2025 to 2026 Annual Report to Parliament

on the Administration of the Privacy Act

Canada Revenue Agency | Agence du revenu du Canada

Canada

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Introduction

In keeping with section 72 of the *Privacy Act*, each year the head of every federal government institution prepares and submits a report to Parliament outlining how their institution administered the *Privacy Act*.

The following report is tabled in Parliament under the direction of the Minister of National Revenue. It describes how the Canada Revenue Agency (CRA) administered and fulfilled its obligations under the *Privacy Act* between April 1, 2025, and March 31, 2026. The report also discusses emerging trends, program delivery, and areas of focus for the year ahead.

Privacy Act

The *Privacy Act* protects the privacy of individuals by defining strong requirements on how government institutions collect, retain, use, dispose of, and disclose individuals' personal information. As well, it gives individuals or their authorized representatives the right to access (with a few specific exceptions), request a correction to, and add notes to their information.

The Act's formal processes do not replace other ways of getting federal government information. The CRA encourages individuals and their representatives to get taxpayer information through its online self-service channels, such as **My Account** and **Represent a Client**. The CRA encourages individuals, businesses, and other groups to consider getting information through proactive disclosure online at **canada.ca/en** or through the CRA's automated and toll-free phone lines.

Table of contents

Introduction 3
About the Canada Revenue Agency 5
Performance 10
Continuous improvement initiatives and projects 15
Training and awareness 17
Privacy management 20
Privacy breach management 22
Privacy impact assessments 25
Summary of key issues and actions taken on complaints 25
Monitoring compliance 27
Public interest disclosure 28
Conclusion 29
Appendix A: Summaries of completed privacy impact assessments 30
Appendix B: Delegation order 33

About the Canada Revenue Agency

The Canada Revenue Agency (CRA) promotes and ensures compliance with Canada's tax legislation and regulations and plays an important role in the economic and social well-being of Canadians. The CRA does this by administering tax programs for the Government of Canada and for provinces and territories. It also administers various social and economic benefits and incentive programs delivered through the tax system.

In addition, the CRA has the authority to partner with the provinces, territories, and other government bodies to share information. It can also administer services at their request for a fee. The CRA did not have any wholly owned subsidiaries at any time during the reporting period and did not have any service agreements under section 73.1 of the *Privacy Act* to provide privacy request related services to other government institutions under that responsibility of the Minister of National Revenue.

The CRA governance structure is more complex than most departments given its status as an agency with unique authorities. It includes a minister, a commissioner and chief executive officer, and a deputy commissioner, similar to other government departments. In addition, the CRA also has a board of management and a taxpayers' ombudsperson.

The **Minister of National Revenue** is accountable to Parliament for all the CRA's activities, including administering and enforcing the *Income Tax Act* and the *Excise Tax Act*.

The **Board of Management**, which the *Canada Revenue Agency Act* established, consists of 15 members appointed by the Governor in Council. Eleven of these are directors nominated by the provinces and territories. The other four members include the chair, the commissioner of the CRA and two directors nominated by the Government of Canada.

The Board is responsible for overseeing the:

- organization and the administration of the CRA
- management of the CRA's resources, services, property, personnel, and contracts
- development of the corporate business plan
- approval of the CRA's departmental results reports and its audited financial statements

As the CRA's chief executive officer, the **Commissioner** is responsible for the day-to-day administration and enforcement of the program legislation that falls under the Minister of National Revenue's delegated authority. The commissioner is accountable to the Minister and must assist and advise them about the legislated authorities, duties, functions, and Cabinet responsibilities. The Commissioner is also an ex-officio member of the Board and is accountable to it for the:

- daily administration of the CRA

- supervision of its employees
- implementation of management policies

The Commissioner is supported by the **Deputy Commissioner**, and together they make sure operations are guided by the CRA's vision to be a world-class tax and benefits administration that is trusted, fair, and helpful.

The CRA is made up of 13 functional branches and 4 regional offices across the country:

Branches

- Appeals
- Assessment, Benefit and Service
- Audit, Evaluation, and Risk
- Collections and Verification
- Compliance Programs
- Finance and Administration
- Human Resources
- Information Technology
- Legal Services
- Legislative Policy and Regulatory Affairs
- Public Affairs
- Security
- Service, Innovation and Integration

Regions

- Atlantic
- Ontario
- Quebec
- Western

Chief privacy officer

The Assistant Commissioner of the Public Affairs Branch is the CRA's Chief Privacy Officer. The Chief Privacy Officer has a broad mandate of overseeing privacy at the CRA. To fulfill this mandate, the chief privacy officer:

- oversees decisions related to privacy, including privacy assessments
- champions personal privacy rights (for example, by managing internal privacy breaches) according to legislation and policy
- reports quarterly to the CRA's senior management on the state of privacy management at the CRA

Agency Security and Privacy Executive Council

The Agency Security and Privacy Executive Council includes 18 key senior executives. The Chief Privacy Officer and the Agency Security Officer are joint chairs. During the reporting period, the Council met four times.

The mandate of the Council is to:

- facilitate a horizontal approach to oversee the governance, management, and risk mitigation activities relating to security and privacy at the CRA

- function as a steering committee, consulting on the direction of privacy and security matters
- recommend courses of action to regions, branches, the Commissioners' Office and the Board of Management

Director General Security and Privacy Committee

The Director General Security and Privacy Committee is a director general level committee, co-chaired by the Public Affairs Branch and the Security Branch. During the fiscal year, five meetings were held.

The mandate of the Committee is to:

- support the Agency Security and Privacy Executive Council
- provide oversight and guidance on security and privacy risks and issues

Access to Information and Privacy Directorate

The Access to Information and Privacy (ATIP) Directorate helps the CRA meet its legislative requirements under the *Access to Information Act* and the *Privacy Act*. To fulfill this mandate, the ATIP Directorate:

- responds to requests under the *Access to Information Act* and the *Privacy Act*
- responds to enquiries, consultations, complaints, and informal disclosure requests
- offers advice and guidance to CRA employees on how to properly manage and protect personal information under the CRA's control
- reviews and, if needed, publishes information to be proactively disclosed, including briefing note titles and committee material
- gives ATIP training and awareness sessions
- coordinates the privacy assessment process within the CRA, including giving expert advice to CRA employees on privacy implications and how to avoid and reduce risks
- oversees privacy breach management activities at the CRA, including providing employees with guidance, tools, and support required to identify, contain, and mitigate privacy breach risks
- develops and updates corporate policy instruments, procedures, and practices related to the *Access to Information Act* and the *Privacy Act*
- communicates with the Treasury Board of Canada Secretariat and the offices of the information and privacy commissioners of Canada about policy and legislative requirements, complaints, and investigations
- fulfills corporate planning and reporting obligations, such as the CRA's annual reports to Parliament on the administration of the *Access to Information Act* and the *Privacy Act*
- produces multiple reports that capture key statistics about the CRA's inventory of ATIP requests and key privacy performance indicators to assess, monitor, and improve the CRA's access to information and privacy programs

The ATIP director general and deputy chief privacy officer has the full delegated authority of the Minister of National Revenue under the *Access to Information Act* and the *Privacy Act*. As well, their responsibilities include:

- managing and coordinating the ATIP program
- leading strategic planning and development initiatives
- supporting the assistant commissioner of the Public Affairs Branch and chief privacy officer of the CRA in the role of ATIP governance

Directorate employees are mainly located in Ottawa, Montréal, and Vancouver. In the 2025 to 2026 fiscal year, the Directorate was made up of the equivalent of 207 full-time employees and 3 consultants who supported the administration the *Access to Information Act* and the *Privacy Act* at the CRA.

