants were then told that the form used for reporting payments to a vendor is the T4A, and were asked whether they had ever sent a T4A to a vendor. Most had not sent a T4A related to services, but a small number had (in addition to the one participant whose accountant did some T4As). Those who had completed T4As had issued it to an individual who had done some service work for the business. Notably, they had not realized that RFS requirements extend beyond reporting payments for services provided by individuals.

Participants were asked whether their business provided a service to other businesses. Roughly half said they did. These participants were asked whether they had ever received a T4A. Almost none had received a T4A in connection with their current business, although a few said they had received one in a previous job working as a self-employed person or consultant.

In the context of almost no awareness of RFS requirements, many participants wondered whether or not their accountant was aware, as they had not heard anything about RFS from their accountant. A small number assumed their accountant was aware of RFS and might even be dealing with the requirements – albeit they were not specifically aware of this. Most were just not sure, and quite a few commented that after the discussion group they were going to ask their accountant about RFS.

Participants were asked whether or not they thought their accounting/bookkeeping software could handle compiling the data needed for T4As and to generate T4As (note: hereafter this will be referred to as “accounting software”, which is the label participants typically used for this software). Not surprisingly, given almost no awareness of RFS and the related role of T4As, there was a lot of uncertainty:

- Some simply did not know. In this context, some wondered where they would get T4A forms.
- Some believed their software could not handle generating T4As, because they had not seen anything in the software that would lead them to believe it could. They thought they would have to buy extra software or pay to upgrade their existing software in order to handle RFS and T4A requirements.

- Some thought their software could fairly easily handle compiling the data, provided invoice amounts are appropriately categorized.
- A small number thought – or assumed – the software could fairly easily generate T4As. Several said they had noticed a reference to T4A in dropdown menus in the software, although they did not know what it was for.

Participant Questions and Perceived Issues

After assessment of participant awareness of RFS, participants were given a handout with some information about RFS requirements. This was the basis for subsequent discussion. For reference, the handout stated the following:

Participant Handout:

- A business fills out a T4A slip to report the amount paid to a vendor providing services to the business, as compensation for the services rendered (the amount reported the T4A would exclude sales tax, goods and materials, and other non-service items)
- The T4A is filed for a particular vendor only if over the course of a calendar year the total payments to that vendor total more than \$500
- A separate T4A slip is filed for each vendor
- The business also has to send the vendor a copy of the T4A slip filed with the CRA
- The business also files a T4A Summary with the CRA, summarizing all the T4A slips issued
- The deadline for filing and for sending copies to vendors is the last day of February, covering the previous calendar year

What is a service?

Almost all participants concluded that the CRA will need to provide clear guidance on what constitutes a service. While some things clearly appear to be “services”, there are other situations that are less clear, depending on how one looks at them. The following are some examples each mentioned by one or a few participants where they were not clear on the distinction between what is a “service” and what is a “product.”

- Advertising: are the ads a product?
- Accounting: are the financial statements/tax returns products?
- Business meal: are you buying the service of creating and serving a meal, or are you buying a product – i.e. the food?
- Consultant reports: because the final deliverable is a report, does that mean this is a product and not a service?
- Delivery charges for a product that is purchased: is the delivery cost supposed to be split out, or is the entire cost attributed to a product?
- Equipment lease or rental: there were two questions noted with respect to leasing a product:
 - In general is this type of lease a service or a product?
 - What if the equipment lease cost includes the cost of regular maintenance?

- Lawn mowing/snow plowing: The mowing/plowing is a service, but the vendor uses products as part of providing the service – e.g. the equipment, gas, oil. Is this 100% service, or for RFS purposes is it a mix of a service and products?
- Office renovation – is the renovation a service, or is the renovated office a product?
- Outsourcing of book binding by a printer: is the process of binding a “service”, or is the bound book a product?
- Product purchase includes installation: Is the entire cost attributed to the product, or is this a combination of a product and a service?
- Rented office space: is the rented office a product?
- Repairs: Is the repaired item a product that is being bought, or is repairing a service?
- Services that are perceived to be non-taxable for the vendor – the example a few mentioned was reimbursing a vendor for travel costs
- Software programming where the deliverable is a piece of software: Is this a product or a service?
- Waste bin rentals that include waste pick-up: Is this 100% service, or does the cost of the bins need to be split out between service and product?

What is common to the above examples is that each can be perceived as including a service component and a product component. The question participants raised with respect to RFS is whether it is to be classified as 100% service, 100% product, or some mix of service and product. Participants were in general concerned about how to classify such situations, which is why they suggested the CRA needs to provide clear guidance on “what is a service.”

Dealing with a combination of a service and a good

As noted above, there was a fundamental question raised about how to classify situations that can be perceived as having a service component and a product component. Many participants were also concerned about how to deal with situations where, for RFS purposes, the cost of a service does in fact need to be separated from the cost of goods. There were two major concerns: (1) the vendor does not split out the two different costs on their invoice, and (2) when the costs are split out on an invoice, the current bookkeeping practice is to combine both costs as a single entry. Overall, the combination of these two concerns led many participants to conclude that dealing with combinations of services and goods would substantially increase the time and cost of complying with RFS requirements.

Vendor does not split out the cost of the service and the cost of goods

Many participants commented that sometimes a vendor’s invoice only gives a total amount and does not show line items for the service component and the goods component. Some examples mentioned include:

- The service cost is incorporated as an invisible mark-up on the cost of goods. For example, the cost of business cards might include an invisible mark-up that includes design of the cards.

- The cost of goods is incorporated into the service cost. For example, a cleaning service cost includes supplying toilet paper but the cost of the latter is not broken out. A printer maintenance service contract includes supplying toner but the toner cost is not broken out.
- The vendor does not want to break out separate costs for competitive reasons, or to forestall arguments/negotiations with the customer over the cost being charged for the service or the cost being charged for the goods.

The question participants raised in this context is what are they obligated to do in order to be in compliance with RFS. Participants did not know what the CRA expects and they would want clarification. Possible courses of action mentioned included:

- The buyer estimates what portion of the cost is for service what portion is for goods. Some participants said this can be a problem because a vendor – after receiving the T4A – may dispute the buyer’s estimate.
- The buyer makes their own judgement as to whether it is to be treated 100% as a service or 100% as a good. Similar to the preceding point, this can lead to subsequent disputes with a vendor.
- The buyer is obligated to go back to the vendor and get them to split the invoice into cost of service versus cost of goods. Some went on to comment that they perceived this to be an unfair burden to put on the buyer.
- The buyer should require up front that the vendor’s invoice split out the service versus good cost components. This led to the question of to what extent is educating vendors is the responsibility of buyers versus the responsibility of the CRA.

Some participants noted that they do not always break out services versus goods in their own invoices. Some examples: a business that sells 3-D models does not break out the design costs; a community engagement organization does not break out the cost of pamphlets they produce as part of a project; a product vendor does not break out shipping costs but rather includes it in the cost of the product.

Current bookkeeping practices do not always split cost of service versus cost of goods

Even when a vendor’s invoice includes separate line items for services versus goods, many participants said that sometimes they do not enter the separate components – rather, they just enter the total into their accounting records. Some felt that changing this bookkeeping practice would be more time-consuming and therefore add cost.

Participant Questions Related to the T4A

What is the vendor supposed to do with a T4A they receive?

This question was raised from two perspectives – the business as a buyer, and the business as a seller:

- *Business as a buyer:* Some commented that some vendors to whom they would have to issue a T4A would not know what it is or what to do with it. This might result in the vendor asking them why they are getting it.

- *Business as a seller:* Some said they did not know what they are supposed to do with a T4A received by their business. Questions asked included:
 - Are the amounts on T4As supposed to be reported on the business tax return?
 - Are they supposed to check the accuracy of T4A amounts? This was perceived to involve a substantial amount of extra work.

Some participants said they would just give T4As to their accountant and have the accountant figure out what to do with them.

Who is responsible for the accuracy of the T4A amount?

Some participants said the two parties involved (buyer of a service, seller of a service) may have a disagreement over the amount on a T4A:

- There may be a disagreement as to whether the transaction was a service and therefore reportable on a T4A, or whether it was a good and therefore not reportable on a T4A.
- There may be a disagreement over whether the amount on the T4A is correct.

Participants wanted to know how such disagreements are supposed to be handled. For example, are the two parties supposed to work it out together, or would a business go directly to the CRA to contest an amount. The larger question participants raised was, from the CRA's perspective, which party is responsible for the accuracy of a T4A amount? There was concern that dealing with disagreements over a T4A amount could be quite time-consuming.

Other T4A questions

The following were each mentioned by several participants:

- Is there a penalty for the issuer of a T4A if the amount on the T4A is incorrect?
- As the issuer of a T4A, is a business obligated to confirm that the vendor received the T4A? What happens if the business sends the T4A to the CRA and the vendor but the vendor says they never received their copy?
- What is a vendor of a service supposed to do if they do not receive a T4A?

Services Purchased from Vendors Outside of Canada

Some participants said they buy services from a vendor outside of Canada, and asked whether or not RFS requirements apply to these vendors. The moderator said that there is a T4A-NR which might need to be filed. The fact the question was raised suggests there may be an issue with lack of awareness of T4A-NR filing requirements, and at least some participants did not appear to recognize the T4A-NR when the moderator mentioned it.

A few participants raised questions about how to decide if a service was provided in Canada. One example given was hiring an overseas programmer who posts the software on a server outside of Canada. Another example was that the firm responsible for website hosting is outside Canada.

A few participants raised a question about how to handle currency conversion when the payment to the vendor is not in Canadian dollars. The question appeared to be one of timing – that is, at

what point in time can or should the conversion be made? For example, one participant said their accountant advises them on when it is the best time to do the conversion based on exchange rates, but was concerned this may not correspond to the CRA's requirements.

\$500 Reporting Threshold

Although the \$500 RFS reporting threshold was not on the discussion agenda, participants brought it up spontaneously. Many felt that this threshold is too low: all or almost all the vendors they buy services from are paid more than \$500 in a calendar year, so they said that T4As would have to be issued for virtually all the services they buy.

When participants suggested an alternative amount:

- A small number suggested \$1,000 or \$2,000.
- More common were suggestions in the \$5,000 to \$10,000 range.
- Several Medium Business participants, with large numbers of vendors, suggested thresholds of \$20,000 or more.

