



EAC/ATC Membership Renewal Underway

Tax practitioners can renew their annual EAC/ATC membership directly at www.efile.ca.

The 2018 annual membership fee structure is outlined below.

1. The 2018 fee schedule is:

- \$145 + gst/hst if renewed prior to Feb. 28, 2018
- \$170 + gst/hst if renewed after Feb. 28, 2018

The early bird registration deadline was extended to accommodate those members who are seasonal service providers.

2. The membership fee is the same for online renewals or by cheque.

Please note that members who renew by cheque are not required to fill in an application form. Simply include your business card with the cheque mailed to:

EAC/ATC
Box 20040
Kelowna, BC V1Y 9H2

3. The membership 'year' is Nov. 1 – Oct. 31.

4. Renewing EAC/ATC members will receive a copy of the new **2017-18 EAC/ATC Tax Reference Manual**, incorporating the numerous changes to the ITA.

Thank you all for your continued support. We could not do it without you. ★

CRA Implementing “File My Return” for January 2018 – Telefile Version 2?

In the past, if your return was very basic, you could have Telefiled the tax return by telephone. However, CRA discontinued its Telefile service in September 2012.

In June of this year the CRA proposed to implement (starting in January 2018 for the 2017 tax year) a reinvented version of Telefile called File My Return.

Why the new service?

It appears politics is the driving force behind this initiative. You may recall from the Ministerial Mandate Letter issued by the Liberal government shortly after taking office that stated the mandate was to *make CRA a client-focused agency that will:*

- *Proactively contact Canadians who are entitled to, but are not receiving, tax benefits; and*
- *Offer to complete returns for some clients, particularly lower-income Canadians and those on fixed incomes whose financial situation is unchanged year-to-year.*

To that end the CRA has identified one million tax filers that fit the eligibility criteria for the FMR service. Of those selected, 30% filed paper returns last year and 70% had their return EFILED. Each will be sent a letter in January from the CRA advising them of their eligibility to use the FMR system and provide details as to the process.

Use of the service is optional but will be offered free of charge.

The EAC objects to the CRA embarking on this initiative for a number of reasons and we made our position on this initiative very clear during our meetings with Sr. Managers of the CRA in September.

Our concerns are many but can be distilled into the following:

1. The FMR initiative is a direct encroachment on business carried out by the private sector.

The CRA should not engage in behaviour that directly competes with the private sector delivery of tax preparation service;

2. It will be a waste of public funds.

The CRA gave up on Telefile in 2012 because it was not cost effective and take up was minimal (and dwindling).

It is not cost effective as it cannot be offered to a very large group of taxpayers, due to the complexities of our tax system. As a result, the service is restricted to a small subset of the tax filer population.

Take-up will be minimal as the system is simply not user friendly. The service as proposed by the CRA will require users to answer dozens of questions via an Interactive Voice Response (IVR) phone system.

Further, the system will abruptly cut off tax filers whose situations are not identical to the previous tax year;

3. CRA should not be both tax preparer and tax adjudicator.

CRA wearing both hats is terribly flawed and dangerous. The taxpayer remains ultimately responsible for their tax return and CRA should not be party to both ends of the process;

4. The track record of government successfully implementing large scale technology initiatives is abysmal. Think Phoenix Pay System. ★

Your Express Consent is Required

We ask all members to make certain that they have selected “Yes” to providing “Express Consent” when renewing their EAC/ATC membership.

Express Consent is required for us to e-mail you under Canada’s Anti-Spam Legislation (CASL).

To check if you have provided us with your consent:

1. Login to your account (at www.efile.ca);
2. Then select “ACCOUNT” (top right hand corner);
3. Click on “EDIT PROFILE” under “MY ACCOUNT”
4. Scroll down to the bottom of the page to the section “EXPRESS CONSENT”;
5. Check “YES” in the box;
6. Click on “UPDATE PROFILE” to save changes.

Re-Setting your EAC/ATC Password

If you require a password reset there are two options available:

Option 1 – website

A password reset can be obtained by requesting a new password within the EAC/ATC website.