Organizational changes

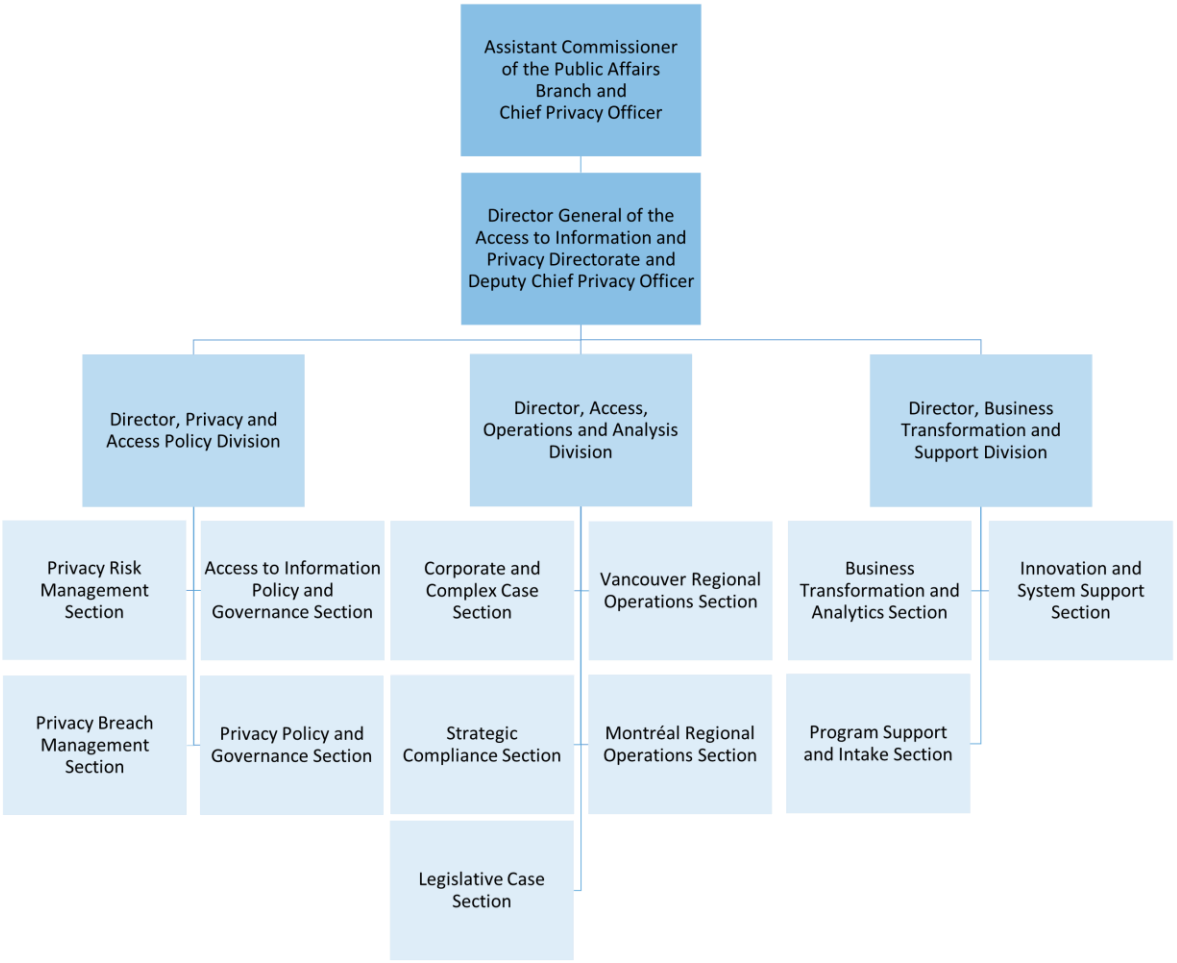
In the 2025 to 2026 fiscal year, the ATIP Directorate made targeted organizational changes to strengthen its capacity to meet statutory obligations under the *Access to Information Act* and the *Privacy Act*. At the same time, the Directorate advanced modernization and service delivery initiatives. These changes were made to respond to increasing request complexity and rising inventories, by streamlining functions, optimizing resources, and enhancing quality assurance.

Towards this end, the ATIP Directorate realigned core functions across divisions to better support strategic priorities:

- The Privacy and Access Policy Division expanded its responsibilities to include access to information and privacy request complaints. Integrating this function with policy, governance and quality assurance will further strengthen compliance and help identify systemic issues.
- The Business Transformation and Support Division consolidated ATIP intake activities under the Program Support and Intake Section, improving coordination, efficiency, and oversight.
- The Access, Operations and Analysis Division refined its focus on core processing activities, enabling greater specialization and effectiveness.

The following chart shows the revised structure of the ATIP Directorate.

Figure 1: Organizational structure of the ATIP Directorate



Delegating responsibilities under the *Privacy Act*

As head of the CRA, the Minister of National Revenue is responsible for how the CRA administers and complies with:

- the *Privacy Act*
- the Privacy Regulations
- related Treasury Board of Canada Secretariat policies

Subsection 73(1) of the Act gives the Minister the authority to designate one or more CRA officials to perform all or part of the Minister's powers, duties, and functions under the Act.

The Honourable François-Philippe Champagne, Minister of National Revenue, signed the CRA's current delegation order for the *Privacy Act* on October 7, 2025. The order identifies specific provisions of the Act and its regulations that the Minister delegated to various positions within the CRA.

The ATIP Directorate's director general and deputy chief privacy officer, directors, assistant directors, managers, technical reviewers/advisor, analysts and senior analysts have been delegated to exercise certain powers, duties or functions of the Minister under the Act and related regulations set out in the schedule.

For the delegation order and schedule, see "Appendix B: Delegation order."

Performance

This section of the report covers ATIP Directorate performance during the reporting period. Some totals may add up to more than 100% due to rounding.

Operational environment

As the chief administrator of federal, provincial, and territorial tax laws, the CRA maintains one of the largest repositories of personal information in the Public Service of Canada. In addition, the CRA collects and manages the personal information of its workforce of over 50,000 individuals. Canadians trust the CRA with their personal information, and the CRA takes the protection of that information very seriously.

The ATIP Directorate processes one of the largest volumes of requests and pages of any federal institution. According to the latest statistics from the Treasury Board of Canada Secretariat, in the 2024 to 2025 fiscal year, the CRA processed the fourth-largest number of requests and the seventh-largest volume of pages of any federal institution that responds to *Privacy Act* requests.

The number of requests the CRA received under the *Privacy Act* in the 2025 to 2026 fiscal year (3,347) was 67% lower than in the previous year (10,027). This significant decrease is largely attributed to a sustained behavioural shift following the implementation of the Fast Track Redirect Project. For more information on the Fast Track Redirect Project, please see the "continuous improvement initiatives and projects" section. The decrease in redirected requests through this initiative (5,751 fewer requests, from 5,959 in the 2024 to 2025 fiscal year to 208 in the 2025 to 2026 fiscal year) accounted for approximately 86% of the overall decrease in *Privacy Act* requests received during the reporting period.

