SERVING YOU BETTER

Report on the Canada Revenue Agency's 2018 Serving You Better Consultations with Small and Medium Businesses

Canada Revenue Agency
Agence du revenu du Canada

Canada

MESSAGE FROM THE MINISTER

Thank you to everyone who participated in the Canada Revenue Agency's (CRA) 2018 Serving You Better (SYB) consultations with small and medium businesses last fall. As a follow up to the 2016 consultations, the CRA was impressed with the quality and quantity of comments and suggestions received in 2018. Thanks to your feedback, the CRA developed an action plan that will deliver new and improved services over the next few years. The consultations also reinforced the Government of Canada's commitment to recognize the importance of small and medium businesses in creating jobs and supporting the economy.

By sharing your comments and suggestions in the fall of 2018, you made a difference. When the CRA introduces a new program or updates an existing service, it wants to make sure that the program or update is meeting the needs of Canadians. The action plan addresses what the CRA heard during the in-person sessions across Canada and the feedback shared through the online consultations. You told the CRA what needs to change and it is working to make those improvements.

In my mandate letter, I was tasked with ensuring that the CRA's programs and services are fair, more helpful, and easier to use. During the SYB consultations, the CRA looked to reach these goals by finding opportunities to provide a better service experience for businesses and accountants. After reading the report, I believe that this has been accomplished. When you read through the report, I hope that you feel the same way.

Rest assured, the work does not stop here. The CRA still needs to bring the SYB action plan into reality. When new improvements become available, we will tell you what they are and how to use them. The CRA is looking forward to making these changes and helping small and medium businesses.

The Honourable Diane Lebouthillier,
Minister of National Revenue

SERVING YOU BETTER

In the fall of 2018, the CRA consulted with small and medium businesses and accountants to get feedback on ways we could make our programs and services more streamlined and client-centric.

WE ARE CONTINUING TO

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

WHAT YOU TOLD US

"Online access to my records is much appreciated."

– Online participant

"Times Zones make it difficult to reach agents working in other areas of Canada."

– Accountant

"Make information on the Canada.ca/taxes website easier to find and navigate."

– CRA employee

"It is difficult to get through on the phone lines."

– Online participant

"Make things easier for the average taxpayer."

– Business owner

Top 10

action items from the 2018 consultations

1. Sign-up to receive an email confirmation when the CRA receives a document or a payment.
2. Upload up to 10 documents at once in the Submit documents online service.
3. A new "Pay" button in the online portals will allow businesses to pay outstanding balances with the click of a button.
4. Expand the Liaison Officer service to incorporated businesses.
5. Represent a Client will be available for estate accounts.
6. The Dedicated Telephone Service for tax preparers is becoming a permanent program.
7. Business owners and their representatives will be able to print certain types of remittance vouchers.
8. Create a new Canada.ca page that lists all CRA services available for businesses.
9. Correspondence about objections will be available in the CRA's online portals.
10. Businesses will be able to watch new informational videos related to taxpayer relief and objections.

"The CRA isn't as intimidating as perceived. We're surprised by all of the effort the CRA is putting forward to help the general public."