Simply go to www.efile.ca and select the **MEMBER LOGIN** tab (in the top right hand corner of the web page).

Enter your username (the email account for your membership) in the password reset section and select the **RESET AND EMAIL PASSWORD** button.

A link to our site will be immediately sent to your email address.

Note: Some web browsers and junk e-mail filters block some email. If you do not receive a password re-set see option 2 below.

Option 2 – direct e-mail

If you do not receive your password reset, please email us directly at members@efile.ca and we will reset your password. ★

EAC/ATC Board Meets with CRA Management

The Board of Directors of the EAC/ATC met with senior managers of the CRA for a full day of meetings in Halifax, Nova Scotia on September 22, 2017 at the Lord Nelson Hotel.

We are happy to report that the CRA was well represented by senior managers from many sections, including:

- Electronic Services Division;
- Electronic Filing Services;
- Taxfiler Representative Information System Division;
- E-Services Communications;
- Processing Division;
- Validation and Evaluation Services;
- Business Transformation Division; and
- Third Party Privilege Management.

Many issues were discussed, covering a broad range of topics, from administrative reporting requirements to broader policy issues that affect all tax practitioners.

The EAC/ATC provided to CRA a list of issues identified by our Members in our Annual Membership Survey.

The CRA is aware of the issues facing members and is working to provide solutions. The EAC/ATC will continue to work with the CRA to that end.

This edition of the *IMPACT* Newsletter highlights some of the information obtained from the CRA during our meetings.

Note that many of the new features outlined are a direct result of the EAC/ATC lobbying efforts. ★

2017 AGM Board of Directors Election Results

The AGM and a meeting of the Board of Directors took place in Halifax, Nova Scotia on Thursday, September 21st, 2017.

Five Board positions were up for election this year with seven candidates running for election to the Board of Directors.

Elected to a three year term were: **Shakila Ahmad** (Montreal, QC), **Donna Lee** (Calgary, AB), **Blake McGuffie** (Nanaimo, BC), **Heather Sheppard** (Calgary, AB) and **George Warren** (Torbay, NL).

Continuing to serve as ex-officio are **Carol Catchpole**, Liberty Tax Service, Markham, ON and **Lori Hawrychuk**, National Money Mart Canada, Victoria, BC.

A list of the current Board of Directors is included on the last page of this newsletter.

The 2018 AGM is scheduled for Calgary, Alberta.

Full details will be provided in the January 2018 *IMPACT* Newsletter. ★

Auditor General Telling Canadians Something EFILERS Already Know (all too well)

The 2017 Auditor General's report lays it out there, and while the outcomes are bleak, they are not news to tax practitioners.

We have complained about these problems for years: the phone lines are always busy and the service on the other end (when you do get through) is neither stellar nor consistent.

To that end, the CRA said it will launch a new system early next year for training its call centre agents. It

also acknowledged that its current call centre technology is "outdated" and will be upgraded. ★

Summary of AG Report

	CRA tells the public	2017 AG Report
Percent of calls getting through	90%	36%
Number of calls unable to connect	Few	29 million
Wrong answers provided (error rate)	6.5%	30%

Areas Now Served by the EFILE Helpdesks

In November 2016, the Minister of National Revenue (Diane Lebouthillier) announced the launch of a “Service Renewal Initiative” for the CRA.

The intent of the initiative was to streamline CRA processing activities and create three new National Verification and Collections Centres (NVCCs).

Notwithstanding the intention to “streamline activities”, the initiative continues to cause a lot of difficulties for tax preparers and tax filers. The realignment resulted in a significant amount of staff changes and new hires at the CRA. The end result is that it has slowed the processing system significantly. The CRA is working on these problems.

The “streamlining” has also reduced the number of EFILE help desks locations. As a result the CRA has realigned the EFILE help desk responsibilities as follows:

- Winnipeg now looks after western Canada (BC, Alberta, Saskatchewan, Manitoba), 2 territories (Yukon and NWT), and 2 areas of Ontario (Hamilton and Kitchener-Waterloo).
- Sudbury now looks after eastern Canada (NL, NS, NB, PEI), 1 territory (NU), 3 areas of Québec (Montréal, Sherbrooke, and Outaouais) and the rest of Ontario.