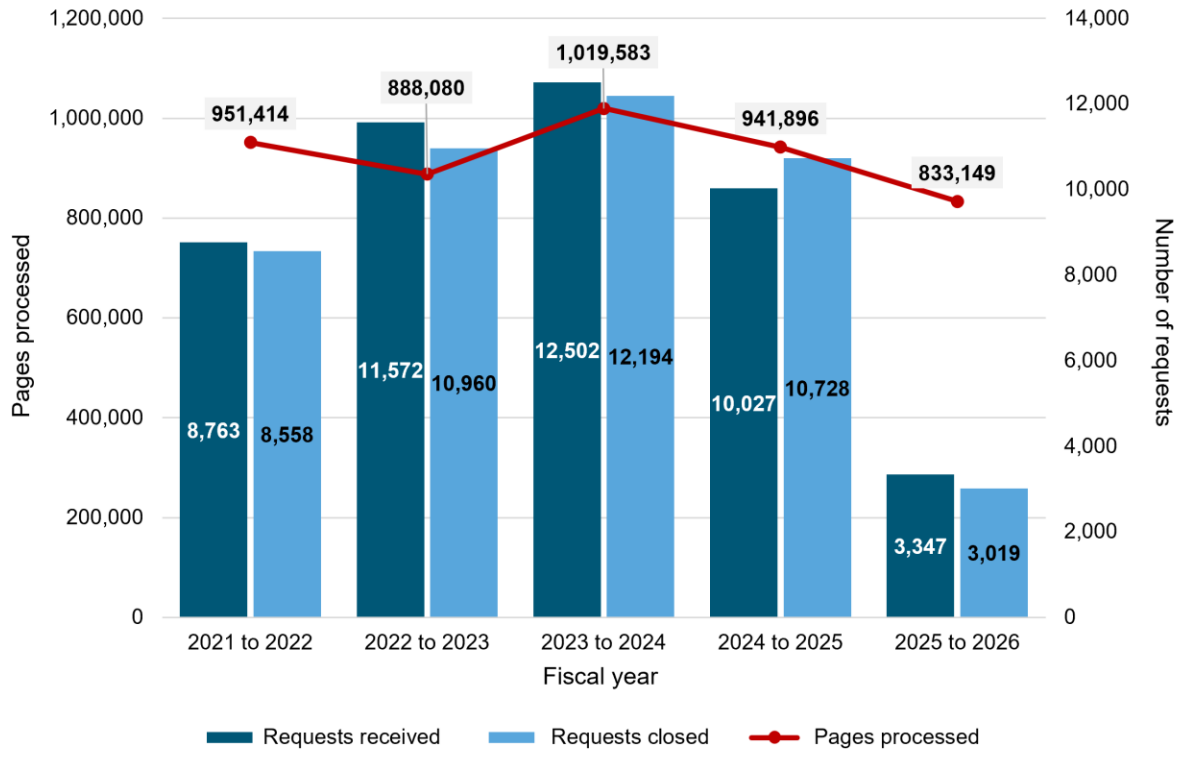
During the reporting period, 716 requests were redirected from formal to informal channels, representing an increase of 21% compared to the previous fiscal year (593). These redirected requests support access to personal information through more efficient service streams, and reflect a continued shift in how Canadians seek and obtain their information from the CRA.

The CRA completed 72% fewer requests in the 2025 to 2026 fiscal year (3,019) compared to the previous year (10,728), reflecting the reduced intake of formal requests, and the increased complexity of the remaining requests. As simpler requests continued to be redirected to self-service channels, the Directorate's workload consisted

of more complex requests, requiring greater processing time. This shift, combined with ongoing operational challenges, such as reduced workforce levels and sustained backlog pressures, further contributed to this decrease. In addition, the transition to, and ongoing optimization of the ATIPXpress system continued to affect processing timelines. Challenges related to the stability of ATIPXpress system updates resulted in system issues, further compounding operational pressures across the ATIP Directorate. While longer-term efficiencies are still anticipated, these disruptions have continued to impact the overall performance of the Directorate.

The chart below shows the trend of requests received, requests completed, and pages processed under the *Privacy Act* over the past five years.

Figure 2: *Privacy Act* request trend

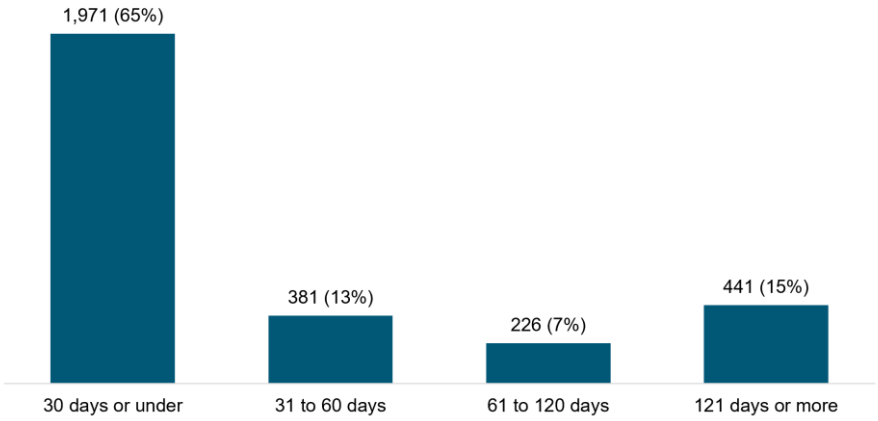


Compliance and completion times

Of the 3,019 requests completed during the reporting period, the ATIP Directorate completed 2,333 (77%) requests within the timelines required by law. This means it completed those requests within 30 calendar days or within an extended deadline. This is a 13% decrease compared to the previous reporting period.

The chart below shows the completion time for the 3,019 requests completed in the 2025 to 2026 fiscal year.

Figure 3: Completion time for *Privacy Act* requests



Disposition of completed requests

The table below shows the disposition of the 3,019 requests completed under the *Privacy Act*.

Table 1: Disposition of requests completed under the *Privacy Act*

Disposition of requests	Number of requests	Percentage of requests
All disclosed	738	24%
Disclosed in part	739	25%
All exempted	0	0%
All excluded	0	0%
No records exist	213	7%
Request abandoned	1,329	44%
Neither confirmed nor denied	0	0%

Open requests and complaints from previous reporting periods

At the end of the fiscal year, the CRA had 1,497 *Privacy Act* requests outstanding, of which 27% were received before the 2025 to 2026 fiscal year. Of these requests, 364 were within legislated timelines, and 1,133 were completed beyond legislated timelines.

The table below shows the number of requests the CRA carried over to the next reporting period, broken down by the fiscal year in which the request was received.

Table 2: Active *Privacy Act* requests by fiscal year received

Fiscal year open requests were received	Open requests that are within legislated timelines as of March 31, 2026	Open requests that are beyond legislated timelines as of March 31, 2026	Total
2025 to 2026	364	728	1,092
2024 to 2025	0	308	308
2023 to 2024	0	92	92
2022 to 2023	0	5	5
Total	**364**	**1,133**	**1,497**

At the end of the fiscal year, the CRA had 57 open complaints with the Office of the Privacy Commissioner of Canada. The table below shows the number of complaints the CRA carried over to the next reporting period, broken down by the fiscal year in which the complaint was received. The CRA continues to maintain a collaborative relationship with the Office of the Privacy Commissioner of Canada and has submitted its representations on the oldest complaints shown in the table.