Note that views on the threshold amount are tied to perceptions of the accounting software. For example, one participant with an optimistic view of the ability of their accounting software to handle RFS said that once the accounting and bookkeeping system is set up to handle RFS, the threshold amount would not materially matter.

The following suggestions were each made by one or a few participants:

- Make the threshold \$10,000 because that is the threshold used in connection with FINTRAC anti-money laundering reporting requirements.
- If the CRA is going to increase enforcement of RFS requirements, start with a much higher reporting threshold to give businesses an opportunity to adjust their accounting processes, and then perhaps subsequently lower the threshold.
- Set a higher reporting threshold for larger companies that buy many services.
- Only require reporting on the "top 10" vendors.

Other Participant Questions/Issues

The following were each mentioned by one or several participants:

- The fact that the T4A is based on a calendar year was perceived to create extra work for businesses that do not have a December 31 year end. Note, however, that some participants did not think this would involve any extra work (beyond the extra work generally required to compile data and issue T4As). The issue here appears to be participants' understanding of the ease with which their accounting software can handle T4A requirements.
- The T4A filing deadline of the last day of February was perceived too burdensome because this is a busy time already due to T4 filing requirements. It was suggested a different deadline date be set.

- For some types of service, the specific vendor is not recorded in the accounting software. Instead, only the category of service is entered. Some examples mentioned included parking, entertainment, taxis, and dry cleaning.
- If the service is provided by a chain with multiple locations in Canada, where is the T4A supposed to be sent – to the store or to the headquarters? A similar question about where to send the T4A was raised about services provided by large multinationals.
- There were several questions relating to scenarios that span two calendar years:
 - How should a refund by the vendor to the buyer be handled if it comes in the next calendar year? It was noted that a vendor may issue a refund after having been paid. This could be because of a change in the service required, a schedule delay, or failure to deliver some aspect of the service. The question is what, if anything, is the buyer supposed to do with respect to T4A reporting when the refund arrives in the next calendar year?
 - Is the T4A filing requirement triggered by the receipt of an invoice from the vendor, or by actual payment to the vendor? This raised a question of what to do when the payment is made in the subsequent calendar year.
 - What if the buyer does not recognize in their accounting the full amount of the payment in the calendar year in which the payment was made to the vendor? This situation arises if full payment for the service is made up front, but the buyer only recognizes amounts in their accounting after the relevant services have been completed. A similar question was raised by a participant from a vendor’s perspective: what if the vendor receives upfront payment but does not recognize the revenue until after the service is performed, and this crosses a calendar year? This suggests a larger question of how RFS requirements work in the context of accrual accounting.
- Is there a T4A requirement when there is a contra deal between the buyer and the vendor, such that no cash is exchanged?

Overall Participant Reaction to the Impact of RFS

A small number of participants – most of whom were smaller businesses – felt that complying with RFS would not be too much work – typically based on their assumptions about how many T4As they would have to issue (e.g. less than 10) and ease of meeting the requirements with their existing accounting system.

However, the large majority of participants had a negative reaction to RFS because they believed that compliance would have substantial costs in terms of their time, staff costs and accounting costs. Staff costs and accounting costs trade off with each other: handling RFS internally was perceived to increase staff costs, while reducing the work internally was perceived to mean paying more to the accountant. The intensity of the negative reaction varied across participants. Factors impacting perceived negative impact on the business included:

- The perceived justification for RFS requirements: this is discussed in the next section. Briefly, the large majority of participants did not believe that the rationale for RFS justifies what they perceived as the extra time and cost it puts on businesses.
- The number of T4As the business would have to produce. Since none of the participants were issuing T4As (at least not to the extent required by RFS), having to issue T4As at all is perceived as a new burden on business. Some commented that they and their employees are already very busy, and so it would be hard to handle RFS requirements without more staff.
- Uncertainty about the functionality, ease of use and cost of accounting software to handle RFS and T4A requirements.
- The need to ensure vendor invoices always provide a breakdown between the cost of services and the cost of goods.
- The amount of extra bookkeeping work to code invoice entries as services versus goods. There may also be a need to invest in changing bookkeeping processes in how invoice information is categorized and entered.
- The level of work required to send T4As to the CRA and to vendors:
 - Some want to know if T4As could be sent electronically to the CRA, as this would be less burdensome.
 - Some commented that depending on the number of T4As, it could be quite a bit of work to send copies to vendors.
- The possible need or obligation to reconcile T4As the business receives.
- Dealing with disagreements over T4A amounts between the buyer and the seller.

Perceptions of the Rationale for RFS

It was not uncommon when the moderator first described RFS requirements for some participants to quickly ask “why is this being done?”, basically because their initial (and usually subsequent) reaction was that this is a burden for their business.

Some participants said they did not know why the RFS requirements exist, but the majority appeared to quickly conclude that this is being done to check on whether vendors are declaring all their income – that is, to combat the underground economy.

A small number of participants felt that RFS is a reasonable tool for the CRA to use in combatting the underground economy.

However, most did not see this as a good reason for RFS requirements. The primary reason is that these participants felt the cost/burden put on business outweighs any benefits in terms of reducing the underground economy. They were not opposed to the CRA taking steps to combat the underground economy, but they did not feel that RFS would be effective enough to justify the cost and burden to business. The following are some additional aspects to this reaction:

- Some also included in their assessment the work they assumed the CRA would have to do to use T4As as a tool to combat the underground economy: they felt that this would use a lot of CRA resources, and they were skeptical the return would be worth the effort.
- Some asked if the CRA has any evidence on the effectiveness of RFS in combatting the underground economy.
- Some commented that they believe the vendors they work with are honest in declaring income. They said they only work with reputable vendors, or they pay vendors in trackable ways and not in cash. Consequently, they felt the work they would have to do to comply with RFS would not actually lead to detection of under-reporting income.
- Many did not believe the underground economy is a significant factor in their business sector. Some sectors are perceived to be more involved in the underground economy – e.g. construction was mentioned, but the underground economy is not perceived to be prevalent generally. So, when the moderator suggested that RFS could “level the competitive playing field”, this was usually met with skepticism. Basically, they did not see a benefit or value to their business from meeting RFS requirements. As an alternative to the current broad scope of RFS, some participants suggested to somehow revise RFS to focus only sectors where the underground economy is judged to be significant problem.
- Some participants framed their objection to RFS as “they should not have to do the CRA’s job”. That is, they did not feel their business should have to be involved in the CRA’s efforts to ensure other businesses pay their taxes.
- Some believed there must be other or better ways for the CRA to detect under-reporting of income. In this regard, some participants thought that somehow the GST/HST system could be used for this purpose.

Some participants questioned whether RFS would be very effective in combatting the underground economy. Various reasons were mentioned, including:

- The underground economy is perceived to mostly consist of “little guys” and relatively small amounts of money – i.e. the underground economy is not perceived to be very big. In this context, several participants suggested the CRA should instead focus more on large businesses. Several expressed support for individuals who, in order to get by, need to get a bit of extra income by working under the table.
- Cash payment is increasingly uncommon, and increasingly most payments are in a trackable form. This is perceived to reduce the underground economy and to give the CRA other tools for tracking income.
- A buyer and seller who mutually agree to do an underground transaction will not be deterred by RFS, since the buyer will not issue a T4A. A related comment was that a vendor who does not want to report some income may choose not to do work for a buyer who is going to issue a T4A. In this context, several participants said they have vendors who might not continue to work for them knowing that a T4A would be issued.
- In order for RFS to be an effective tool, there needs to be widespread compliance with issuing T4As. Otherwise, the T4A reported income will significantly underestimate actual income, and it is likely the vendor’s reported income will exceed the T4A reported income.

- For vendors that sell a mix of services and goods, it is hard to see how the CRA could use the T4A to detect under-reporting of income related to services.
- A vendor that sells something that is a mix of services and goods might change to a higher mark-up on the cost of goods, thereby reducing their apparent income from services.
- If a vendor's fiscal year end is not December 31, then it could be hard to relate calendar year T4A amounts to the income reported on the vendor's tax return. The perceived issue is that it is not clear how to allocate the T4A amount to the two vendor fiscal years to which it might apply.

Participant Suggestions for How to Inform Business about RFS

Educate accountants: Most participants said it would be very important to ensure accountants are well-informed about RFS requirements – particularly given that almost none had heard about RFS from their accountant. Accountants are perceived to be very important for making their clients aware of RFS requirements, and advising on, and possibly helping with, how to comply with the requirements. There were two caveats expressed about the role of accountants. One participant noted that some small businesses do not use accountants. One participant suggested that whether or not an accountant would mention T4As would depend on what they have been hired to do. If their only role is to produce financial statements or the tax return, they might not be involved in producing T4As.

Mail information about RFS: Informing business by mail was a frequent suggestion. Some suggested a mailing dedicated to RFS, while some suggested inserting information in existing mailings, such as the Notice of Assessment. An advantage of the former is that it may get more attention than if it is grouped with an existing mailing. An advantage of the latter is lower cost and the possibility of including the information in multiple mailings. The role of mail would be to inform business of the existence of the RFS requirements, and direct business to the CRA website to get detailed information.

Work with accounting software providers: The major concern of most participants was that RFS will increase costs and workload. In this context, the functionality of accounting software is perceived to play a critical role in reducing cost and workload. There were two types of suggestions:

- Ensure that the software makes as easy as possible both the bookkeeping (i.e. how to enter vendor invoice information to facilitate production of T4As) and the generation of T4As.
- Ensure the software makes the RFS T4A functionality visible to the user, given only a small number of participants had noticed T4A functionality in their software.

Educate vendors, as applicable, on splitting costs of services and goods on invoices: Many participants said they sometimes receive invoices that include both services and goods but which do not split out the two cost components. Participants, as buyers, were not sure what the CRA expects of them in this situation, but it was perceived likely to create extra work for the payer to resolve the situation. In this context, some suggested the CRA should educate vendors to ensure their invoices split out the costs of services and goods, as appropriate.

CRA's My Business Account: Some participants who use the CRA's *My Business Account* suggested a prominent notice here could be effective in getting their attention. This is because they proactively go to *My Business Account* from time to time, and so would be likely to see the message. Another suggestion was to send email notifications about RFS using *My Business Account*.