- Jonquière now looks after most of Québec, with the exception of Montréal, Sherbrooke, and Outaouais.

The CRA has also advised that there will be no changes in the hours of service for tax preparers (time zones are not a factor as shift work and hours of operation allow for the same level of service). ★

EXPRESS NOA

Following the success of the Express NOA in 2017, the CRA made several improvements. They include:

- Making the Express NOA available shortly after filing a return in a certified software product;
- Removing the instant assessment result messages as there is no longer a need for them;
- Adding a new EFILE confirmation message;
- Adding a new message for clients who choose to receive their NOA via Online Mail;
- Important to note that if the client chooses to receive their NOA via Online Mail, you will still be able to view it via your tax software;
- The T183 form will offer the delivery of the Express NOA;
- The tax filer is required to select one of the three electronic options or can request a paper version to be sent through regular mail. ★

Auto Fill my Return (AFR)

The AFR service continues to develop as an integral part of the electronic tax filing process. There has been a steady increase in use each year since inception in 2015 with 6.3 million uses this past year and the trend is destined to continue.

Year	Number of downloads	Percent increase
2015	931,000	n/a
2016	5,100,000	448 %
2017	6,300,000	24 %

Second Prior Year AFR

In 2018, the AFR system will provide tax data for an additional prior year, meaning that EFILERS will be able to use the service to auto populate 2017, 2016 and 2015 tax returns with information that the CRA has available at the time of filing the return.

Information Expansion AFR

The CRA is also expanding the information that is delivered, by adding the outstanding balances to the Home Buyers Plan and Lifelong Learning Plan, and adding any applicable interest to the debt amounts that appear in Client Data Enquiry.

Available from AFR for previous three tax years

The following information will be available for 2017, 2016 and 2015 income tax and benefit returns:

- T3, Statement of Trust Income Allocations and Designations
- T4, Statement of Remuneration Paid
- T4A, Statement of Pension, Retirement, Annuity, and Other Income
- T4A(OAS), Statement of Old Age Security
- T4A(P), Statement of Canada Pension Plan Benefits
- T4E, Statement of Employment Insurance and Other Benefits
- T4RIF, Statement of Income from a Registered Retirement Income Fund
- T4RSP, Statement of Registered Retirement Savings Plan Income
- T5, Statement of Investment Income
- T5007, Statement of Benefits
- T5008, Statement of Securities Transactions
- RC62, Universal Child Care Benefit Statement
- RC210, WITB Advance Payments Statement
- RRSP contribution receipt
- PRPP, Pooled registered pension plan
- T1204, Government Service Contract Payments
- Rent assist

The following information will be available for 2017 income tax and benefit returns:

- RRSP contribution limit
- Home Buyers' Plan repayment amount
- Lifelong Learning Plan repayment amount
- non-capital losses
- capital gains and losses
- capital gains deductions

- federal tuition, education, and textbook carryover amounts
- provincial tuition, education, and textbook carryover amounts. ★

ReFILE Service

The CRA launched the ReFILE service in February 2017.

The current service allows EFILERS (with level 2 authorization) to electronically submit T1 return adjustments using EFILE certified software for the 2015 and 2016 tax years. For 2018, the CRA is expanding the service to allow for one additional year to be ReFILED.

ReFILE allows EFILERS to submit amended returns for T1 returns that have already been electronically submitted (either by the same EFILER or another EFILER).

To use this service, EFILERS must complete section D of Form T183 and have the client sign to authorize the EFILER. If this section is not complete, the amended return will be rejected.

ReFILE **cannot** be used:

- if the initial return has not yet been assessed;
- on a tax return where 9 reassessments exist for a particular tax year;
- to change or update non-tax field information;
- if there is a reassessment in process; or
- to apply for the Canada Child Tax Benefit or the Disability Tax Credit.