Table 3: Active *Privacy Act* complaints by fiscal year received

Fiscal year the open complaints were received	Number of active complaints as of March 31, 2026
2025 to 2026	38

2024 to 2025	4
2023 to 2024	4
2022 to 2023	2
2021 to 2022	1
2020 to 2021	2
2019 to 2020	2
2018 to 2019	3
2017 to 2018	1
Total	**57**

For more information on complaints, see the “Summary of key issues and actions taken on complaints” section.

Reasons for extensions

The *Privacy Act* sets the timelines for responding to requests for personal information. The Act allows time extensions when:

- meeting the original time limit would unreasonably interfere with operations
- there is a need to consult with a government institution or another third party
- there is a need to translate or convert records into another format

Of the 3,019 requests completed in the 2025 to 2026 fiscal year, the CRA applied extensions to 713 (24%) of them. In 703 (99%) of these cases, the CRA applied extensions due to workload and because meeting the original 30-day time limit would have interfered unreasonably with CRA operations. The CRA applied the remaining 10 extensions to translate records or convert them into other formats.

Consultations completed for other institutions

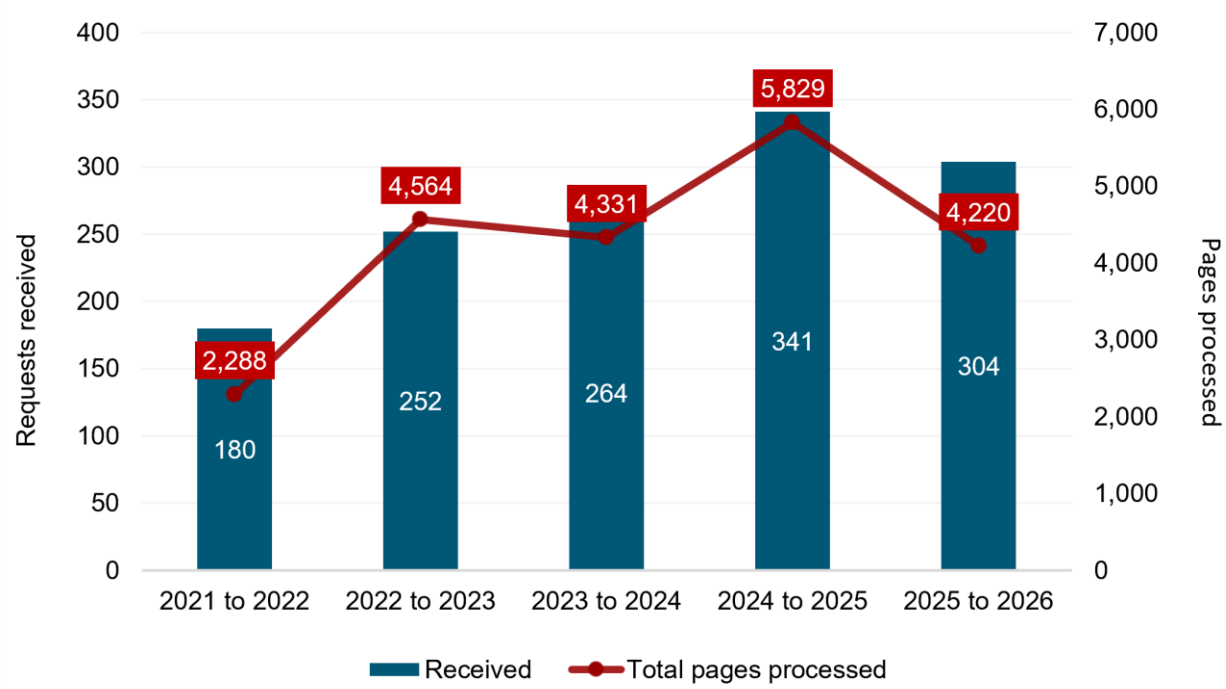
During the reporting period, the ATIP Directorate did not receive or complete any consultation requests from other government institutions or other organizations.

Internal consultations

During the reporting period, the CRA completed 304 internal privacy consultation requests, an 11% decrease from the previous reporting period. To respond to these requests, the Directorate reviewed 4,220 pages. These internal reviews were informal and did not fall under the *Privacy Act*.

The chart below shows the trends for internal privacy consultation requests received over the past five years.

Figure 4: Internal privacy consultation trends



Continuous improvement initiatives and projects

In the 2025 to 2026 fiscal year, the ATIP Directorate implemented key changes that enhanced productivity and efficiency in the ATIP Directorate. The changes included the following initiatives and projects.

Continuous improvement tools

To better support branches and regions tasked with requests, five new tools were introduced to improve processing by strengthening collaboration, transparency, and oversight. Together, these tools streamline communication, strengthen situational

awareness, and reinforce our shared commitment to delivering timely, high-quality ATIP responses.

Collaboration Portal

A centralized, user-friendly workspace where ATIP contacts across the CRA can track requests, securely share documents, and stay engaged throughout each stage of the process.

Power BI tasking dashboard

The tasking dashboard provides real-time metrics on active taskings. As well, it helps with managing the monitoring and oversight of ATIP taskings by issues managers and chiefs of staff across the CRA.

Creation of records decision tree

The creation of records decision tree provides offices of primary interest with a systematic and efficient approach to evaluate requests that may require the creation of new records, such as requests for statistical information. This tool is designed to clarify whether new records must be created to respond to a specific request. The tool is available to all CRA employees.

Assistant commissioner coordinated approach for complex requests

The coordinated approach with the assistant commissioners enables early assistant commissioner level alignment on complex non-client-specific ATIP requests. This includes requests that are broad in scope, involve multiple branches, require discussion, or contain highly sensitive information (for example, embargoed material or Cabinet confidences). This early engagement helps make the timely retrieval and submission of records easier.

Enhanced extension calculator

This improved tool considers multiple factors that influence the processing of requests to help estimate appropriate extension lengths, enabling more accurate and transparent timelines for requesters.

Fast Track redirect project

Building on the initiative launched in the 2024 to 2025 fiscal year, the ATIP Directorate continued to redirect requests to CRA's secure My Account online service when requesters are seeking the following information:

- proof-of-income statements from the past ten assessed years
- notices of assessment
- benefits information

By doing this, the CRA was able to reduce the volume of requests received for income tax information by 74% during the 2025 to 2026 fiscal year. The CRA will continue to redirect these types of requests in the 2026 to 2027 fiscal year and look for further opportunities for disclosure through service channels.

ATIP case management improvement

During the reporting period, CRA users began adopting enhanced features of the ATIPXpress system, including artificial intelligence tools that assist with document review and help identify information that may require redaction. By improving efficiency, these tools are expected to help reduce processing times. Benefits realized from these features are being monitored and will be reported on in the 2026 to 2027 fiscal year.

ATIP Directorate Strategic Plan

The ATIP Directorate Strategic Plan 2024 to 2027 outlines the Directorate's guiding principles and strategic priorities.

The four priorities outlined are to:

- continue to meet *Access to Information Act* and *Privacy Act* legislative obligations for requests for information through enhanced productivity
- improve the ATIP program by implementing digital technologies and continuous improvement initiatives, including artificial intelligence
- ensure the safety and security of Canadians' personal information while upholding our commitment to fostering a transparent and open government
- enhance leadership and shift our culture to create a strong and engaged, cross-country workforce, built to sustain a diverse, healthy, and inclusive workplace

Training and awareness

Training

The following is a summary of ATIP training activities the CRA completed in the 2025 to 2026 fiscal year.

