



Certified General  
Accountants  
Comptables généraux  
accrédités

Certified General  
Accountants Association  
of Canada

1201 – 350 Sparks Street  
Ottawa, ON  
Canada K1R 7S8

Tel: 613 789-7771  
Fax: 613 789-7772  
[www.cga-online.org/canada](http://www.cga-online.org/canada)

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Mr. Michel Dorais  
Commissioner and CEO  
Canada Revenue Agency  
555 MacKenzie Avenue, Room 7059, 7<sup>th</sup> Floor  
Connaught Building  
Ottawa, ON K1A 0L5

Dear Mr. Dorais:

On behalf of CGA-Canada's 64,000 members and students, I would like to raise our concerns relating to the decision to suspend the activities of the Canada Revenue Agency (CRA) advisory committees.

We understand that the Minister of National Revenue has directed the CRA to review the mandates of all advisory committees to determine which committees are still necessary and which are expendable. We agree that a periodic review is important and a necessary process however we would ask the Agency to examine carefully the unique benefits the advisory committees provide to the CRA in its aim to deliver quality services to Canadians.

With 24 million tax filings each year coupled with the continued changes to legislation, regulation and policy implementation, the CRA's ability to receive and communicate information to its constituents is crucial. While the CRA utilizes various methods to communicate and gather information, we believe the CRA advisory committees are an effective and helpful tool which serves two important purposes.

First, members of these committees provide valuable as well as practical feedback to the CRA on the impact of changes to existing legislation, regulation and policy implementation. These ongoing relationships provide the CRA with a distinctive perspective from taxpayers and tax practitioners. Indeed, these relationships have produced some tangible results, especially relating to simplifying tax forms and the complementary tax guides. In fact, we believe that the advances made in recent years in areas like small businesses, large businesses, and the not-for-profit sector were the result of a broad and continuing consultation exercise between the Agency and various stakeholders and professional accountants.

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Second, members of advisory committees serve as an information conduit with the sector for which they come from through their clients and various networks. We believe this has led to a greater understanding of CRA policies and therefore has contributed to an increase in compliance while assisting the Agency in fulfilling its mission statement of promoting compliance with Canada's tax legislation and regulations.

Examples of the effectiveness of these advisory committees are many but a recent change to the T4 form can be directly traced back to the efforts of the members of the Disability Advisory Committee. The addition of a box to the T4 for "Premiums to Private Health Services Plan" will result in increase tax benefits for eligible Canadians. This small change brought forth by members with front line experience could conceivably save taxpayers \$180 per year.

The Agency recognizes the contribution of the advisory committee structure in its report entitled "The Canada Revenue Agency: The First Five Years *Setting the Foundation for Tax and Benefit Administration in the 21st Century*. The Agency states that, "consultation and communication with stakeholders has been a key element in helping to ensure that Agency services are aimed at areas where they are most needed. In this regard, the Agency has more than 50 advisory and consultative committees at the national, regional, or local levels which focus on the service the CRA provides to individual Canadians and Canadian business. This has enabled the Agency to build an understanding of the particular issues facing groups ranging from seniors and the charitable sector to large business, small business, and the film industry." CGA-Canada could not agree more.

At the time of its creation, the CRA was assigned three important objectives, one of which was to deliver a better service to Canadian taxpayers and businesses. The creation of the advisory committees was a strong step towards achieving that objective. Although we agree with a periodic review, we urge the CRA to maintain an effective and useful advisory committee structure, with emphasis on two way communication between the CRA and the various representatives of taxpayers and tax practitioners throughout the country. In short, we believe that these advisory committees should be allowed to continue their important work.

I look forward to hearing our views on this matter.

Sincerely yours,

*Original signed by Carole Presseault  
On behalf of*

Anthony Ariganello, FCGA, CPA (Delaware)  
President and Chief Executive Officer

c.c. Brian Pallister, MP  
Chair, House of Commons Standing Committee on Finance