CRA Website: Suggestions for the CRA website included putting a visually prominent message about RFS on the main pages that businesses are likely to visit, and creating a special section of the website dedicated to providing information about RFS requirements. The perceived issue with the CRA website is that it is not a site that a business is likely to proactively visit. Therefore, other initiatives are needed – such as a mailing – to motivate people to go to the website for information on RFS.

There was some discussion of the use of videos or webinars. Basically, these appealed to some, but not to others. Some like the visual medium, while some appear to prefer print. It was also the case the videos would need to be relatively short, as quite a few said they would not be willing to watch a long video or webinar. One participant suggested that any lengthier videos or webinars should be targeted more to accountants.

Explain what is a "service": Many participants said they need detail on what the CRA means by "services." As noted earlier, participants appeared to have a reasonably good "core concept" of what is a service, but there is still a lot of uncertainty in some situations – both in terms of when something is classified as a "service" versus a "good", and when something is combination of services and goods versus being only a service or only a good. Suggestions included providing a definition, providing lists of what count as services, and providing a list of examples of things that might seem to be services but are not for RFS purposes.

Provide a dedicated information phone line: Several participants suggested a dedicated phone line for RFS enquiries, the idea being that the CRA agents staffing the line would be well-informed about RFS requirements. It was suggested that when businesses start learning about RFS, this will trigger a lot of calls to the CRA, and the CRA needs to be prepared to handle this.

Publicize the penalties for noncompliance: A few participants suggested businesses will not be motivated to learn about RFS until it is clear that penalties will be imposed for noncompliance. Several participants, perhaps tongue in cheek, suggested the CRA should provide some sort of financial incentive for submitting T4As.

CRA Concepts for Supporting Business

Near the end of the focus group discussion, there was brief discussion of two concepts for how the CRA might support business in connection with RFS requirements.

Written notice of apparent low T4A filing, with a follow up offer to help the business understand their T4A reporting requirements. The idea here is that the CRA would identify businesses that appear to have a low level of T4A reporting based on, for example, the categories of expenses they report. There would be a follow-up offer to help the business better understand T4A filing

requirements, and the business would be given an opportunity to correct its T4A filing if necessary. It was emphasized to participants that the intent of this initiative would be educational.

Some participants thought the concept was a good idea, providing the intent truly is educational, and that it will not be used to “punish” a business. A few said it would be good providing penalties are not applied for any infractions.

Some other participants were not supportive because it was perceived to sound “threatening” or to “sound like an audit.” Other concerns expressed by several participants: it sounds like an expensive initiative and it may not be cost effective; the CRA staff providing assistance would need to be well-trained to give good information.

Putting T4As on My Business Account: The idea is that *My Business Account* would have all the T4A slips sent or received by a business. Many participants who currently use *My Business Account* liked this idea. Perceived benefits included:

- Helpful if a T4A sent to the business does not arrive
- A back-up copy if the business’s copy gets lost or destroyed
- Allows checking of exactly what T4As the CRA has on file for the business

There were two suggestions:

- Make the T4As in *My Business Account* downloadable to help the business maintain its own complete record of T4As sent and received
- Make the T4As editable for use in subsequent years to create T4As (whether this is useful or necessary would depend on the accounting software used)

Appendix A – Methodology

Number, Composition and Location of Focus Groups

The research consisted of 10 two-hour in-person focus groups, conducted between February 25 and March 5, 2020.

	Total	Toronto	Montreal (Fr)	Calgary	Vancouver	Moncton
Small business (1-9 employees)*	5	1	1	1	1	1
Medium business (10-249 employees)	5	1	1	1	1	1
Total	10	2	2	2	2	2

* includes self-employed sole proprietors with no employees

There were five to ten participants in each focus group, for a total of 80 participants (44 Small Business, 36 Medium Business).

Recruiting and Sample Sources

Recruiting for the Toronto, Calgary, Vancouver and Moncton groups was done by Synchro Research. Recruiting for the Montreal groups was done by Ad hoc Research. Recruiting was conducted by telephone.

There were two sample sources:

- A sample purchased from infoCanada, a company that has a database of Canadian companies. For each focus group city, the sample consisted of both *Small Business* and *Medium Business* organizations, and included records for all one-digit SICs for which sample existed in the city. The latter requirement was to ensure diversity in types of businesses.
- The recruiting firms opt-in databases of business people who have indicated an interest and willingness to be contacted for possible inclusion in a research study.

Participant Honoraria

The honorarium for all participants was \$175.

Qualified Participants

A qualified business was one that pays more than \$500 on services in a calendar year to at least one vendor. Within a qualified business, the qualified participant was the executive responsible for managing tax and payroll related activities.

The following exclusions applied:

- *Occupation/Business sector:* Cannot work in: government department, tax-related occupations (accounting, bookkeeping, tax preparation, lawyer specializing in tax, financial planning services), advertising, public relations, marketing research, media.
- *Past participation:* Cannot have participated in a qualitative research session in the past six months, and cannot have attended five or more qualitative research sessions in the past five years.

A wide variety of types of businesses were included in the research.

Sample Profile

The following summarizes the number of participants along several dimensions:

	Total (#)	Small Business (#)	Medium Business (#)
Business structure			
Sole proprietor	16	14	2
Corporation or partnership	61	29	32
Non-profit	3	1	2
How the business handles completing the business tax return and other tax forms			
Do all tax form completion internally	23	11	12
Hire accountant/tax preparer	57	33	24
Fiscal year end			
December	38	28	10
Other month	42	16	26
Number of employees			
One	9	9	-
2 to 4	18	18	-
5 to 9	17	17	-
10 to 49	26	-	26
50 to 99	4	-	4
100 to 249	6	-	6

Moderators

Rick Robson moderated the English-language focus groups. Sylvain Laroche moderated the French-language focus groups.

Appendix B – Types of Services Purchased by Participants

The following lists types of services that participants said their business purchases:

3D modeling
Accounting/bookkeeping
Acting talent
Advertising/marketing (including online providers)
Animation
Bank service charges
Business travel/Commercial passenger transportation
Catering
Cleaning
Consulting
Customs broker
Delivery/Transportation/Courier
Electrician
Engineering
Investment advisors
Freelance blogger
Geology/Soil assessments
Handyman
Installation
Insurance
Internet service
IT help, support, programming
Landscaping
Lawn mowing/Snow clearing
Laundry/dry cleaning for the business
Legal
Outsourcing/Contract manufacturing
Painters
Parking
Payment processors
Plumber
Presenters/Speakers
Printing
Property management
Rentals
Renovations
Repairs/maintenance
Ride share/taxi
Shredding
Software as a service

Surveyors
Training services
Travel agent
Waste removal
Web design/hosting
Welding
Window washing

Appendix C – Screener

English Screener

CRA Screener for *Reporting Fees for Services (RFS) Initiative*

Hello, I'm _____ of Synchro Research, a marketing research company. First off, let me assure you that we are not trying to sell you anything. We are organizing a research project on behalf of the Government of Canada, and specifically for the Canada Revenue Agency. The study is about tax filing requirements for businesses. In this context, a “business” could mean a company, or a sole proprietor.

May I please speak with the senior person in your business who is most directly responsible for tax-related decisions for the business? **When connected, re-introduce yourself and ask;**

Are you the senior person in the business who is either most directly responsible for tax-related decisions for the business or shares the responsibility with someone else in the business?

If “yes”: And what is your position in the business?

If “no”: Ask to speak with the senior person in the business most responsible or who has shared responsibility for tax-related decisions for the business.

When connected to the right person, ask:

Would you prefer that I continue in English or in French? Préférez-vous continuer en français ou en anglais? **[If prefers French, either switch to the French screener and continue, or say the following and then hang up and arrange French-language call-back]** Nous vous rappellerons pour mener cette entrevue de recherche en français. Merci. Au revoir.

In this project, an individual like yourself is chosen to sit down with seven to nine other people representing different businesses and give ideas and opinions in a two-hour discussion session. You will be paid an honorarium for your participation in the group discussion.

[If prefers to continue in English for the Montreal French-language focus groups, ask:] The discussion will be held entirely in French, and participants will be asked to review and discuss written communication materials written only in French. Would you be comfortable doing this?

Yes 1
No 2 **Thank and end the interview**

[If prefers to continue in French for the Toronto, Moncton, Calgary or Vancouver English-language focus groups, ask:] The discussion will be held entirely in English, and participants will be asked to review and discuss written communication materials written only in English. Would you be comfortable doing this?

Yes 1

No 2 **Thank and end the interview**

I'd like to tell you a bit more about this study to see if you are interested in possibly taking part in this study.

The discussion will be on business tax returns and related tax forms such as the T4 or the T4A. The discussion will be on certain filing requirements and the possible impact of those requirements on businesses. You will not be asked about any of the specifics of your business's tax situation, but rather only general questions about possible impacts on your type of business. Neither your personal identity nor the name of your business will be given to the Canada Revenue Agency.

The results of the research will be used by the Canada Revenue Agency to help identify ways to improve communication of business tax filing requirements.

Participation is voluntary and an individual's decision to take part will not affect any dealings they may have with the Government of Canada. All information collected will be used for research purposes only, in accordance with laws designed to protect your privacy. All opinions expressed will remain anonymous, and views will be grouped together to ensure no particular individual or business can be identified. May I continue?

Yes 1

No 2 **Thank and end the interview**

Thank you. I need to ask you a few questions to see if you fit the profile of the types of companies we are looking for in this research. This will take about 6-7 minutes.

Note to recruiter: When terminating a call with someone, say: *Thank you for your cooperation. We already have enough participants who have a similar profile to yours, so we are unable to invite you to participate.*

0) **Record gender (no quotas):**

Male 1

Female 2

1) What is your position or job title in the business?

2) Some of the group discussion will be about the reporting requirements related to money a business spends on buying various services. These could be services provided by a self-employed person or by another business. It includes all types of services except utilities such as internet, telephone, and power. In the course of a year, your business may be buying services of various types, and buying them from a variety of vendors.

Over the course of a calendar year, is there any vendor to which your business pays more than \$500 to provide a service of some sort to your business? Please don't include GST or HST in the amount.