– Business owner

HOW WE CONSULTED

In-person

Online

WHO WE CONSULTED

Accountants

Small and medium businesses

CRA employees

Stakeholder associations

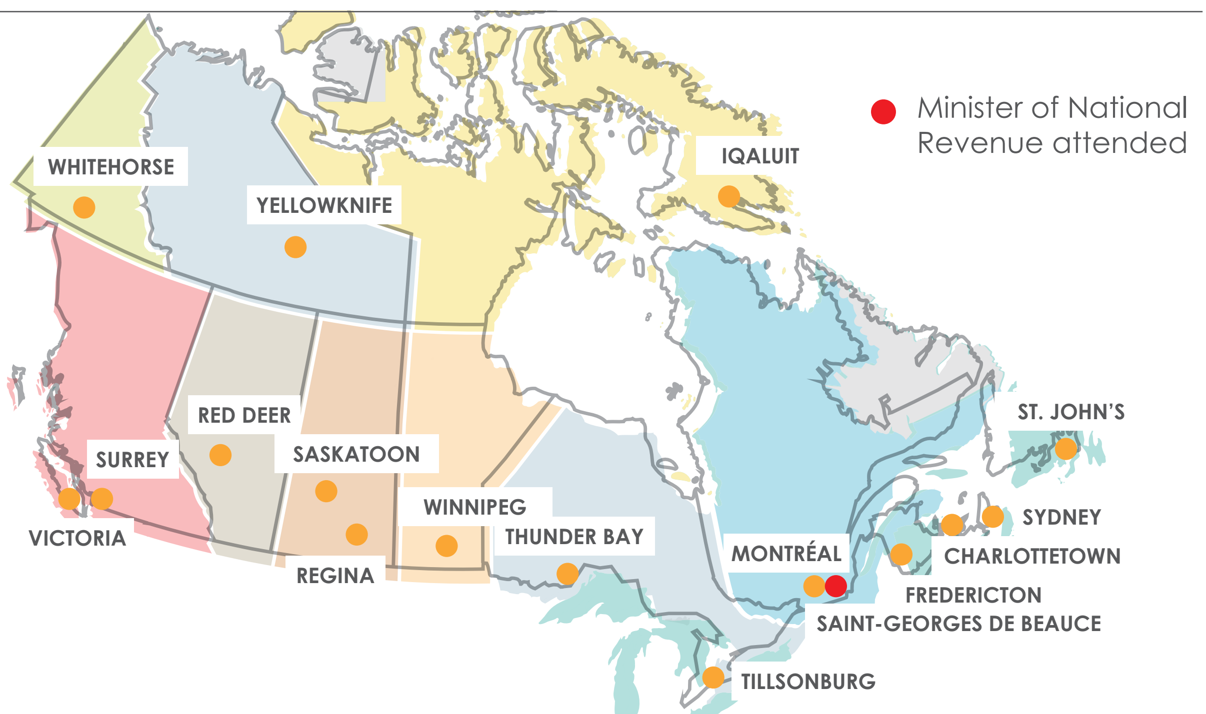
"Businesses join their local chambers of commerce in Canadian communities, large and small, because they know their voices are stronger when they work together. Our members also know that by helping the CRA better understand the tax issues that businesses face, they are playing an active role in making their business, and Canada, more competitive. The Canadian Chamber of Commerce is pleased to add the 2018 Serving You Better consultations to our list of productive partnerships with the CRA. We look forward to future opportunities of collaboration where we can work together to create an environment where it's easier to start and grow a business, and make Canada a place that business people want to invest in."

- The Honourable Perrin Beatty, PC, OC, President and Chief Executive Officer, Canadian Chamber of Commerce

"Our members appreciate getting a chance to have open and frank discussions with senior representatives from CRA at the Serving You Better roundtables. These discussions are an excellent opportunity for CPAs, who are on the front lines, to provide valuable insights on how the CRA can further improve services to make it easier for professional accountants to help clients meet their tax obligations."

- Bruce Ball, FCPA, FCA, Vice-President, Taxation, Chartered Professional Accountants of Canada

WHERE WE WENT



THANK YOU TO OUR PARTNERS

Chartered Professional Accountants of Canada | Canadian Chamber of Commerce

2018 SERVING YOU BETTER CONSULTATIONS WITH SMALL AND MEDIUM BUSINESSES

The Government of Canada is committed to improving the programs and services we offer to small and medium businesses to make sure they have the tools and support to run their business successfully. That is why, on September 26, 2018, the Honourable Diane Lebouthillier, Minister of National Revenue, launched another round of the CRA's Serving You Better (SYB) consultations. These consultations are a key part of the CRA's commitment to improve services offered to Canadians and to recognize small and medium businesses as valued clients.

In recent years, the CRA has consulted regularly with small and medium businesses and their representatives to make our programs and services more streamlined and client-focused. In the fall of 2016, the CRA held SYB consultations with small and medium businesses and accountants and the Report on the Canada Revenue Agency's consultations with small and medium businesses was published in June 2017.

Building on the success of the 2016 SYB consultations, the 2018 SYB consultations were designed to gather feedback on the service improvements that we've made to date, and to get some early insight on some of the initiatives being developed.

HOW WE CONSULTED

For the 2018 SYB consultations, the CRA followed the same model as 2016 and consulted four ways:

In-person

CRA senior officials met with small and medium businesses and accountants. We partnered with CPA Canada and the Canadian Chamber of Commerce to host 21 sessions in 17 cities across Canada.

- Sessions with small and medium businesses took place through the local chambers of commerce in Surrey, Whitehorse, Fredericton, Saint-Georges, Red Deer, Yellowknife, Sydney, Saskatoon, Iqaluit, and Tillsonburg.
- Sessions with accountants took place through CPA Canada provincial bodies in Victoria, Whitehorse, St. John's, Charlottetown, Thunder Bay, Winnipeg, Yellowknife, Red Deer, Sydney, Regina, and Montréal.

