



EAC/ATC Membership Renewal Underway

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

The 2019 annual membership fee structure is outlined below.

1. The 2019 fee schedule is:

- \$150 + gst/hst if renewed prior to Feb. 28, 2019
- \$175 + gst/hst if renewed after Feb. 28, 2019

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 **2018-19 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. ★

Mireille Laroche, CRA Chief Service Officer, Guest Speaker at EAC Annual General Meeting

It was standing room only at the EFILE Association of Canada AGM as Guest Speaker Mireille Laroche spoke about the new CRA Chief Service Officer position.

The Chief Service Officer is in charge of leading CRA's "service transformation agenda with an integrated, client-focused approach". As part of her mandate, she will oversee a series of consultations with Canadians. This will build on CRA's Serving You Better consultations with small and medium businesses.

The CRA is launching public consultations (online and in person) during the tax-filing season, to consult with individuals and tax preparers on service improvements. The CRA will hold a series of meetings (which they are calling "design jams" – no, I am not making this up) with key stakeholders and users to "promote co-creation of service improvements that respond directly to client needs".

The CRA will be providing information on how tax preparers can participate in these consultations. We will forward the information as soon as we receive it.

The CRA is also establishing an external advisory panel on service, comprising experts from the public, private and non-for-profit sectors to advise on emerging trends and practices in service design and delivery. ★

Opening Dates for 2019: RAC Feb 11; EFILE Feb 18

After last year's problematic late opening of the EFILE season, it will be a great relief to all that the opening date has been moved earlier. We can expect an even earlier opening in 2020, as the CRA finishes the implementation of the modernization of the e-system for e-filing. ★

Dedicated Telephone System (DTS) for EFILERS Now Available to All

The CRA has now expanded the DTS service to all EFILERS. This is good news, as the EAC/ATC has for years been advocating for a form of DTS, similar to the system offered through the US IRS Practitioners Priority Service.

The CRA's Income Tax Rulings Directorate introduced the DTS in July 2017 under a three year pilot program. The DTS gives service providers access to experienced CRA staff, who can help with more complex income tax issues than those typically dealt with by staff under the CRA's general enquiries phone service.

The DTS can assist with interpretive income tax questions on any area of the Income Tax Act (ITA), and provides EFILERS with material that can help answer their questions. The DTS is intended to be a technical resource for EFILERS rather than a problem resolution service for specific taxpayer accounts.

DTS Officers do not have access to taxpayer accounts and do not issue new rulings or interpretations.

The DTS is also not intended for specialized tax professionals, whose services focus on complex tax planning and whose issues should continue to be

addressed by seeking advance income tax rulings or technical interpretations.

EFILERS can register for the DTS by emailing dts-str@cra-arc.gc.ca. There is no cost to register and use the service.

What kinds of questions can the DTS help me with?

The DTS specializes in responding to questions regarding the interpretation of the ITA. Examples include:

- How can I determine whether a foreign exchange gain/loss is on account of income or capital?
- Can I still request a reassessment for a statute barred taxation year?
- Is a taxi licence plate eligible capital property?

Are there questions the DTS will not answer?

Yes, the DTS does not answer questions relating to:

- specific taxpayer accounts;
- GST / HST and TPS / TVQ;
- CPP / EI / QPP;
- factual/legal determinations;
- matters that are already with a TSO, under audit, objection or in court;
- EFILE issues (these should go through the efile help desk).

How does the DTS work?

When you call the DTS, you will be prompted to select your language of choice and then to enter your assigned Telephone Access Code (TAC) that you received when you registered to use the DTS. You will then be connected to a DTS Officer who will:

- Record your question, verify your contact information and arrange a time to call you back;
- Research the CRA's public positions to find relevant information; and
- Send you an email with information that is intended to assist you in answering your particular income tax questions, such as Rulings Technical Interpretations, guides, references to supporting legislation and regulations, Department of Finance explanatory notes, etc.

Once you have had time to review the information, the DTS Officer will call you to discuss the references and guidance provided.

When will I receive an answer to my question?

Unfortunately, the DTS system does not provide real time answers to questions. According to the CRA, a DTS Officer will contact you within a few business days.

Can other members of the firm use my Telephone Access Code (TAC)?

Yes, but if a registered participant permits another individual in the firm to use their TAC, that individual must follow the rules that would otherwise apply to the registered participant. The registered participant remains, at all times, responsible for the use of the TAC issued to them.

If a firm has one EFILE number but many tax preparers at the firm, can they all register for DTS? Do they all use the same EFILE number on the form?

Yes, one EFILE number can obtain more than one TAC.

Why can't I ask my question by email instead of over the phone?