Yes 1

No 2 **Thank and end the interview**

Note to recruiter: “Services” include many things

- If a person asks what is meant by “services”, first try this: “Services” refers to services you buy that involve human labour, skill or advice.
- If a person asks for examples, say this: *There are many types of services a business might buy. Just a few examples of services are accounting, legal, advertising, marketing, website design and hosting, delivery services, warehousing, and commercial transportation.*
- If the respondent asks if a particular thing is a “service” and you’re not sure, then say: *I think it might be a service, so I’ll count that as a yes.*

3) As I mentioned earlier, this research is on business tax returns. Does your business plan to file a tax return reporting business income for the current tax year?

Yes 1

No 2 **Thank and end the interview**

4) Approximately, how many people does your business employ? In your count, please include yourself and all full-time and permanent part-time employees from all locations in Canada.

Just myself, no employees	1	Qualifies for <i>Small Business</i> Quotas out of 10 recruits: • 4 or fewer employees: 6 recruits • 5-9 employees: 4 recruits
2-4 employees	2	
5-9 employees	3	
10-49 employees	4	Qualifies for <i>Medium Business</i> Quotas out of 10 recruits: • 10-49 fewer employees: 6 recruits • 50-99 employees: 3 recruits • 100-249 employees: 1 recruit
50-99 employees	5	
100-249 employees	6	
250 or more employees	7	Thank and end the interview

5) Do you, or does anyone in your household, work for ... ? (Read list)

	<u>No</u>	<u>Yes</u>
A marketing research firm	()	()
A magazine or newspaper	()	()
The federal government	()	()
The provincial or local government	()	()
An accounting or bookkeeping company or department	()	()
A company that does tax returns for other people or businesses	()	()

If “yes” to any, thank and end the interview

A law firm that specializes in tax	()	()
A firm providing financial planning services	()	()
A radio or television station	()	()
An advertising agency	()	()
A public relations company	()	()

6) In which industry or sector does your business operate? If you are active in more than one sector, please identify the main sector. **(Do not read list. Accept only one response. Confirm result with respondent as necessary)**

Record response here and classify below:

1	Natural resources, manufacturing
2	Construction
3	Wholesale trade, transportation, communications
4	Retail trade
5	Professional, medical, finance, real estate
6	Other services

Quotas: For each group:

- **Recruit a mix of different sectors – try for at least 1 in each sector**
- **Within a sector, do not recruit more than one business in the same line of business**
- **Maximum of 3 recruits per sector**
- **Recruit only one participant from the Construction sector**

If recruiting from the infoCanada database, record the SIC number: _____

7) How is your business structured? Is it **(read list)**

1	A sole proprietorship	Small Business quotas: <ul style="list-style-type: none"> • Sole proprietorship: At least 3 recruits • Corporation: At least 3 recruits Medium business: No quotas
2	A corporation	
3	A partnership	
4	Or a cooperative	
5	(Do not read) Other (specify): _____	

8) How does your business handle completing the business tax return and other tax forms? Do you do all of these internally, or do you hire an accountant or other tax preparer to complete these tax forms?

1	Do all tax form completion internally
2	Hire accountant/tax preparer

Small Business: Recruit at least 1/group Do all tax form completion internally

Medium Business: No quota

9) What month is the end of your business's fiscal year?

1	January	5	May	9	September
2	February	6	June	10	October
3	March	7	July	11	November
4	April	8	August	12	December

10) How long has your business been in operation? **(Do not read list)**

- Less than 1 year 1
- 1 to 2 years 2
- 3 to 4 years 3
- 5 to 10 years 4
- More than 10 years 5

I have just a few more questions to ask you.

11) Have you ever participated in an in-depth research interview or a focus group involving a small group of people where people were asked to discuss different topics?

- Yes 1
- No 2 **Go to Q.13**

12a) What topics have you ever discussed?

(If tax-related, thank participant for their time and end the interview)

12b) And when was the last time you attended an interview or discussion group?

- 6 months ago or less 1 **Thank and end the interview**
- OR** more than 6 months ago 2

12c) In the past 5 years, how many in-depth research interviews or discussion groups have you attended? Would you say less than 5 in total, or would you say 5 or more?

- Less than 5 1
- 5 or more 2 **Thank and end the interview**

Let me tell you some more about this study to see if you would like to take part.

13) As I mentioned earlier, the research involves taking part in a focus group discussion. In the group discussion, you may be asked to review some written materials and to voice your opinions in front of others. Do you feel comfortable doing this?

Yes 1

No 2 **Thank and end the interview**

Terminate if person gives a reason such as verbal ability, sight, hearing, or related to reading/writing ability, or if they think they may have difficulty expressing their thoughts.

Participants in the discussion group will be asked to turn off any electronic devices during the discussion. Would you be willing to do so?

Yes 1

No 2 **Thank and end the interview**

There may be someone from the Canada Revenue Agency who has been involved in this project observing the session. However, they will not take part in the discussion in any way, and they will not be given your name or the name of the business. The observers are there to obtain first-hand information to assist the research. Is this acceptable to you?

Yes 1

No 2 **Thank and end the interview**

The session will be audio-recorded. These recordings are used to help with analyzing the findings and writing the report. Neither your name nor the name of your business will appear in the research report. Is this acceptable to you?

Yes 1

No 2 **Thank and end the interview**

INVITATION

The focus group will be held on **[insert date]**, at **[insert time]**. Would you be available to attend?

Yes 1

No 2 **Thank and end the interview**

Thank you. We would like to invite you to participate in one of our focus groups. The discussion will last 2 hours, and refreshments will be provided. Following your participation in the focus group, you will be paid \$175 as an honorarium. The focus group will be conducted by Sage Research Corporation, which is a marketing research company.

Would you be willing to attend?

Yes 1

No 2 **Thank and end the interview**

The discussion group will be held at:

City/Date:	Location:	Type:	Time:
Toronto, Tuesday, February 25	Quality Response 2200 Yonge Street, Suite 903	Small Business Medium Business	6:00 pm - 8:00 pm 8:00 pm - 10:00 pm
Moncton, Thursday, February 27	MQO Research 720 Main Street, 3rd Floor	Medium Business Small Business	6:00 pm - 8:00 pm 8:00 pm - 10:00 pm
Calgary, Wednesday, March 4	Qualitative Coordination 707 10th Ave SW, Unit #120	Small Business Medium Business	6:00 pm - 8:00 pm 8:00 pm - 10:00 pm
Montreal, Wednesday, March 4	Ad hoc recherche 400, boul. de Maisonneuve Ouest, bureau 1200	Small Business Medium Business	6:00 pm - 8:00 pm 8:00 pm - 10:00 pm
Vancouver, Thursday, March 5	Vancouver Focus 1080 Howe Street, Suite 503	Medium Business Small Business	6:00 pm - 8:00 pm 8:00 pm - 10:00 pm

We ask that you arrive 15 minutes early, to make sure we can start on time. If you use glasses to read, please remember to bring them with you.

As we are only inviting a small number of people to attend, your participation is very important to us. If for some reason you are unable to attend, please call so that we can get someone to replace you. You can reach us at **[Insert recruiter's phone #]**. Please ask for **[Insert contact name]**. Please note that you may not send someone else in your place if you are unable to attend.

Someone from our company will call you back within two or three days to confirm these arrangements. To do that, we need to have your contact information.

Name: _____

Evening phone: _____ **Day time phone:** _____

Email address: _____

Thank you very much!

Recruited by: _____

Confirmed by: _____

Note to recruiter: Should a participant require validation that this is a legitimate research project, please refer them to:

*Krista Holmes
Public Affairs Branch
Canada Revenue Agency
343-551-6112*

French Screener

Grille de recrutement ARC pour L'initiative de déclaration des honoraires ou autres sommes pour services rendus (DHASSR)

Bonjour, je m'appelle _____ de la firme Ad hoc recherche, une firme de recherche sur l'opinion publique. Tout d'abord, laissez-moi vous assurer que nous n'essayons pas de vendre quoi que ce soit. Nous organisons un projet de recherche pour le compte du gouvernement du Canada et, tout particulièrement, l'Agence du revenu du Canada. L'étude porte sur les exigences de déclaration fiscale pour les entreprises. Dans ce contexte, une « entreprise » pourrait signifier une entreprise ou un propriétaire unique.

Puis-je parler à la personne-cadre de votre entreprise qui est le plus directement responsable des décisions fiscales de l'entreprise? **Une fois en ligne, présentez-vous de nouveau et demandez :**

Êtes-vous la personne-cadre, dans votre entreprise, la plus directement responsable des décisions en matière d'impôt pour l'entreprise ou qui partage cette responsabilité avec quelqu'un d'autre au sein de l'entreprise?

Si « oui » : Et quel poste occupez-vous dans l'entreprise?

Si « Non » : Demandez à parler à la personne-cadre, dans l'entreprise, la plus directement responsable des décisions en matière d'impôt pour l'entreprise ou qui partage cette responsabilité.

Une fois en communication avec la bonne personne, demandez :

Préférez-vous continuer en français ou en anglais? Would you prefer that I continue in English or in French? **[Si la personne préfère parler anglais, utilisez le questionnaire anglais et continuez, ou dites ce qui suit, puis raccrochez et faites rappeler un collègue qui pourra poursuivre la conversation en anglais]** We will call you back to continue this interview in English. Thank you. Goodbye.

Ce projet consiste à choisir une personne comme vous pour s'asseoir avec sept à neuf autres personnes représentant différentes entreprises afin de recueillir leurs idées et opinions durant une discussion de groupe de deux heures. Vous recevrez un honoraire pour votre participation à la discussion de groupe.

[If prefers to continue in English for the Montreal French-language focus group, ask:] The discussion will be held entirely in French, and participants will be asked to review and discuss communication materials written only in French. Would you be comfortable with this?

Yes 1

No 2 **Thank and terminate**

[Si préfère continuer en français pour les groupes de Toronto, Moncton, Calgary ou Vancouver qui seront dirigés en anglais, demandez :] La discussion se déroulera entièrement en anglais et nous demanderons aux participants de passer en revue du matériel de communication écrite en anglais seulement, puis d'en discuter. Seriez-vous à l'aise avec cela ?