Mandatory training

In 2023, the CRA introduced a requirement that employees must complete the Canada School of Public Service course COR502, Access to Information and Privacy Fundamentals. Employees must take the course every five years to retain the knowledge. This ensures that all CRA employees receive the required access to information and privacy training to properly respond to ATIP requests and protect and manage personal information.

This mandatory training supports the Treasury Board of Canada Secretariat's policy requirement that all federal government employees must receive training on their obligations related to the *Access to Information Act* and the *Privacy Act*. This mandatory CSPS course has replaced the voluntary ATIP awareness information sessions.

Since 2023, 48,048 employees completed the course, with 2,843 completing it in the 2025 to 2026 fiscal year. In total, 98% of the CRA workforce has received the training, surpassing CRA's target 90%.

Privacy management training strategy

The privacy management training strategy supports the development of privacy knowledge and competencies within the ATIP Directorate, which assists the chief privacy officer in advancing privacy oversight at the CRA.

Building on the foundation established by the Agency-wide privacy and access to information training and awareness strategy in 2020 to 2021, the current strategy outlines a renewed approach for the 2025 to 2027 period. As well, the aim of the current strategy is to enhance awareness of privacy obligations and strengthen staff capacity in privacy management, risk assessment, and legislative compliance. During the reporting period, 10 training sessions were delivered on topics such as the:

- fair information principles
- interaction between the confidentiality provisions of the *Income Tax Act* and the requirements of the *Privacy Act*

These sessions supported a more consistent application of privacy principles and increased capacity to identify and mitigate privacy-related risks.

Semi-annual teleconferences with the office of primary interest

During the reporting period, 715 CRA employees participated in two national teleconferences with the office of primary interest to support them in their roles as ATIP contacts. These teleconferences ensured continued awareness and consistency in how the CRA applied processes across the organization and provided information on the ATIPXpress Collaboration Portal.

Targeted training

The ATIP Directorate provided targeted access to information training to over 200 participants in two separate CRA branches. This training is tailored to address the specific challenges faced by parts of the CRA, improving their ability to process ATIP requests and ultimately strengthening transparency and compliance.

Despite a reduction in training sessions in the 2025 to 2026 fiscal year, the CRA continued to support offices of primary interest and subject matter experts in meeting

their ATIP obligations. This included providing updated online tools and access to a consultation team for guidance on legislative requirements.

Raising awareness

Privacy awareness plan

The CRA implemented its fourth annual privacy awareness plan to further strengthen a culture of privacy and educate employees on their responsibilities regarding corporate policy instruments and processes. The plan included 12 targeted activities addressing key topics, such as:

- the collection of employee personal information
- the use of personal information in artificial intelligence
- information on privacy breaches

These initiatives contributed to increased awareness and more consistent application of privacy requirements across the CRA.

ATIP News Flash

In the 2025 to 2026 fiscal year, the CRA continued to promote its ATIP News Flash to CRA employees. The ATIP News Flash provides updates on access to information and privacy policies, regulations, and upcoming changes from the Treasury Board of Canada Secretariat and the offices of the privacy and information commissioners of Canada. During the reporting period, three newsletters were distributed to a growing subscriber base of over 800 employees, contributing to increased awareness and engagement in access to information and privacy at the CRA.

Data Privacy Week

Every year, the CRA celebrates Data Privacy Week, an international initiative which promotes awareness of the effects of technology on privacy rights and the importance of valuing and protecting personal information. This year's theme was "AI and Privacy: Building Trust Together." The CRA used this awareness week to promote the responsible use of artificial intelligence and how to keep privacy a top priority through internal communications, infographics and a privacy knowledge quiz

Privacy Awareness Week

The Privacy Awareness Week is a global effort to promote awareness of privacy issues and the importance of protecting personal data. In celebration of the Privacy Awareness Week, CRA employees were encouraged to take part in a joint session hosted by the Office of the Privacy Commissioner of Canada and the Treasury Board of Canada Secretariat entitled "The Privacy Life Cycle: Minimizing Risks and Safeguarding Personal Information."

Privacy management

Policies, guidelines, and procedures

Corporate policy instruments

Privacy policy suite

During the reporting period, three privacy-related corporate policy instruments were reviewed and updated as part of the mandatory five-year review cycle to reflect evolving legislative and policy requirements. This included enhanced guidance on privacy impact assessment, the use of artificial intelligence, and contractual considerations involving personal information. The updated policy instruments included the:

- CRA Privacy Policy
- CRA Privacy Practices Directive
- CRA Procedures for Privacy Assessments

Artificial intelligence governance and privacy guidance

During the reporting period, the CRA strengthened its approach to managing personal information in the context of artificial intelligence, supporting responsible adoption, and effective risk management. Efforts focused on enhancing governance and senior-level awareness through participation in the Agency Artificial Intelligence Governance Committee, and developing targeted privacy guidance and communications to support the rollout of generative artificial intelligence tools. In addition, timely advice was provided to CRA employees to support informed decision making on the privacy implications associated with the use of artificial intelligence.

Contracts, information sharing agreements and arrangements

The CRA incorporates privacy, confidentiality, and security requirements into contracts, information-sharing agreements and arrangements involving personal information. These measures are designed to ensure that personal information is used only for authorized purposes and is protected throughout its lifecycle.

Contractual requirements include provisions governing the collection, use, disclosure, retention, safeguarding, and disposal of personal information. Contractors are required to protect personal information in accordance with the *Privacy Act* and, where applicable, the confidentiality provisions of the *Income Tax Act* and the *Excise Tax Act*. Personal information remains the property of the Government of Canada. Contractors are required to return personal information to the CRA upon completion or termination of a contract and may not retain copies of that information.

The CRA also includes security and cyber security requirements in contracts involving sensitive information. These requirements include security screening and facility

clearance requirements, restrictions on access to information based on operational need, controls on subcontracting, obligations to report actual or suspected privacy or cyber incidents, and requirements to implement measures to contain and mitigate identified risks. In addition, contractual security provisions reference the CRA's publicly published Security Requirements for the Protection of Sensitive Information, which establish detailed procedures for contractors regarding safeguards for the handling, storage, transmission, and protection of sensitive information, including procedures for reporting security and privacy incidents.

Information-sharing agreements and written collaborative arrangements include provisions governing the:

- authorized use and disclosure of information
- confidentiality and security safeguards
- information management practices
- retention and disposal requirements
- breach notification procedures
- restrictions on secondary use or disclosure

Agreements also require that access to information be limited to authorized personnel with a need to know and that personal information be protected in accordance with legislative and policy requirements that apply.

To support compliance with privacy requirements, the ATIP Directorate is consulted during the development of information-sharing agreements and arrangements. As well, the Directorate conducts reviews to ensure that arrangements involving personal information incorporate appropriate privacy protections.

Collection of social insurance numbers

During the 2025 to 2026 fiscal year, the CRA did not undertake any new collection or new consistent use of social insurance numbers.

Collaboration with the Office of the Privacy Commissioner of Canada

During the reporting period, the CRA maintained ongoing engagement with the Office of the Privacy Commissioner of Canada through a number of executive-level meetings. Discussions focused on ongoing investigations, privacy breach management, and broader privacy matters affecting both organizations. This sustained dialogue strengthened collaboration and transparency and helped promote a common understanding of emerging privacy risks and expectations. The benefits of this engagement extended beyond the executive level by supporting effective cooperation and communication among employees responsible for privacy management, investigations, and complaint resolution.