Online

Businesses and accountants that were not able to attend an in-person session, or preferred to share their feedback in writing, were invited to share their comments using our online tool, CRA Engage.

CRA employees

All CRA employees were invited to provide their ideas for service and program improvements online. Front-line CRA employees, who interact with small and medium businesses and accountants daily, were asked to identify targeted areas for improvement.

Industry associations

We reached out to key industry stakeholders for suggestions and feedback from their membership.

In the next few pages, you will find highlights of what we heard from the small and medium business community across Canada, as well as our SYB action plan for 2019 to 2021.

You can stay up to date and track our progress as we implement our new action items at Track how the CRA is helping small and medium businesses.

Following the action plan, you will find information on the Northern Service Improvement Strategy and an overview of the CRA's longer-term initiatives to help the business community.

Did you know?

Small and medium businesses make up 99.8% of all businesses in Canada and employ more than 10.7 million Canadians as outlined in Innovation, Science and Economic Development Canada's Key Small Business Statistics report released in January 2019.

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

In today's world, the digital environment is constantly evolving. That's why we are committed to continually improving our digital services to meet your needs and expectations.

What you said

Some of you told us that you would like the option to receive some or all of your correspondence online, and that you really like our new How-to videos but they are hard to find. You also said that when you send documents to the CRA, you have no way of knowing if we received them. Accountants told us they'd like to use Represent a Client for estate accounts.

What we are going to do

- We are improving the Submit Documents service for a better user experience. For example, you will be able to upload multiple documents (up to 10), and you will receive an email confirmation when documents are sent to the CRA. You will also be able to electronically send documents for new owner updates, for example, updates of a new Director, a new Chief Executive Officer, or a new Chief Financial Officer for a corporation or a new partner for a partnership; and provide estate documents electronically.
- We are making more correspondence available in the online portals. For example, soon you will be able to get certain appeals letters, charities letters and non-filer letters in My Business Account (MyBA).
- We are going to make our How-to videos available on relevant Canada.ca pages, in addition to being available on the CRA's YouTube channel.
- We are enhancing the Represent a Client interface to add an easy to find "What's New" link in the portal that will help representatives find reference materials while still maintaining their secure connection.
- Represent a Client will be made available for estate accounts.
- We will leverage existing communication methods and tools to raise awareness about our digital services. Look for updates on CRA's Twitter, LinkedIn, Facebook, as well as, Canada.ca and the redesigned Notice of Assessment.
- We are making the processing status of certain special elections and returns, for example Schedule 89 - Request for a Capital Dividend Account Balance Verification and Form T2054 – Election for a Capital Dividend Under Subsection 83(2), available in MyBA.

> "Videos should be made more obvious and available on Canada.ca."
>
> – Business owner

Did you know?

In addition to the CRA's YouTube channel, you can also find all of our videos, podcasts, webinars, infographics, audio clips and more in the CRA Multimedia library and our Business video gallery.

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

We want to make it as easy as possible for Canadians to fulfill their tax obligations. That's why we are continually working to convey information in a way that is accessible and meaningful to our clients.

What you said

Some businesses seem unaware of the many services available at the CRA, such as the Liaison Officer service. For those aware of the service, you told us you would like to be able to access it as an incorporated business. You told us we should work with our stakeholders in the business community more frequently to promote our messaging about what's new or what we're working on at the CRA. You also told us that online mail is great, but when you received an email notification that you had mail, you wanted to know more about what type of correspondence was waiting in your online account. You were pleased with the improvements to the business enquiries telephone service, but you would like extended hours so it's more convenient to call before or after regular business hours.

> "The Liaison Officer service is especially useful to taxpayers without representatives to assist in avoiding common errors."
>
> – Business owner

What we are going to do

- We will reach out to industry stakeholders to explore further leveraging their communication channels to promote awareness of our services.
- Introduce the Liaison Officer service to incorporated businesses.
- We will update the email notification to individuals and businesses to let them know the type of correspondence that is waiting for them in the online portal.
- We will explore the feasibility of extending the hours of our business enquiries telephone service and look at ways to make it easier for representatives to navigate the Interactive Voice Response (IVR) options. Additionally, we will be keeping as a permanent service the Dedicated Telephone Service, which provides tax service providers access to CRA employees who can help with complex technical issues.
- We will create a new Canada.ca page that lists all services the CRA offers to small and medium businesses.

Did you know?