Oui 1

Non 2 **Remerciez et terminez l'entrevue**

J'aimerais vous parler un peu plus en détail de cette étude pour voir si vous souhaitez y participer.

La discussion portera sur les déclarations d'impôts sur le revenu des entreprises et les formulaires fiscaux connexes tels que le T4 ou le T4A. La discussion portera sur certaines exigences de déclaration et sur l'impact possible de ces exigences sur les entreprises. Aucune information sur la situation fiscale de votre entreprise ne vous sera demandée, mais uniquement des questions générales sur les impacts possibles sur votre type d'entreprise. Ni votre identité personnelle ni le nom de votre entreprise ne seront communiqués à l'Agence du revenu du Canada.

Les résultats de la recherche seront utilisés par l'Agence du revenu du Canada pour aider à trouver des moyens d'améliorer la communication des exigences en matière de déclaration de revenus des entreprises.

Votre participation est volontaire, et la décision d'y participer n'aura aucun effet sur les négociations que les participants pourraient avoir avec le gouvernement du Canada. Toutes les informations collectées seront utilisées à des fins de recherche uniquement, conformément aux lois conçues pour protéger votre vie privée. Toutes les opinions exprimées resteront anonymes et seront regroupées pour garantir qu'aucun individu ou entreprise particulier ne puisse être identifié. Puis-je continuer?

Oui 1

Non 2 **Remerciez et terminez l'entrevue**

Merci. Je dois vous poser quelques questions pour voir si vous correspondez au type d'entreprise que nous recherchons pour cette recherche. Cela prendra environ 6 ou 7 minutes.

Note à l'intention du recruteur : lorsque vous mettez fin à un appel avec quelqu'un, dites : *Merci de votre coopération. Nous avons déjà un nombre suffisant de participants dont le profil est semblable au vôtre. Donc, il nous est impossible de vous inviter à participer.*

0) **Inscrivez le sexe :**

Homme 1

Femme 2

1) Quel est votre poste ou titre d'emploi dans l'entreprise?

- 2) Une partie de la discussion portera sur les exigences de déclaration liées à l'argent qu'une entreprise dépense pour acheter divers services. Il peut s'agir de services fournis par un travailleur indépendant ou par une autre entreprise. Cela inclut tous les types de services, à l'exception des services publics tels que l'internet, le téléphone et l'électricité. Au cours d'une année, votre entreprise peut acheter des services de différents types, et les acheter auprès d'une variété de fournisseurs.

Au cours d'une année civile, y a-t-il un fournisseur auquel votre entreprise verse plus de 500 \$ pour fournir un service quelconque à votre entreprise? Veuillez ne pas inclure la TPS ou la TVH dans le montant.

Oui 1

Non 2 **Remerciez et terminez l'entrevue**

Note au recruteur : les « services » comprennent beaucoup de choses

- Si une personne demande ce que l'on entend par « services », essayez d'abord ceci: « *Services* » fait référence aux services que vous achetez qui impliquent du travail humain, des compétences ou des conseils.
- Si une personne demande des exemples, dites ceci: *il existe de nombreux types de services qu'une entreprise peut acheter. Quelques exemples de services sont la comptabilité, le droit, la publicité, le marketing, la conception et l'hébergement de sites Web, les services de livraison, l'entreposage et le transport commercial.*
- Si le répondant demande si une chose en particulier est un « service » et que vous n'êtes pas sûr, dites alors: *je pense que ce pourrait être un service, alors je vais considérer cela comme un oui.*

- 3) Comme je l'ai mentionné plus tôt, cette recherche porte sur les déclarations d'impôts sur le revenu des entreprises. Votre entreprise prévoit-elle produire une déclaration d'impôts déclarant un revenu d'entreprise pour l'année d'imposition en cours?

Oui 1

Non 2 **Remerciez et terminez l'entrevue**

- 4) Environ combien d'employés votre entreprise compte-t-elle? Aux fins de votre calcul, veuillez vous inclure, ainsi que tous les employés à temps plein et à temps partiel des établissements à la grandeur du Canada.

Seulement moi; je n'ai aucun employé	1	Se qualifie pour les petites entreprises Quotas sur 10 recrutés: • 4 employés ou moins : 6 recrutés • 5-9 employés : 4 recrutés
Entre 2 et 4 employés	2	
Entre 5 et 9 employés	3	
Entre 10 et 49 employés	4	Qualifie pour les moyennes entreprises Quotas sur 10 recrutés :
Entre 50 et 99 employés	5	

Entre 100 et 249 employés	6	<ul style="list-style-type: none"> • 10-49 employés en moins : 6 recrutés • 50-99 employés : 3 recrutés • 100-249 employés : 1 recruté
250 employés et plus	7	Remerciez et terminez l'entrevue

5) Est-ce que vous ou une autre personne de votre foyer travaillez dans l'un des domaines suivants ...? **(Lire la liste)**

	Non	Oui	
Une firme de recherche marketing	()	()	Si « oui » à l'un d'entre eux, remercier et terminer l'entrevue
Un magazine ou un journal	()	()	
Le gouvernement fédéral	()	()	
Le gouvernement provincial ou local	()	()	
Une société comptable ou service de comptabilité	()	()	
Une compagnie qui produit des déclarations de revenus pour d'autres personnes ou entreprises	()	()	
Un cabinet d'avocats spécialisé en fiscalité	()	()	
Une entreprise fournissant des services de planification financière	()	()	
Une station de radio ou de télévision	()	()	
Une agence de publicité	()	()	
Un cabinet de relations publiques	()	()	

6) Quel est l'industrie ou le secteur d'activités de votre entreprise? Si elle exerce des activités dans plusieurs secteurs, veuillez indiquer le secteur principal. **(Ne pas lire la liste. Acceptez une seule réponse. Confirmez les résultats avec le répondant, au besoin)**

Enregistrez la réponse ici et classez-la ci-dessous :

1	Ressources naturelles, fabrication
2	Construction
3	Commerce de gros, transports, communications
4	Commerce de détail
5	Professionnel, médical, finance, immobilier
6	Autres services

Quotas : Pour chaque groupe :

- **Recrutez un mélange de différents secteurs - essayez au moins 1 dans chaque secteur**
- **Au sein d'un secteur, ne recrutez pas plus d'une entreprise dans le même secteur d'activité**

- **Maximum de 3 recrutés par secteur**
- **Recrutez un seul participant du secteur de la construction**

Si vous recrutez dans la base de données infoCanada, inscrivez le numéro SIC :

7) Comment est structurée votre entreprise? Est-ce (lire la liste)

1	Une entreprise individuelle	Quotas pour les petites entreprises : <ul style="list-style-type: none"> • Entreprise individuelle : au moins 3 recrutés • Société : au moins 3 recrutés Moyennes entreprises : pas de quotas
2	Une société	
3	Un partenariat	
4	Ou une coopérative	
5	(Ne pas lire) Autre (spécifiez) : _____	

8) Comment votre entreprise gère-t-elle la déclaration de revenus et les autres formulaires fiscaux? Faites-vous tout cela à l'interne ou embauchez-vous un comptable ou un autre préparateur de déclarations de revenus pour remplir ces formulaires fiscaux?

1	Faisons tous les formulaires fiscaux à l'interne
2	Embauchons un comptable / préparateur de déclarations de revenus

Petites entreprises : Recrutez au moins 1 par groupe « Faisons tous les formulaires fiscaux à l'interne »

Moyennes entreprises : pas de quota

9) Quel est le mois de fin d'exercice financier de votre entreprise?

1 janvier	5 mai	9 septembre
2 février	6 juin	10 octobre
3 mars	7 juillet	11 novembre
4 avril	8 août	12 décembre

10) Depuis combien de temps votre entreprise est-elle en activité? (Ne pas lire la liste)

Moins de 1 an	1
1 à 2 ans	2
3 à 4 ans	3
5 à 10 ans	4
Plus de 10 ans	5

Il ne reste que quelques questions à vous poser.

11) Avez-vous déjà participé à une entrevue en profondeur ou à un groupe de discussion réunissant un petit groupe de personnes à qui on a demandé de discuter de différents sujets?

- Oui 1
Non 2 **Passer à Q.13**

12a) De quels sujets avez-vous déjà discuté?

(Si lié à la fiscalité, remercier le participant pour leur temps et terminer l'entrevue)

12b) Et à quand remonte votre dernière participation à une entrevue ou à un groupe de discussion?

- Il y a 6 mois ou moins 1 **Remerciez et terminez l'entrevue**
OU il y a plus de 6 mois 2

12c) Au cours des 5 dernières années, à combien d'entrevues en profondeur ou groupes de discussion avez-vous participé? Diriez-vous moins de 5 en tout ou diriez-vous 5 ou plus?

- Moins de 5 1
5 ou plus 2 **Remerciez et terminez l'entrevue**

Permettez-moi de vous en dire un peu plus sur cette étude pour voir si vous souhaitez y participer.

13) Comme je l'ai mentionné plus tôt, cette étude nécessite la participation à un groupe de discussion. Au cours de la séance, on vous demandera peut-être de revoir certains documents écrits et d'exprimer vos opinions en présence d'autres personnes. Vous sentez-vous à l'aise de le faire?

- Oui 1
Non 2 **Remerciez et terminez l'entrevue**

Terminez si la personne donne comme raison un problème de communication verbale, de la vue, de l'ouïe, de langue écrite ou parlée, ou si elle croit qu'elle pourrait avoir de la difficulté à exprimer ses pensées.

Les participants au groupe de discussion seront invités à éteindre tout appareil électronique pendant la discussion. Seriez-vous prêt(e) à le faire?

- Oui 1
Non 2 **Remerciez et terminez l'entrevue**

Il se peut que certaines personnes du gouvernement du Canada impliquées dans ce projet observent la discussion. Cependant, ils ne prendront aucune part à la discussion et ils ne recevront ni votre nom ni le nom de l'entreprise. Les observateurs sont présents afin de recueillir des informations de première main à l'appui de cette étude. Cela vous est-il acceptable?

- Oui 1
 Non 2 **Remerciez et terminez l'entrevue**

La session sera enregistrée sur bande sonore. Ces enregistrements sont utilisés par la firme de recherche dans le but d'aider à analyser les constatations et découvertes ainsi qu'à rédiger le rapport. Ni votre nom ni le nom de votre entreprise n'apparaîtront dans le rapport de recherche. Est-ce que cela est acceptable pour vous?