Privacy breach management

One of the cornerstones of Canada's tax system is the trust taxpayers place in the CRA to safeguard their personal information. The CRA takes the integrity and protection of taxpayers' information very seriously and has strong controls in place to prevent privacy breaches. Despite the effectiveness of those controls, privacy breaches sometimes occur. Effectively managing privacy breaches is critical to maintaining public confidence in the integrity of Canada's tax system.

The CRA investigates all internal and external incidents involving potentially compromised information. When a privacy breach occurs, the ATIP Directorate works closely with stakeholders to contain and manage the breach, assess the impacts to affected individuals, and identify and apply corrective measures to prevent reoccurrence.

When warranted, the CRA proactively protects taxpayer accounts, notifies individuals affected by a privacy breach, and offers credit protection services to help further protect their personal information.

The CRA follows Treasury Board of Canada Secretariat policy instruments to determine which privacy breaches meet the threshold of a material breach[1]. The CRA must notify the Office of the Privacy Commissioner of Canada and the Treasury Board of Canada Secretariat of material privacy breaches after it completes an investigation.

This year, the CRA reported 9,931 material privacy breaches. Of these:

- 14 involved unauthorized access or disclosure of taxpayer information by CRA employees
- 1 involved misdirected mail
- 8 involved security incidents, including loss and the improper disclosure of personal information
- 9,908 involved the unauthorized use of taxpayer information by a third party

A decrease in the number of material privacy breaches the CRA reported to the Office of the Privacy Commissioner of Canada and the Treasury Board of Canada Secretariat in the 2025 to 2026 fiscal year can be attributed to an atypically high number of material privacy breaches reported in the 2024 to 2025 fiscal year. This was driven by the

[1] A privacy breach that could reasonably be expected to create a real risk of significant harm to an individual. Significant harm includes bodily harm, humiliation, damage to reputation or relationships, loss of employment, business or professional opportunities, financial loss, identity theft, negative effects on the credit record and damage to or loss of property.

retroactive reporting of 31,393 breaches resulting from the unauthorized use of taxpayer information by a third party between May 2020 and November 2023.

Although the number of reported material breaches has declined this fiscal year, it remained above levels observed before the 2024 to 2025 fiscal year. This reflects a higher level of incidents involving the unauthorized use of taxpayer information by a third party, as ongoing improvements to processes and systems continue to enhance detection and reporting. For more information, see the “Unauthorized use of taxpayer information by a third party” section.

Unauthorized access or disclosure by CRA employees

This year, the CRA’s Security Branch informed the ATIP Directorate of 65 incidents of improper handling of personal information by CRA employees.

The CRA treats incidents involving the mishandling or unauthorized access of sensitive information with the highest level of seriousness. In addition to responding to these incidents, the CRA has robust preventative measures in place, including employee training, the CRA’s Electronic Fraud Management System, and strict access controls to reduce the risk of breaches before they occur.

When incidents do occur, the CRA deals with confirmed employee misconduct promptly and appropriately, and refers any incident involving suspected criminal activity to the proper authorities. Furthermore, CRA employees are subject to its strict Code of Integrity and Professional Conduct. Employees who breach the Code can face disciplinary measures, such as a review of their security clearance or termination of employment.

Misdirected mail and security incidents

In the 2025 to 2026 fiscal year, the CRA recorded 924 privacy breaches as a result of misdirected mail, which is mail that was incorrectly addressed or sent to the wrong person in error. Misdirected mail incidents occur for only 0.001% of the 74 million pieces of mail the CRA handles each year.

In addition, 228 CRA privacy breaches resulted from security incidents including loss, theft, or improper disclosure of personal information.

Unauthorized use of taxpayer information by a third party

Breaches caused by the unauthorized use of taxpayer information by a third party occur when an external threat actor uses elements of personal information (for example, names and social insurance numbers) likely obtained from external sources, to attempt to access, alter, or create personal taxpayer information at the CRA. In the 2025 to 2026 fiscal year, the CRA recorded 9,908 privacy breaches as a result of the unauthorized use of taxpayer information by a third party.

Since 2020, the CRA has implemented various system improvements, security measures, processes, and governance and organizational changes to better detect,

analyze, and mitigate incidents resulting from the unauthorized use of taxpayer information by a third party.

As soon as suspicious account activity is identified, affected individuals are advised and their accounts are appropriately protected. Once a breach has been confirmed, individuals are formally notified and provided with credit protection, when required.

For more information on the exception to the section 4.2.8 of the Policy on Privacy Protection, see the "Monitoring compliance" section of the report.

Privacy breach mitigation measures

The CRA continually strives to monitor and improve its internal processes and systems to further protect taxpayer information. It limits employees' access permissions to only the information they need to do their job and regularly reviews employee access to CRA systems.

In addition, the CRA has implemented additional security measures, such as multifactor authentication, to protect the personal information of taxpayers and make sure they can use the CRA's online services with confidence and safety.

Taxpayers' vigilance in protecting account information is also an essential layer of security. The CRA reminds all taxpayers to change their passwords regularly and to monitor their online accounts for any signs of suspicious activity, such as unsolicited changes to contact and banking information, changes of representatives or directors, or tax returns filed on their behalf and resulting in refunds.

Office of the Privacy Commissioner of Canada investigations

On February 15, 2024, the Office of the Privacy Commissioner of Canada released a special report to Parliament on the findings and recommendations from its completed investigation into the unauthorized disclosure and modification of personal information held by the CRA and Employment and Social Development Canada resulting from cyberattacks.

In the 2025 to 2026 fiscal year, the Office of the Privacy Commissioner of Canada confirmed that the CRA completed all actions in the management action plan in response to their Office's recommendations.

The special report to Parliament can be found at the page Investigation of unauthorized disclosures and modifications of personal information held by the Canada Revenue Agency and Employment and Social Development Canada resulting from cyber attacks.

On October 29, 2024, the Office of the Privacy Commissioner of Canada launched a separate investigation into the CRA related to cyberattacks that led to more than 30,000 privacy breaches dating back to 2020. The CRA has and will continue to take decisive action to respond to any findings and recommendations that emerge from investigations of its privacy management practices in the 2026 to 2027 fiscal year. This work will be highlighted in next year's annual report to parliament.

Privacy impact assessments

The CRA completed 14 privacy impact assessments during the 2025 to 2026 fiscal year. As well, the CRA reviewed a significant number of initiatives to assess potential privacy impacts, including an increasing volume of projects which utilize artificial intelligence which represented a significant and increasing area of work. These reviews looked at documents such as privacy checklists, Treasury Board of Canada Secretariat submissions, threat-and-risk assessments, local application solutions, contracts, and written collaborative arrangements.

The CRA published summaries of completed privacy impact assessments on the page Privacy assessments.

For summaries of the privacy impact assessments completed during the 2025 to 2026 fiscal year, please see the "Appendix A: Summaries of completed privacy impact assessments."

Summary of key issues and actions taken on complaints

The CRA regularly communicates with the offices of the information and privacy commissioners of Canada to simplify processes and apply Lean methodology for continuous improvement to close complaint files as soon as possible. During the reporting period, the CRA worked with these offices by focusing on resolving complaints at the early resolution stage.