Authorized representatives can access a Notice of Assessment after a return is processed by the CRA, even if their client is not signed up for MyBA.

3 | WE WILL CONTINUE TO CLARIFY INFORMATION ABOUT PAYMENT OPTIONS

We understand that payments can sometimes be a source of frustration for businesses. Based on your feedback and suggestions, we are going to make some major improvements to our existing payment options.

What you said

Many businesses told us they were not aware of the different payment options available to them. You also told us that it is challenging to make T2 and payroll payments online. You would like to be notified when the CRA receives a payment, and you would like to be able to print your own remittance vouchers. Sole proprietors currently cannot make GST/HST payments from their individual bank accounts, which sometimes causes them to apply payments incorrectly to their T1 account.

What we are going to do

- We will reach out to industry stakeholders to explore further leveraging their communication channels to promote awareness of our payment options more consistently and frequently.
- We are developing a new "Pay" button that will be available in MyBA and some GST/HST digital filing venues. It will allow businesses to pay outstanding balances with the click of a button, much like what is available through the CRA BizApp.
- You will be able to receive an email confirmation when the CRA receives your payment. Make sure to sign-up for this service and be registered in one of our online portals.

> "Taxpayers want to use the payment option that is best for them."
>
> – CRA employee

- We are working towards allowing businesses and their representatives to print certain types of remittance vouchers.
- We will implement a new electronic payment option allowing employers to make garnishee payments to the CRA (currently, only able to make such payments through the mail).
- We will create education products to better inform GST/HST sole proprietors about the options available to make payments on their GST/HST account and ensure that our Business Enquiries agents have this information when addressing calls on this matter.

Did you know?

The CRA accepts various payment methods depeding on the nature of your payment. For example, you can pay online using PayPal or BizApp and you can pay in-person at your Financial Institution or Canada Post.

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

The audit, collections and appeals processes can sometimes be overwhelming, even for the most experienced business owner. That's why we are making things easier and implementing changes to improve your experience.

What you said

Some accountants told us that they would like correspondence related to their objections to be available in Represent a Client. Some taxpayers seem unaware of the CRA's taxpayer relief programs and are confused by our forms and instructions. You also told us that the process to receive a clearance certificate takes a long time.

What we are going to do

- We are going to make more correspondence related to objections available in the online portals, for example, MyBA.
- We are developing videos on taxpayer relief and the objections process, which you will be able to find in the CRA's Business video gallery.
- We are revising the Form RC 4288 Request for Taxpayer Relief – Cancel or Waive Penalties or Interest to make it easier to fill out. Also we are releasing an electronic version that will allow taxpayers to submit their request electronically.

> "I've been an executor twice and there is a lot of paper! Anything online would be helpful as it is very frustrating to wait."
>
> – Business owner

- We have automated our internal processes to reduce the time it takes for the CRA to process a clearance certificate for individuals (T1). To supplement this we are developing a similar automated process for trusts (T3). We are also exploring the development of an online fillable version of Form TX19, Asking for a Clearance Certificate, allowing authorized representatives to request a clearance certificate directly through Represent a Client.

Did you know?

If you're not sure if you should file an objection or if there is another way to resolve your dispute, you can use the new interactive decision tool for income tax objections and GST/HST objections on Canada.ca to help determine the option that is best for you.

NORTH OF 60°

Through our SYB consultations in the fall of 2018, we had the opportunity to meet with small and medium businesses and accountants in the northern regions of Canada. Although most of what we heard is consistent with what we heard from the business community across Canada, participants in Whitehorse, Yellowknife, and Iqaluit voiced specific concerns related to the unique challenges of living in the north, for example, a higher cost of living, environmental hardships, and limited access to services (including internet).

As indicated in the 2017 Report on the Canada Revenue Agency's consultations with northern residents, we heard about the challenges you face when trying to meet your tax obligations. In particular, we heard that we need to provide more help to territorial residents so they can file income tax and benefit returns and receive the benefits to which they are entitled and that it is difficult to comply with the lowest return airfare element of the northern residents deductions.

With the Northern Service Improvement Strategy (NSIS), the CRA is using recommendations from the SYB consultations in the north, as well as comments gathered from northern residents who participated in roundtables with the Minister of National Revenue, to build on the Agency's first efforts in Yukon. With this strategy, the CRA has further enhanced service in Whitehorse and extended that enhanced service to Yellowknife and Iqaluit.

Northern Service Improvement Strategy

In February 2019, we opened three new Northern Service Centres (NSCs) in Whitehorse, Yellowknife and Iqaluit. These NSCs provide year-round support for individuals and businesses in Yukon, the Northwest Territories, and Nunavut, and give the CRA a physical presence in northern Canada.