- Oui 1
 Non 2 **Remerciez et terminez l'entrevue**

INVITATION

Le groupe de discussion se tiendra le [insérez la date], à [insérez l'heure]. Seriez-vous disponible pour y participer?

- Oui 1
 Non 2 **Remerciez et terminez l'entrevue**

Je vous remercie. Nous aimerions vous inviter à participer à l'un de nos groupes de discussion. La discussion durera 2 heures et des rafraîchissements seront fournis. À la suite de votre participation au groupe de discussion, vous recevrez un honoraire de 175 \$ en argent. Le groupe de discussion sera dirigé par Sage Research Corporation, qui est une société d'études marketing. Seriez-vous disposé(e) à participer?

- Oui 1
 Non 2 **Remerciez et terminez l'entrevue**

Le groupe de discussion aura lieu à:

Ville / Date :	Endroit :	Type :	Heure :
<i>Toronto, mardi, 25 février</i>	Quality Response 2200 Yonge Street, Suite 903	Petite entreprise Moyenne entreprise	18 à 20 heures 20 à 22 heures
<i>Moncton, jeudi, 27 février</i>	MQO Research 720 Main Street, 3rd Floor	Petite entreprise Moyenne entreprise	18 à 20 heures 20 à 22 heures
<i>Calgary, mercredi, 4 mars</i>	Qualitative Coordination 707 10th Ave SW, Unit #120	Petite entreprise Moyenne entreprise	18 à 20 heures 20 à 22 heures
<i>Montréal, mercredi, 4 mars</i>	Ad hoc recherche 400, boul. de Maisonneuve Ouest, bureau 1200	Petite entreprise Moyenne entreprise	18 à 20 heures 20 à 22 heures
<i>Vancouver, jeudi, 5 mars</i>	Vancouver Focus 1080 Howe Street, Suite 503	Petite entreprise Moyenne entreprise	18 à 20 heures 20 à 22 heures

Nous vous demandons d'arriver 15 minutes plus tôt, afin de nous assurer de commencer à temps. Si vous avez besoin de lunettes pour lire, n'oubliez pas de les apporter.

Puisque nous invitons un petit nombre de personnes à la discussion de groupe, votre participation est très importante pour nous. Si, pour une raison quelconque, vous ne pouvez pas y assister, veuillez téléphoner pour que nous puissions demander à une autre personne de vous remplacer. Vous pouvez communiquer avec nous au **[inscrire le n° de téléphone du recruteur]**. Demandez à parler à **[inscrire le nom de la personne-ressource]**. Veuillez noter que vous ne pouvez pas envoyer quelqu'un d'autre à votre place si vous êtes dans l'impossibilité de participer.

Une personne de notre entreprise vous téléphonera d'ici deux ou trois jours pour confirmer ces détails. Nous avons donc besoin de vos coordonnées.

Nom : _____

Numéro de téléphone (soir) : _____ **Numéro de téléphone (jour) :** _____

Adresse de courriel : _____

Merci beaucoup !

Recruté par : _____

Confirmé par : _____

Note au recruteur: Si un participant a besoin d'une validation qu'il s'agit d'un projet de recherche légitime, veuillez le référer à:

*Krista Holmes
Direction des affaires publiques
Agence du revenu du Canada
343-551-6112*

Appendix D – Discussion Guide

English Discussion Guide

RFS Discussion Guide

1) Introduction (10 minutes)

- a) **Introduce self** (Rick Robson of Sage Research, an independent market research company). This is a research project we're doing on behalf of the Government of Canada, and specifically for the Canada Revenue Agency (CRA).

This research project is about tax filing requirements for businesses. The specific area of interest is reporting requirements related to services that a business buys in the course of a calendar year. The CRA is currently examining these reporting requirements.

One thing that all of you have in common is that you are associated with a business, and I'm talking with you in your role as a business person.

The purpose of this project is to get input from businesses, including what, if anything, you've heard about these reporting requirements, how the requirements might affect your business, and what more you might need to know about these requirements. It is okay if some of you are not familiar with these requirements already. And also, I don't expect all of you to be familiar with all the reporting requirements.

I want to emphasize that these are reporting requirements related to spending on services for your businesses. We're not talking about purchase of physical products for the business.

The results of the research will be used to improve how the CRA communicates information to businesses about these tax filing requirements.

b) **Review group discussion procedures:**

- Role of moderator
- Role of participants: there are no right or wrong answers; just want everyone to participate and offer your own views; not here to get a consensus but it is of great value to the research to know each of your candid views
- Confidentiality: Participation is voluntary. Neither your name nor the name of your business will appear in the report; the final report will be available through Library and Archives Canada
- Recording: The session is being audio-recorded. The recording is for my use only to help in preparing the report on this research, and will not be provided to the CRA
- Presence of observers from the CRA behind the one-way mirror – they are not given your name or the name of your business; they are here to observe the moderator and to increase their general understanding of the topics we are discussing tonight
- Description of facilities (washrooms, front desk for incentives)
- Please turn off cell phones and any other electronic devices
- Discussion to last 2 hours

c) **Any questions?**

- d) **Participant self-introductions:** First name only, and the nature of your business (do not say the name of the business)

2) Types of services bought (10 minutes)

In the course of a calendar year, what types of services does your business purchase? These could be services purchased from another business, or from individuals who are not employees. A note on terminology: I'm going to use the word "vendor" to refer to these other businesses or individuals

(Note to moderator: If construction services are mentioned, say that reporting requirements for construction services are separate, so the focus is more in non-construction services)

Over the course of a typical calendar year, is there any one vendor from whom you purchase more than \$500 worth of services in total over the course of a year? If so, what types of services?

[Probe if needed:] Services you might get from outside vendors might include landscaping, office cleaning, website hosting, bookkeeping and accounting, legal, etc

3) Overview of awareness and compliance (10 minutes)

- a) A business that buys more than \$500 worth of services from a particular vendor over the course of a calendar year is supposed to report to the CRA the total amount paid to that vendor for those services, and there is a particular tax form that is used for that purpose.

It could have been a single payment to that vendor that totaled more than \$500, or it could be multiple payments over the course of a calendar year that together total more than \$500. A note on terminology: the CRA uses the phrase "Reporting fees for services" to refer to this reporting requirement, so you'll hear me using that phrase to refer to this process.

The CRA has research indicating that some businesses are not aware of this filing requirement. The CRA has also not been charging any penalties to businesses that don't report this information.

Do vote: How many say that before tonight, you had not heard of this reporting requirement relating to money a business spends on services?

- b) Ask of those who have heard of the requirement:

- **Do vote:** How many file a form with the CRA reporting fees for services paid to particular vendors?
- What is your understanding of the specific tax form that is used to report money paid to a vendor that provided services to your business?

- c) Ask everyone: In most cases, the CRA form used for this purpose is the T4A. You've probably heard of the regular T4, which is the form a business uses to report money paid to employees. The T4A is used for other types of reporting, including reporting money paid for services provided by vendors.

Do vote: How many are filing T4As, and for what purpose?

4) Receiving the T4A (10 minutes)

I'd like to turn things around for a few minutes. How many of you are in a business that gets paid for providing a service to other businesses?

(Ask of those providing a service) Does your business receive any T4As? If so, what do you do with them?

5) Present description of RFS requirements (10 minutes)

What I'm going to do now is give you a basic description of the CRA's requirements for reporting fees paid for services.

Then I'll first ask those of you who had **not heard** of this requirement what you think of it, what more you might want to know, and what, if any, impact you think it would have on your business.

After that, I'll ask those of you who **had heard** of the requirement if this matches your understanding of the requirement, what more you might want to know, and what impact, if any, it might have or has had on your business, and what your experiences have been with filing the T4A.

We know that even when businesses are honest – and most businesses are honest, not every business issues T4A slips for payment of fees for services. We would like to understand the reasons for this. Again, I want to remind everyone that there are no wrong answers. For the CRA, learning about areas that are not well understood will help the CRA develop messages and the types of information businesses need to understand the reporting process.

(Pass out and review handout) I've given you space to make notes about any points you want to bring up in the discussion.

- ◆ Don't worry about spelling or grammar, but please do make notes about things you want to say
- ◆ Don't talk with each other about what you're writing, so that each of you has time to formulate your own opinions before hearing what other people think

6) Questions for those unfamiliar with RFS (50 Minutes for 6 & 7 combined – we don't know how many participants will fit into Q6 versus Q7)

a) Is there any other information that you think you might need?

Probe: Do you need any more information about what the CRA means by services, or do you feel that term is fairly clear? If need more information: what would you want to know?

(If participants appear to be very uncertain, or if participants appear to be interpreting "services" in an overly narrow sense, the moderator would say:) The CRA includes many types of things as services. I don't have a definition, but an example of a business paying a fee for a service would be a retail store that pays a snow removal company to clear their parking lot and sidewalk. The people who do this work aren't your employees, and they are providing a service the business pays for. A few other examples of what the CRA includes as services are accounting, legal services, advertising, marketing services, website design and hosting, delivery services,

warehousing and commercial transportation. Utilities (heat, electricity, telephone) however, are not considered fees for service.

- b) How would you prefer to get information about these reporting and filing obligations?

Probe: A CRA website that provides information about reporting fees for service; a video that describes the reporting obligations; a live webinar; a downloadable guide

- c) What impacts or challenges do you think these reporting obligations might have for your business?

7) Questions for those with some knowledge of RFS

Note: participants unfamiliar with RFS may react to what they hear from these participants with some knowledge of RFS, and the moderator will allow them to comment)

- a) How did you learn about the process for reporting fees for services and about the T4A? Where have you gotten information about the reporting requirements?

Probe: Did you get information or guidance from the CRA or the CRA website?

- b) Do you think the CRA currently provides enough information and guidance about the reporting fees for services requirements? About how to file the T4A?

- c) Is there any other information that you would like to have?

Probe: Do you need any more information about what the CRA means by services, or do you feel that term is fairly clear? If need more information: what would you want to know?

- d) How would you prefer to get information about these reporting and filing obligations?