A change to the T1 return must be made in the EFILE software by following these steps:

1. The EFILER makes the change(s) to an initial return or a previously amended return;
2. The EFILER completes Form T183 including section D;
3. The EFILER validates and confirms the completion of the changes;

4. The EFILER will receive confirmation of receipt or a notice of rejection with applicable messaging. ★

List of Notices Issued

The List of Notices Issued service is accessible directly from the Represent a Client homepage.

It allows EFILERS to view a summary list of all notices of assessment (NOA) and notices of reassessment (NOR) issued to your clients as a result of a tax return being filed or amended.

To view the notice events that exist, you must have an active online authorization. If you do not have at least one online authorization you will be denied access to the system.

Notices that were assessed before February 13, 2017, or before the authorization effective date, will not appear in the list. In other words, the list will only show notices issued within the last year from the date you run a search in the 'List of notices issued' service.

You can filter by one or more options, including SIN, type of notice, and date. The four notice types are:

- “NOA issued – No change”: will display when an initial assessment results in no tax difference from what was originally submitted;
- “NOA issued – Changed”: will display when an initial assessment results in a tax difference from what was originally submitted with the tax return;
- “NOR issued – Client or representative request”: will display when a change has been submitted to an assessment;
- “Other NOR issued”: will display when a change to an assessment has been initiated by the CRA.

After selecting a representative identifier, filter options, and clicking the 'Search' button, a table will appear containing the client's name, partial SIN, notice type, date the notice was issued, and the tax year. ★

Client Data Enquiry (CDE)

The CDE service now provides the following client information:

- Home Buyers' Plan
- Lifelong Learning Plan
- Social assistance or WCB benefits
- Employment insurance and other benefits (T4E)
- WITB advance payments (RC210)
- Universal child care benefit (RC62)
- Reassessment information
- Balance owing
- New balance owing message for prior claim(s) on a refund
- No debt owing indicators
- Current tax year return
- Bankruptcy
- Recent page access
- Insolvency, consumer proposal indicator
- Federal tuition, education, and textbook carryforward
- Provincial tuition, education, and textbook carryforward
- Disability tax credit eligibility
- Unfiled returns
- External refund set-off amounts
- Internal refund set-off notification
- Reassessment in progress
- Pension, retirement, annuity, and other income (T4A)
- CPP payments (T4A(P))
- Outstanding GST/HST returns
- Working income tax benefit
- Immigration Date
- Emigration Date
- EFILE ineligibility indicators
- Direct deposit indicators ★

Contact Details

To contact us write:

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Email: swatson@efile.ca
Ph: 1-866-384-4066 ★

Future Projects

The CRA recently provided us with some insight into a new project they are working on: the E-Delivery of all the letters that are currently being sent to electronic filers during Screening and Monitoring Programs.

The CRA anticipates that all letters currently being sent through regular mail will eventually be eligible to be sent through RAC.

Hopefully this service will be available in the near future. ★

EFILE by the Numbers

Category	As at Sept 2017	% change from previous Tax Year
EFILE Returns	16,181,265	2.0%
NETFILE Returns	8,284,069	4.4%
Registered EFILERS	61,537	4.4%
AFR (times used by EFILERS)	6.3 million	24%

EAC/ATC Webinars online

The EAC/ATC has produced brief webinars, available to members, on topics related to the use of the EFILE system.

The webinars are produced in conjunction with the CRA and are available in the Library section of our website (www.efile.ca).

The webinars series, called “2 Minutes to Know”, instructs users on services provided through the RAC system. Sample webinars include “How to use the PAD feature” and “ReFILE”.

If you have a suggestion for a specific webinar topic, please let us know.

Send your suggestions to members@efile.ca. ★

EAC/ATC Marketing

On your letterhead, website and in your advertising, please include the EAC/ATC logo.

To obtain a digital copy, or an EAC/ATC door decal, email members@efile.ca. ★

MEMBER



**EFILE Association of Canada /
Association de TED du Canada**



EFILE Association of Canada / Association de TED du Canada

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