The CRA specifically addressed complaints by:

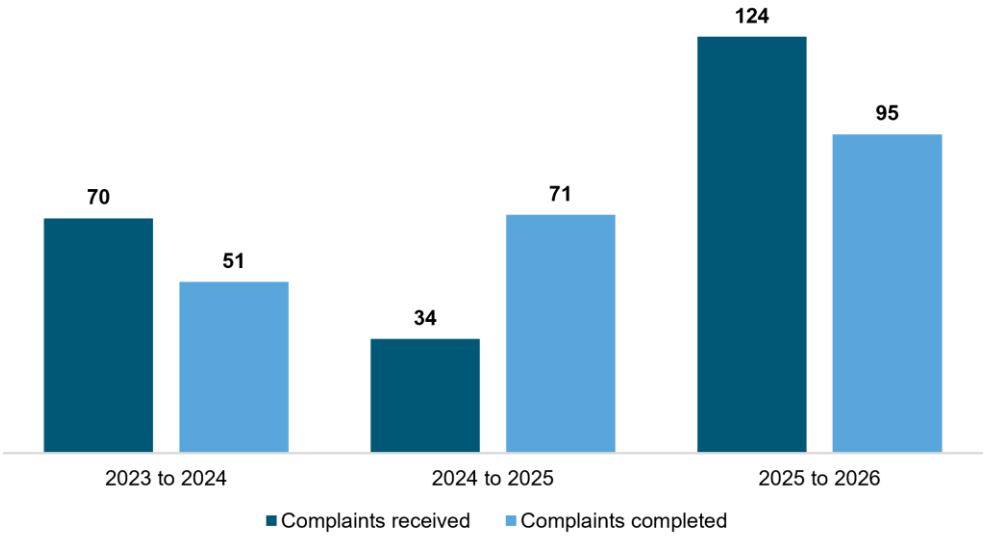
- sharing a new reasonable commitment date for responses with the applicable commissioner's office when the CRA failed to respond to a request within the prescribed delays
- applying extensions in a timely manner
- developing proper efficient processes and procedures to ensure that CRA offices of primary interest will fulfill their responsibilities to provide records to the ATIP Directorate in a timely way
- conducting thorough investigations to confirm reasonable searches for records were completed and providing a rationale to the applicable commissioner's office detailing the searches and whether those searches were successful or whether the records did not exist
- reviewing the analysis of the records to see if it should maintain an exemption or release the information (following the review, in cases where the CRA determines it improperly applied an exemption, the CRA will provide a supplemental disclosure package to the applicable commissioner's office and the complainant)

- reviewing the process of a refused request to give further direction about what information or actions would be required to proceed with the initial request
- providing an additional copy of the records in the requested format

In the 2025 to 2026 fiscal year, the CRA received 124 complaints under the *Privacy Act* and completed 95 complaints. At the end of the fiscal year, 57 complaints were still active.

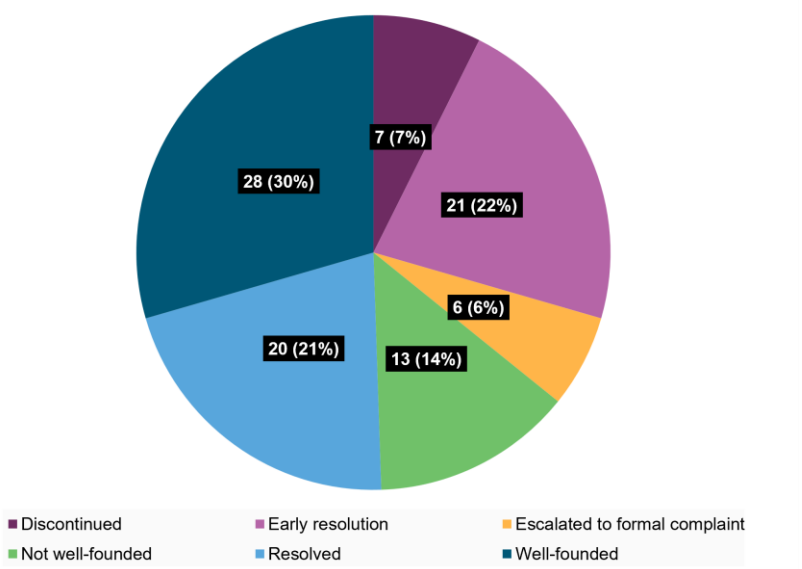
The following chart shows the number of complaints received and completed since the 2023 to 2024 fiscal year.

Figure 5: Complaints received and completed under the *Privacy Act*



The following chart shows the disposition of the complaints completed during the fiscal year.

Figure 6: Disposition of complaints completed during the fiscal year



Additionally, the ATIP Directorate received 1 early resolution complaint and 10 formal privacy-related complaints from the Office of the Privacy Commissioner of Canada on behalf of individuals. These complaints were related to privacy management and not *Privacy Act* requests, and they concerned the following issues:

- accuracy of personal information (1)
- unauthorized collection of personal information (1)
- unauthorized disclosure of personal information (8)
- unauthorized use of personal information (1)

Of these complaints:

- one is still in progress
- one was discontinued
- three were not well-founded
- six were resolved

The definition and disposition of categories from the Office of the Privacy Commissioner of Canada, can be found on the page Types of dispositions.

Monitoring compliance

Reports

The ATIP Directorate uses a combination of case management, performance reporting, and data analytics to monitor the CRA's ATIP request inventory. Monitoring activities focus on request volume, compliance, complaints, and the overall state of ATIP requests in the CRA.

During the reporting period, the Directorate continued to enhance its reporting and analytical capabilities through the use of ATIPXpress and Power BI tools. These tools help provide timely information on operational performance and support proactive oversight, and help identify emerging pressures, manage inventories, and address potential compliance risks.

Monitoring is conducted on an ongoing basis, with operational reports reviewed regularly by ATIP Directorate management. Additionally, executives across the CRA now have access to real-time operational data and dashboards, enabling them to monitor performance, identify emerging pressures, and take timely action to support compliance with legislated timelines. In addition, the ATIP Directorate presents reports monthly to senior management at the commissioner-chaired Agency Management Committee.

Exception to the section 4.2.8 of the Policy on Privacy Protection

During the fiscal year, the CRA requested a one-year extension to its exception to section 4.2.8 of the Treasury Board of Canada Secretariat's *Policy on Privacy Protection*, which requires institutions to report material privacy breaches no later than seven days after the institution determines that a breach is material. Given the volume of confirmed cases and significant and ongoing nature of this workload, meeting this reporting timeline remained unfeasible. The extension allows the CRA to report privacy breaches resulting from individual cases of unauthorized use of taxpayer information by a third party on a quarterly basis.

The exception applies only to individual breaches involving the unauthorized use of taxpayer information by a third party that cannot be linked to a specific scheme or event by threat actors uncovered by the CRA. Breaches associated with a specific scheme or event continue to be reported within the timelines outlined in the policy.

Public interest disclosure

In the 2025 to 2026 fiscal year, the CRA made no disclosures under paragraph 8(2)(m) of the *Privacy Act* and sent no written notifications to the Office of the Privacy Commissioner under subsection 8(5).

Conclusion

Despite ongoing pressures on the ATIP program and the ever-changing privacy landscape, the CRA continued to strengthen its administration of the *Privacy Act* in the 2025 to 2026 fiscal year. The CRA adapted to significant shifts in request volumes and processing demands while maintaining a strong focus on protecting personal information and improving service delivery.

Key initiatives, including the continued implementation of the Fast Track Redirect Project and the introduction of new digital tools and analytics, contributed to more efficient processing and greater use of informal service channels. At the same time, enhancements to governance, training and privacy management practices helped reinforce the CRA's approach to safeguarding personal information.