Probe: A CRA website that provides information on reporting fees for service; a video that describes the reporting obligations; a live webinar; a downloadable guide

- e) (Ask if applicable): Earlier, some of you said you knew about the requirement for reporting money spent on services, but your business does not file T4As. What are the reasons for not reporting these payments to vendors?

- f) What impacts or challenges do you think these reporting obligations might have or have had for your business?

Probe:

- If has issued T4As:
 - How do you handle completing and filing the T4A slips and T4A Summary?
 - Overall, how easy or difficult is it to complete and file T4A slips?
 - Have you had any challenges or difficulties? Do you have any suggestions for things the CRA could do to make this easier or better?
- Do you know if your bookkeeping software or tax software has T4A reporting functionality? Do you use it for T4A reporting, and if so, does it meet your needs?
- Have you ever been asked by a vendor not to issue a T4A for the services they provided? If so, what do you think was their reason? What was your business's response?

8) Ask everyone (15 minutes)

- a) What do you think is the reason behind the CRA's reporting fees for services requirements? Do you see value to having these requirements?

Probe: A rationale for reporting fees for services requirements is that it can discourage a vendor that sells services from under-reporting income and therefore paying less tax than they should. Under-reporting income could therefore give these vendors a competitive advantage over other vendors. The reporting fees for services requirements helps level the competitive playing field by helping to ensure each vendor pays the tax they should pay. What are your thoughts about this as a reason for the requirements for your business to report fees for services?

- b) **[Time permitting:]** The CRA wants to support businesses by making it easy to understand and comply with the T4A reporting requirements. I'm going to describe several types of things the CRA might do. For each one, I'll ask for a quick show of hands on whether you think it would be helpful.
- The CRA would monitor the level of T4A reporting on spending for services. If it thinks a business has low T4A reporting based on, for example, reporting from similar businesses, the CRA will send a notice stating this and offer to help the business understand their T4A reporting requirements. The notice will also give the business an opportunity to correct their T4A filing if necessary. Do you think this type of notice to a business would be appropriate and useful?
 - As you may know, businesses can access their CRA account information online using the CRA service called *My Business Account*. The CRA could explore including in *My Business Account* all the T4A slips sent or received by a business.

9) Wrap-up (5 minutes)

We're just about finished. Is there anything else related to what we've discussed that you want to mention before we wrap up?

Thank you for coming this evening and giving us your opinions.

Please leave all the papers on the table.

On your way out, please don't forget to see the host to sign for and receive your incentive envelope.

Group 1: There is another group waiting out there to have this same discussion. So please don't talk about anything related to what we have done here to make sure they don't have any more information than you did before our discussion.

Reporting Fees for Services (RFS) and the T4A

The T4A is used for a variety of purposes, one of which is reporting money spent on services for a business. We'll focus only on use of the T4A for reporting money spent on services.

- A business fills out a T4A slip to report the amount paid to a vendor providing services to the business, as compensation for the services rendered (the amount reported the T4A would exclude sales tax, goods and materials, and other non-service items)
- The T4A is filed for a particular vendor only if over the course of a calendar year the total payments to that vendor total more than \$500
- A separate T4A slip is filed for each vendor
- The business also has to send the vendor a copy of the T4A slip filed with the CRA
- The business also files a T4A Summary with the CRA, summarizing all the T4A slips issued
- The deadline for filing and for sending copies to vendors is the last day of February, covering the previous calendar year

Please make note of anything you want to bring up in the discussion. For example: Is there anything more you want to know about the reporting requirements? What would be the impact, if any on your business? Do you expect any challenges in meeting the reporting requirements?

French Discussion Guide

Guide de discussion sur la déclaration des honoraires et autres sommes pour services rendus

1) Introduction (10 minutes)

- a) **Présentez-vous** : (Sylvain Laroche de Sage Research, une société d'études de marché indépendante). Ceci est une étude que nous effectuons pour le compte du gouvernement du Canada, plus précisément pour l'Agence du revenu du Canada (ARC).

Cette étude porte sur les obligations des entreprises en matière de déclaration de revenus, plus particulièrement sur les services qu'achète une entreprise au cours d'une année civile. L'ARC examine actuellement ces obligations.

Vous avez tous un point en commun, c'est-à-dire votre association avec une entreprise, et votre rôle de personne d'affaires vous amène à communiquer avec moi.

Cette étude vise à recueillir les commentaires de représentants d'entreprises, notamment en ce qui a trait à ce que vous savez au sujet de ces obligations en matière de déclaration, le cas échéant, à l'incidence qu'elles pourraient avoir sur votre entreprise, et à tout autre renseignement qui pourrait vous être utile au sujet de ces obligations. Je n'ai aucun problème à ce que certains d'entre vous ne connaissent pas déjà ces obligations. Je ne m'attends pas non plus à ce que chacun de vous connaissiez toutes les exigences en matière de déclaration.

Je tiens à souligner que ces obligations en matière de déclaration se rapportent aux dépenses qu'engage votre entreprise pour des services, et non pour l'achat de produits physiques.

Les résultats de l'étude serviront à améliorer les échanges d'information entre l'ARC et les entreprises au sujet de ces obligations en matière de déclaration de revenus.

- b) **Passez en revue la procédure de discussion de groupe** :

- Le rôle du modérateur
- Le rôle des participants : il n'y a pas de bonnes ni de mauvaises réponses; nous voulons que toutes les personnes participent et expriment leurs points de vue; nous ne sommes pas ici pour en arriver à un consensus, mais il est très important de connaître chacun de vos points de vue honnêtes.
- Confidentialité : Vous participez volontairement. Ni votre nom ni celui de votre entreprise ne figureront dans le rapport. Le rapport final sera disponible auprès de Bibliothèque et Archives Canada.
- Enregistrement : La session sera enregistrée sur bande sonore et sera réservée à mon propre usage afin de m'aider à préparer le rapport de cette étude. L'enregistrement ne sera pas remis à l'ARC.
- Présence des observateurs de l'ARC derrière un miroir sans tain : ils ne reçoivent ni votre nom ni le nom de votre entreprise; ils sont ici pour observer le modérateur et accroître leur compréhension générale des sujets dont nous discuterons ce soir.
- La description des installations (salles de bains, comptoir à l'entrée pour les incitatifs).

- Veuillez éteindre vos téléphones cellulaires et tout autre appareil électronique.
- La discussion durera deux (2) heures.

c) **Avez-vous des questions?**

- d) **Les participants se présentent** : prénom seulement et nature de votre entreprise (ne dites pas le nom de l'entreprise)

2) Types de services achetés (10 minutes)

Au cours d'une année civile, quels types de services votre entreprise achète-t-elle? Il peut s'agir de services achetés d'une autre entreprise ou de personnes qui ne sont pas des employés. Remarquez que j'emploierai le terme « fournisseur » pour parler de ces autres entreprises ou personnes.

(Note à l'intention du modérateur : S'il est question de services de construction, mentionnez que les obligations en matière de déclaration qui s'y appliquent ne sont pas les mêmes et que la discussion porte davantage sur les services autres que ceux de construction.)

Au cours d'une année civile moyenne, y a-t-il un fournisseur auprès duquel vous achetez des services d'une valeur totale de plus de 500 \$? Si oui, de quels types de services s'agit-il?

[Approfondir si nécessaire:] les services que vous pourriez obtenir de fournisseurs externes peuvent inclure l'aménagement paysager, le nettoyage de bureaux, l'hébergement de sites Web, la tenue de livres et la comptabilité, les services juridiques, etc.

3) Aperçu de la connaissance et de la conformité (10 minutes)

- a) Une entreprise qui achète pour plus de 500 \$ de services d'un fournisseur particulier au cours d'une année civile est censée déclarer à l'ARC le montant total payé à ce fournisseur pour ces services. Un formulaire de déclaration de revenus existe expressément à cette fin.

Il peut s'agir d'un paiement unique de plus de 500 \$ versé à ce fournisseur, ou bien de plusieurs paiements au cours d'une année civile qui, ensemble, totalisent plus de 500 \$. Il convient de noter que l'ARC utilise l'expression « déclaration des honoraires ou autres sommes pour services rendus » pour désigner ce processus. Je l'utiliserai donc dans ce contexte.

Des recherches menées par l'ARC indiquent que certaines entreprises ne connaissent pas cette obligation. De plus, l'ARC n'impose aucune pénalité aux entreprises qui ne déclarent pas ces renseignements.

Passez au vote : Combien d'entre vous affirment qu'avant ce soir, vous n'aviez jamais entendu parler de cette obligation en matière de déclaration des dépenses qu'engage une entreprise pour des services?

- b) Demandez aux personnes qui en ont entendu parler :

- **Passez au vote** : Combien d'entre vous produisent un formulaire auprès de l'ARC pour déclarer des honoraires ou autres sommes versées à des fournisseurs pour services rendus?
- Quel est votre degré de compréhension du formulaire utilisé pour déclarer les sommes versées à un fournisseur pour les services qu'il a rendus à votre entreprise?

- c) Demandez à tout le monde : Dans la plupart des cas, les entreprises utilisent le feuillet T4A de l'ARC à cette fin. Vous avez certainement déjà entendu parler du T4 ordinaire, qui est le formulaire qu'une entreprise utilise pour déclarer les sommes versées aux employés. Le feuillet T4A est toutefois utilisé pour d'autres types de déclarations, notamment des sommes versées aux fournisseurs pour services rendus.

Passez au vote : Combien d'entre vous produisent des feuillets T4A et à quelle fin?

4) Réception des feuillets T4A (10 minutes)

Je vais m'éloigner du sujet pendant quelques minutes. Combien d'entre vous font partie d'une entreprise qui est payée pour offrir un service à d'autres entreprises?

(Demandez aux personnes qui offrent un service) Votre entreprise reçoit-elle des feuillets T4A? Si oui, qu'en faites-vous?

5) Description actuelle des obligations en matière de déclaration des honoraires ou autres sommes pour services rendus (10 minutes)

Je vais maintenant vous donner une description de base des obligations de l'ARC en matière de déclaration des honoraires ou autres sommes pour services rendus.