Some of the services available through the NSIS include:

- Support for Community Volunteer Income Tax Program clinics, where volunteers file income tax and benefit returns free of charge for individuals with a modest income and a simple tax situation.
- Dedicated phone lines to connect individuals and businesses with CRA employees who are familiar with northern tax issues.
- Extended Liaison Officer capacity to offer on-site visits for businesses and group seminars adapted to include specific issues related to carrying-on business in the north and Territorial taxes.
- Expanded outreach activities and in-person information sessions to raise awareness of the benefits, credits and deductions that individuals may be entitled to.
- We are streamlining the process for claiming the lowest return airfare portion of the Northern residents deductions. The proposed changes would allow northern residents to document the cost of airfare in a reasonable timeframe before the date of travel, even if it is not the lowest airfare available. The airfare amount could be obtained more easily since it could be documented before the date of travel and there would no longer be the requirement to ensure that it was the lowest airfare available. The airfare would still have to correspond to the day of travel.
- Educational activities were done before the start of the 2019 tax-filing season on the northern residents deductions, to help more Canadians successfully claim the deductions without error.

2021 AND BEYOND

In the coming years, you can expect big changes to our online services. We are working towards a redesign of the My Account, MyBA, and Represent a Client portals to create a seamless common user experience for taxpayers and their representatives. Some of the changes include one single logon for all portals, dashboard views, a built-in communications centre, and easier management of personal information.

In the near future, business owners and representatives will also be able to ask for payment transfers between a personal account and a business account right inside MyBA without having to call the CRA. We will continue to make more correspondence available online, but in the meantime, anything not available online will still be printed and mailed to you.

Last but not least, we are working on a project that will allow taxpayers to track the status of their file. As part of this project, we are exploring the possibility of providing payment status information in the portal. The project will be rolled out in multiple phases, and it will be designed with your help through client experience research.

> "Appreciative that the CRA is hosting these sessions across the country in order to better CRA services for the public."
>
> – Accountant

IN CASE YOU MISSED IT…

Since our SYB consultations and our last action plan in 2017, we have made many additional service and program improvements. In case you missed their release, here are some of the new programs and services available to help streamline your interactions with the CRA.

Digital Services

We have been using data analytics in the online portals and portal exit surveys to track user experience and identify common irritants. This data will be used to improve our digital services.

Business Enquiries

We've moved the telephone enquiries program to a new Hosted Contact Centre Service telephone platform. Our new platform provides more efficient service through national and skills based routing which sends calls to the right agent faster based on their skill set and training. Additionally, we are now able to provide callers with estimated wait times to speak with an agent.

Canada.ca

Since switching to the Canada.ca platform, some businesses have told us that they are having a hard time finding information on our website. We are continuously improving our search engine to improve its functionality and features. We added the "contextual search" function that allows users to only search within CRA maintained pages. Look for "Search CRA" in the search box on CRA pages instead of "Search Canada.ca."

Business Fees for Service and T4A Reporting

As part of our ongoing efforts to gather feedback and inform our external partners, we created a webinar to provide taxpayers and accountants with more information on the T4A reporting process. This webinar, Business fees for services and T4A reporting aired on February 20, 2019. We will continue to seek stakeholder feedback on the reporting requirement on the T4A.

Objections

Various options are available to taxpayers that might make filing an objection unnecessary. To help you decide the best option for you, we created two interactive decision tools, one for income tax disputes and one for GST/HST disputes. These can help you decide if you need to file an objection, or if there is another way to handle your dispute.

Post-Audit Survey

The CRA continuously looks for ways to improve the audit experience. That's why we invite small and medium businesses that have gone through an income tax or GST/HST audit to provide feedback by completing the CRA's post-audit survey online. Responses are anonymous and will be used to help identify the areas we need to improve.

THE FAX MACHINE

We heard you! In a digital world where smartphones and email are quickly becoming the norm, the idea of faxing your documents to the CRA seems outdated. However, the CRA still receives approximately 11 million faxes per year.

The CRA does not require businesses to fax information. However, the use of the fax machine gives Canadians another, and for some a more convenient option, when providing documents to the CRA. That is why we continue to accept faxes from taxpayers across Canada.

Many businesses or their representatives are not signed up for the My Account, MyBA or Represent a Client portals, which prevents them from being able to use the Submit documents online service.