Looking ahead, the CRA will continue to advance the priorities outlined in its ATIP strategic plan, and continue to:

- improve the ATIP program through proactive disclosure and continue to advance modernization, transformation and innovation of ATIP processes by implementing and leveraging digital technologies, including artificial intelligence
- continue to work closely and collaboratively with the Office of the Privacy Commissioner regarding their investigation into the cyberattacks that led to privacy breaches dating back to 2020
- support the CRA's Audit, Evaluation, and Risk Branch in their two internal audits on contracting and privacy breaches
- leverage funding obtained through a business case to strengthen compliance with the *Access to Information Act* and *Privacy Act*, enhance processing capacity, and address ongoing inventory and workload pressures

Appendix A: Summaries of completed privacy impact assessments

The 14 completed privacy impact assessments can be found on the page Privacy assessment.

Canada Child Benefit and Related Benefits V3

This privacy impact assessment covers the administration of the Canada child benefit and related federal, provincial, and territorial benefits and credits. It was updated to include various new and modified benefits and initiatives, and the use of robotic processing automation.

Canada Emergency Benefits, Canada Recovery Benefits, and Canada Worker Lockdown Benefit Validation and Compliance V2

This privacy impact assessment addresses the validation activities to ensure eligible applicants received the appropriate COVID-19 benefit and any overpayments are recorded. It has been updated to include the onboarding of a new document repository and the use of robotic processing automation.

Canada Emergency Subsidies and Business Account Security V1

This privacy impact assessment focuses on the Canada emergency subsidies program activities about the validation, second review and post validation of payments and accounts for five subsidies, and program and business account security.

Children's Special Allowances V2

This privacy impact assessment covers the administration of a tax-free monthly benefit for children under 18 who are in the care of government-approved agencies (such as foster or institutional care). It was updated to include COVID-19 pandemic relief measures affecting the children's special allowances program.

Collections and Verification Business Intelligence V2

This privacy impact assessment covers a wide range of business intelligence outputs and activities including operational and performance reports, predictive modelling, research and analytics services, and production initiatives that are focused on emerging technologies. It has been updated to include new system monitoring solutions.

Community Volunteer Income Tax Program V3

This privacy impact assessment evaluates the Community Volunteer Income Tax Program's role as coordinator and overseer of the participation of organizations and volunteers in the program. It was updated to include the Client Assistance Referral and Enquiry Service, Northern Service Centres and a Virtual Outreach Pilot.

Film and Media Tax Credits Program V3

This privacy impact assessment covers the Film and Media Tax Credits Program which administers a range of film and media tax credits at both the federal and provincial levels. It has been updated to include a partnership with the Department of Canadian Heritage and the onboarding to a new communication tool.

Goods and Services Tax / Harmonized Sales Tax (GST/HST) Credit and Related Benefits and Credits V3

This privacy impact assessment examines the administration and enforcement of the GST/HST credit and the related federal, provincial, and territorial benefits and credits. It has been updated to reflect the changes to applicable credits, the use of robotic processing automation, and the digital application process.

International and Large Business, and High Net Worth Compliance Tax Audit Programs V2

This privacy impact assessment focuses on compliance audit programs relating to domestic tax, international tax, offshore non-compliance, aggressive tax planning and tax avoidance. It has been updated to include the modernization of audit tools and the enhanced mandatory disclosure rules.

Non-Filer Compliance V2

This privacy impact assessment is related to the administration, including workload development, or the Non-Filer Program for the enforcement of the filing requirements of individuals, businesses, corporations, and trust under the *Income Tax Act*. It has been updated to include system enhancements, various filing compliance projects and digital economy operations.

Part XIII Non-Resident Withholding Program V3

This privacy impact assessment covers workloads within the Part XIII Non-Resident Withholding Program such as the withholding, remitting, and reporting obligations under Part XIII of the *Income Tax Act*. It has been updated to include secure online services and system enhancements.

Small and Medium Enterprises Directorate V2

This privacy impact assessment focuses on the activities of the Small and Medium Enterprises Directorate, which is responsible for income tax compliance activities for small and medium businesses, including audits and enforcement under the *Income Tax Act* and related legislation. It has been updated to include new initiatives such as expanded trust reporting requirements, the Underused Housing Tax Compliance Program, and open-source and workforce data analytics.

Trust Income Tax Returns (T3) V3

This privacy impact assessment covers the Trust Income Tax Returns Assessing Program, which administers and processes trust income tax and information returns (T3) under the *Income Tax Act*. It has been updated to reflect expanded reporting requirements and the new sharing of information with the Department of Justice.

Underused Housing Tax Program V1

This privacy impact assessment focuses on the Underused Housing Tax Assessment Program which administers a tax on the ownership of vacant or underused residential properties in Canada, mainly affecting non-resident and non-Canadian owners.

Appendix B: Delegation order

Minister of Finance
and National Revenue

Ministre des Finances
et du Revenu national

Ottawa, Canada K1A 0G5

Privacy Act
Delegation Order

I, François-Philippe Champagne, Minister of National Revenue, do hereby designate, under subsection 73(1) of the *Privacy Act*, the officers and employees of the Canada Revenue Agency who hold the positions set out in the attached Schedule to exercise or perform the powers, duties, or functions given to me as head of the Canada Revenue Agency under the provisions of the *Privacy Act*, as set out in the Schedule.

This document replaces all previous delegation orders.

Arrêté sur la délégation en vertu de la *Loi sur la protection des renseignements personnels*

Je, François-Philippe Champagne, ministre du Revenu national, délègue par les présentes, en vertu du paragraphe 73(1) de la *Loi sur la protection des renseignements personnels*, aux cadres ou employés de l'Agence du revenu du Canada détenteurs des postes mentionnés dans l'annexe ci-jointe les attributions dont je suis, en qualité de responsable de l'Agence du revenu du Canada, investi par les dispositions de la *Loi sur la protection des renseignements personnels* qui sont mentionnées dans l'annexe.

Le présent document remplace et annule tout arrêté antérieur.

Le ministre du Revenu national,

François-Philippe Champagne
Minister of National Revenue

Signed in Ottawa, Ontario, Canada, this 7th day of October
Signé à Ottawa, Ontario, Canada, ce 7e jour d' octobre

Schedule to the *Privacy Act* delegation order

The following positions are allowed to perform the powers, duties, or functions given to the Minister of National Revenue as head of the Canada Revenue Agency under the provisions of the *Privacy Act* and its regulations.

Commissioner
Full authority

Deputy Commissioner
Full authority

Assistant Commissioner, Public Affairs Branch and Chief Privacy Officer
Full authority

Director General and Deputy Chief Privacy Officer, Access to Information and Privacy Directorate, Public Affairs Branch
Full authority

Director, Access to Information and Privacy Directorate, Public Affairs Branch
Full authority

Assistant directors, Access to Information and Privacy Directorate, Public Affairs Branch
Full authority excluding paragraph 8(2)(j), paragraph 8(2)(m) and subsection 8(5), and subsection 72(1)

Managers, technical reviewers / advisors, Access to Information and Privacy Directorate, Public Affairs Branch
Full authority excluding paragraph 8(2)(j), paragraph 8(2)(m), subsection 8(5), subsection 9(1), subsection 9(4), section 10, subsection 33(2), and subsection 72(1)

Analysts, senior analysts, Access to Information and Privacy Directorate, Public Affairs Branch
Authority only under paragraph 14(a), section 15, subsection 16(1), paragraph 17(2)(b), and paragraph 17(3)(b)