The DTS system is not able to route incoming emails to Officers in the same manner as telephone calls. The DTS is therefore only accepting questions via telephone at this time. ★

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.

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 Calgary, Alberta on September 21, 2018 at the Marriott Hotel.

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

- Stakeholders Relation Division
- Electronic Services Division;
- Electronic Filing Services;
- Call Centre Services Directorate
- 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 41 issues identified by our Members in our Annual Membership Survey.

The CRA is aware of those issues 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. ★

2018 AGM Board of Directors Election Results

The AGM and a meeting of the Board of Directors took place in Calgary, Alberta on Thursday, September 20, 2018.

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

Elected to a three year term were: **Jake Anand** (Mississauga, ON), **Tracy Fischer** (Waterloo, ON), **Virginia Hoover** (Telkwa, BC), **David Inhaber** (Calgary, AB) and **Ron Van Rooyen** (London, ON).

Continuing to serve as ex-officio member of the Board of Directors is **Carol Catchpole**, Liberty Tax Service (Markham, ON).

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

The 2019 AGM will be held on September 19, 2019 in St. John's, Newfoundland.

Full details will be provided in the January 2019 *IMPACT* Newsletter. ★

General Enquiries (GE) Line Update

After the release of the scathing Auditor General's report on problems at CRA's call centres last year, the CRA promised a new and improved phone system. Unfortunately the delays continue for the General Enquiries line.

While the Business Enquiries has now been moved over to a new telephone platform (more than seven months after the date originally promised), the General Enquiries line has not been switched over.

Originally, the agency promised the new system's rollout would begin in March 2018, with the project completed by the end of 2018. The new timeline now is to have the general enquiries line operating on the new system in time for tax-filing season. We are not holding our breath.

Nonetheless, the CRA promises improvements as they move to a new, more modern telephone platform that will direct calls to available agents, no matter where they are in the CRA's network of call centres.

The new system will give callers an estimate of how long they'll have to wait to talk to a human being, allowing us to decide whether we want to stay on hold. It's also expected to allow for the use of voice, web chat, email, social media and video-conferencing, in addition to automated self-service options.

The CRA says that while the delays are unfortunate, it has made other improvements to its services, including hiring additional call centre agents and expanding the number of self-serve options available through the automated telephone service and online.

The CRA has also extended its wait times in the phone queues from two to five minutes, which it says should reduce the number of callers getting a busy signal or a message to call back later. ★

File My Return (FMR) is not expanding, but the Community Volunteer Income Tax Program (CVITP) is Expanding

Last tax season, the CRA introduced the File My Return (FMR) service to allow taxpayers to file their tax return over the phone. The service is essentially a reboot of the old Telefile system.

As we noted in the November 2017 *IMPACT* Newsletter (Issue 70), politics appeared to be the driving force behind the initiative. You may recall 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*.

To that end, the CRA identified one million tax filers who fit the eligibility criteria for the FMR service. Of the one million tax filers who received the invite letter from the CRA only 47,196 tax filers took them up on the offer. This represented 0.1 percent of total T1 tax filings last year.

We have been advised by the CRA that there are no plans to expand the reach of the FMR system, and that the target is mostly the 13% who still file paper T1 tax returns.

Nonetheless, the EAC/ATC continues to object to the CRA embarking on this initiative for a number of reasons. We make our position on this initiative very clear during meetings with Sr. Managers of the CRA.

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

1. The FMR initiative is a direct encroachment by government on business carried out by the private sector;
2. 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;
3. The abysmal track record of government successfully implementing large scale technology initiatives. Think Phoenix Pay System; and
4. 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 very low (and dwindling). Empirical evidence shows that historical take up for such programs only ranges from 3 to 5 percent.

At our recent meeting we were also advised by the CRA that taxpayers are asking for filing processes like the FMR system.

We also learned that the CRA has quadrupled the budget of the Community Volunteer Income Tax Program (CVITP), through which 17,700 volunteers filed more than 785,000 returns last year.

So the threat to the private sector delivery of the tax preparation industry continues on two fronts. ★

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 and a broadening of the data offered.

Importantly for this upcoming year is the addition of a Third Prior Year to the AFR system.

In 2019, 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 2018, 2017, 2016 and 2015 tax returns with information that the CRA has available at the time of filing the return. ★

EFILE by the Numbers for Tax Year 2017

Filing method	Number of returns	Percentage of total
EFILE	16,909,536	57%
NETFILE	8,683,023	30%
File My Return (FMR)	47,196	0.1%
Total - electronic	25,639,755	87%
Paper filed	3,822,308	13%
Total - all methods	29,462,063	100%

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 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. ★

Contact Details

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HAPPY★NEW★YEAR

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EFILE Association of Canada /
Association de TED du Canada



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