That service lets businesses or their representatives scan and send their documents in a secure environment. The service makes sending documents to the CRA easier and more efficient, plus you will get a confirmation number and a reference number to use in future communications with the CRA.

In addition to not being registered for an online account, some businesses have limited or no access to high speed internet, which is required to use the portals. In these cases, the fax machine is the next best alternative to avoid the effort and cost of mailing documents or sending them by courier.

If you are not signed up for one of our online portals, there are software products available online that allow you to send your documents (in PDF format) to a fax machine using your computer.

Did you know?

If you are not signed up for one of our online portals, there are software products available online that allow you to send your documents (in PDF format) to a fax machine using your computer!

YOUR FEEDBACK LEADS TO MEANINGFUL IMPROVEMENTS!

Here are a few examples of what the CRA has implemented based on the 2016 SYB Consultations with small and medium businesses.

- Made signing up for the CRA's online services faster. With telephone authorization, you can now phone the CRA to get a security code sent to you instantly by email.
- Created a series of short videos that shows businesses how to use the individual features of MyBA.
- Created a mobile app for businesses to help manage interactions with the CRA.
- Let you give your employees T4 information slips in electronic format so long as your business meets certain conditions set by the CRA.
- Launched a targeted three-year pilot for a new dedicated telephone service. This pilot project lets income tax return preparers call experienced CRA staff who can help with more complex technical issues.
- Expanded the Liaison Officer Assistance Requests pilot program. Today, small businesses from across Canada can book an in-person visit or group seminar through the Liaison Officer service.
- Let corporations view the assessed value of T2 Corporation Income Tax returns and schedules and their CRA-verified capital dividend account balance in MyBA.
- Let business representatives file requests for authorization with commercial software.
- Implemented T2 Auto-fill through commercial software.
- Let business owners and representatives create their own filing and balance confirmation letters in MyBA.
- Continued to improve the clarity, language and layout of our notices and letters to make them easier to understand.
- Improved the information available in MyBA to explain to users how to fix misallocated payments where and when they want to.
- Made the remittance voucher order form more prominent in MyBA to help you order remittance vouchers online.
- Improved the time it takes to resolve an objection. In the fall of 2016, we developed a comprehensive action plan to improve timeliness and better inform Canadians of the expected and actual timeframes for resolving an objection based on complexity level.
- Improved audit processes and communications with businesses and their representatives. We launched a post-audit survey for small businesses to learn your views and we are monitoring your feedback.
- Enhanced the clearance certificate process by communicating earlier when you apply, and by providing information that helps identify situations for which you may not need a clearance certificate.
- Ensured national consistency by communicating collection procedures to audit branches and offering training for auditors.

Did you know?

The dedicated telephone service provides tax help for income tax service providers including Chartered Professional Accountants (CPAs) as well as non-CPAs (bookkeepers, lawyers, and notaries).

A FINAL WORD

The CRA would like to thank its partners, the Canadian Chamber of Commerce and the Chartered Professional Accountants of Canada, for continuing to have an active role in making sure our products and services are tailored to the needs of Canadians. We are grateful for your help in ensuring the success of the consultation sessions.

Thank you to all those who participated in the 2018 SYB consultations. Our goal at the CRA is to put our clients at the centre of everything we do. That is why your comments and suggestions are so important to helping us offer you the right services at the right time.

Thank you to the participants in Whitehorse, Yellowknife, and Iqaluit. Your insight gives us a better understanding of the unique challenges that come with living in the northern regions of Canada and helps us tailor more products and services to your needs.

The CRA also thanks all the provincial, territorial, and local government representatives who attended the SYB consultations. Your support helps us align our products and services with the business community's standards and expectations.

STAY CONNECTED

For more information and to stay up to date visit us at: canada.ca/en/revenue-agency/campaigns/consultations-small-med-businesses

Don't forget to bookmark Track how the CRA is helping small and medium businesses!

To receive updates on what's new at the CRA, you can:

- Like the CRA on Facebook
- Follow the CRA on Twitter @CanRevAgency
- Follow the CRA on LinkedIn
- Subscribe to a CRA electronic mailing list
- Add our RSS feeds to your feed reader
- Watch CRA tax-related videos on YouTube

"Our staff feels involved and engaged, citing the usefulness of the process. It creates internal partnerships amongst divisions and individuals and definitely serves the public."

— CRA Team Leader

"As a member of CPA Ontario and a manager within the CRA, I was proud of the session and feel the attendees appreciated the CRA's commitment to engage smaller communities, listen and take action."

— CRA manager