Ensuite, je vais interroger ceux d'entre vous qui **n'avaient pas entendu parler** de ces obligations à savoir ce que vous en pensez, quels autres renseignements à ce sujet pourraient vous être utiles, et quelle incidence, le cas échéant, ces obligations pourraient avoir sur votre entreprise.

Par la suite, je vais interroger les personnes qui **avaient entendu parler** de ces obligations à savoir si vous avez compris la même chose, quels autres renseignements à ce sujet pourraient vous être utiles, quelle incidence, le cas échéant, ces obligations pourraient avoir ou ont eu sur votre entreprise, et quelles sont vos expériences en matière de production de feuillets T4A.

Nous savons que la plupart des entreprises font preuve d'honnêteté. Pourtant, certaines d'entre elles ne produisent pas de feuillets T4A pour le versement des honoraires ou autres sommes pour services rendus, et nous aimerions savoir pourquoi il en est ainsi. Je tiens encore une fois à vous rappeler qu'aucune réponse n'est mauvaise. L'ARC a besoin de savoir quels sont les aspects moins bien compris par les entreprises afin d'élaborer les messages et de produire les renseignements qu'il leur faut pour comprendre les processus en matière de déclaration.

(Distribuez et passez en revue le document) Je vous ai laissé de l'espace pour prendre des notes sur les points que vous pourriez vouloir aborder pendant la discussion.

- ◆ Ne vous préoccupez pas de l'orthographe ou de la grammaire, mais tâchez de prendre des notes sur les choses que vous voulez dire.
- ◆ Ne parlez pas entre vous de ce que vous écrivez afin que chacun ait le temps de formuler ses opinions avant d'entendre celles des autres.

6) Questions à l'intention des personnes qui ne connaissent pas bien la déclaration des honoraires ou autres sommes pour services rendus (50 minutes en tout pour les questions 6 et 7 – nous ne savons pas combien de participants devront répondre à la Q6 ou à la Q7)

- a) Y a-t-il d'autres renseignements dont vous pensez avoir besoin?

Approfondir : Avez-vous besoin de plus d'information sur ce que l'ARC entend par « services », ou croyez-vous que le terme est assez clair? S'il vous faut davantage d'information, que voudriez-vous savoir?

(Si les participants semblent très incertains ou si leur interprétation du terme « services » semble trop étroite, le modérateur devrait dire ceci :) L'ARC définit « services » de manière très vaste. Par exemple, un magasin de détail qui paie une entreprise pour déneiger son stationnement et son trottoir paie des honoraires ou autres sommes pour services rendus. Les personnes qui font ce travail ne sont pas vos employés, mais offrent plutôt un service pour lequel l'entreprise paie. Voici quelques autres exemples de ce que l'ARC définit comme étant des services : comptabilité, services juridiques, publicité, marketing, conception et hébergement de sites Web, livraison, entreposage, transport commercial. Les services publics (chauffage, électricité, téléphone) ne sont toutefois pas considérés comme des sommes pour services rendus.

- b) Comment préféreriez-vous obtenir de l'information sur ces obligations en matière de déclaration et de production?

Approfondir : Sur un site Web de l'ARC qui vous renseigne au sujet de la déclaration des honoraires ou autres sommes pour services rendus? Dans une vidéo qui décrit les obligations en matière de déclaration? Dans un webinaire en direct? Dans un guide téléchargeable?

- c) Selon vous, quels pourraient être les impacts ou les difficultés de ces obligations en matière de déclaration et de production sur votre entreprise?

7) Questions à l'intention des personnes qui ont une certaine connaissance de la déclaration des honoraires ou autres sommes pour services rendus

Remarque : Certaines personnes qui ne connaissent pas bien la déclaration des honoraires ou autres sommes pour services rendus pourraient réagir aux propos des personnes qui la connaissent bien. Le modérateur leur permettra alors de formuler des commentaires.)

- a) Comment avez-vous entendu parler des processus en matière de déclaration des honoraires ou autres sommes pour services rendus ainsi que des feuillets T4A? Où avez-vous obtenu de l'information sur ces obligations?

Approfondir : Avez-vous obtenu de l'information ou de l'orientation auprès de l'ARC ou sur son site Web?

- b) Selon vous, l'ARC fournit-elle suffisamment d'information et d'orientation au sujet de ces obligations? Et sur la production de feuillets T4A?

- c) Y a-t-il d'autres renseignements que vous aimeriez avoir?

Approfondir : Vous faut-il plus d'information sur ce que l'ARC entend par « services », ou croyez-vous que le terme est assez clair? S'il vous en faut plus, que voudriez-vous savoir?

- d) Comment préféreriez-vous obtenir de l'information sur ces obligations en matière de déclaration et de production?

Approfondir : Sur un site Web de l'ARC qui vous renseigne au sujet de la déclaration des honoraires ou autres sommes pour services rendus? Dans une vidéo qui décrit les obligations en matière de déclaration? Dans un webinaire en direct? Dans un guide téléchargeable?

- e) (Posez la question s'il y a lieu) : Plus tôt, certains d'entre vous ont affirmé être au courant des obligations de déclarer les sommes versées aux fournisseurs pour services rendus, sans toutefois produire de feuillets T4A. Pour quelles raisons ne déclarez-vous pas ces sommes?
- f) Selon vous, quelle incidence ces obligations pourraient-elles avoir ou ont-elles eu sur votre entreprise? À quelles difficultés pourrait-elle faire face?

Approfondir :

- Si des feuilles T4A ont été produits :
 - Comment remplissez-vous et produisez-vous les feuillets T4A et le T4A Sommaire?
 - Dans l'ensemble, à quel point est-il facile ou difficile de remplir et de produire des feuillets T4A?
 - Avez-vous éprouvé des difficultés à le faire? Que suggérez-vous à l'ARC pour faciliter ou améliorer la situation?
- Savez-vous si votre logiciel de tenue des comptes ou de préparation de déclarations de revenus comporte une fonction de déclaration des feuillets T4A? Vous servez-vous de cette fonction? Si oui, répond-elle à vos besoins?
- Un fournisseur vous a-t-il déjà demandé de ne pas produire de feuillet T4A pour les services qu'il a rendus? Si oui, quelle était leur raison, selon vous? Comment votre entreprise a-t-elle réagi?

8) Demandez à tout le monde (15 minutes)

- a) Selon vous, pourquoi l'ARC impose-t-elle des obligations en matière de déclaration des honoraires ou autres sommes pour services rendus? Croyez-vous qu'elles soient utiles?

Approfondir : L'un des motifs expliquant ces obligations est qu'elles peuvent dissuader les fournisseurs qui vendent des services de déclarer un revenu moindre, ce qui les ferait payer moins d'impôt qu'ils le devraient. Ces fournisseurs bénéficieraient alors d'un avantage par rapport à la concurrence. Les obligations en matière de déclaration des honoraires ou autres sommes pour services rendus contribuent à uniformiser les règles du jeu en faisant en sorte que chaque fournisseur paie l'impôt qu'il doit payer. Que pensez-vous de cette raison pour laquelle votre entreprise doit déclarer des honoraires ou autres sommes pour services rendus?

- b) **[Si le temps le permet :]** L'ARC veut faire en sorte qu'il soit plus facile pour les entreprises de comprendre et de respecter les obligations en matière de déclaration des feuillets T4A. Je vais décrire plusieurs types de mesures que pourrait prendre l'ARC. Pour chaque mesure, je vais vous demander de lever la main si vous croyez qu'elle serait utile.
- L'ARC surveillerait le nombre de feuillets T4A déclarés par les entreprises relativement à leurs dépenses pour des services. Si elle croit qu'une entreprise déclare moins de feuillets T4A que le font d'autres entreprises similaires, par

exemple, elle lui enverra un avis à cet effet et lui offrira de l'aider à comprendre ses obligations en matière de déclaration de feuillets T4A. L'avis permettra également à l'entreprise d'apporter des correctifs, au besoin, quant à la façon dont elle déclare des feuillets T4A. Croyez-vous que ce type d'avis serait approprié et utile?

- Comme vous le savez peut-être, les entreprises peuvent accéder aux renseignements sur leur compte de l'ARC au moyen du service en ligne « Mon dossier d'entreprise ». L'ARC pourrait envisager d'y inclure tous les feuillets T4A qu'une entreprise envoie ou reçoit.

9) Conclusion (5 minutes)

Nous avons presque terminé. Avant de conclure, voulez-vous mentionner quoi que ce soit en lien avec ce dont nous avons discuté?

Merci de votre présence ici ce soir et de nous avoir fait part de vos opinions.

Veuillez laisser tous les documents sur la table.

N'oubliez pas de voir la personne à la sortie afin de signer et de recevoir l'enveloppe de vos incitatifs.

Groupe 1 : Il y a un autre groupe qui attend d'avoir la même discussion que nous. Je vous demanderais donc de ne pas parler de tout ce qui se rapporte à ce que nous avons fait afin d'assurer que ces participants n'ont pas plus d'information que vous en avez eu avant notre discussion.

Déclaration des honoraires ou autres sommes pour services rendus et feuillet T4A

Le feuillet T4A est utilisé à diverses fins, notamment pour déclarer les dépenses qu'engage une entreprise pour des services. Nous allons aborder uniquement cette utilisation.

- Une entreprise remplit un feuillet T4A pour déclarer la somme versée à un fournisseur à titre de rémunération pour services rendus (la somme exclut la taxe de vente, les biens et matériaux et les autres articles non liés aux services).
- Un feuillet T4A n'est produit que lorsque la somme totale versée à un même fournisseur au cours d'une année civile dépasse 500 \$
- Un feuillet T4A distinct est produit pour chaque fournisseur
- L'entreprise doit également envoyer au fournisseur une copie du feuillet T4A produit auprès de l'ARC
- De plus, l'entreprise produit, auprès de l'ARC, un T4A Sommaire qui résume tous les feuillets T4A produits.
- La date limite pour produire des feuillets portant sur l'année civile précédente et en envoyer des copies aux fournisseurs est le dernier jour de février.

Prenez note de tout ce que vous voulez aborder au cours de la discussion. Par exemple, y a-t-il autre chose que vous aimeriez savoir au sujet des obligations en matière de déclaration? Quelle en serait l'incidence sur votre entreprise, le cas échéant? Prévoyez-vous qu'il sera difficile de respecter ces obligations?
