

April 2024

Canadian Tax Facts 2024

Every year, people need to update themselves on the tax facts of the country where they live or own a business. Whether they are paying sales tax, indirect tax, individual tax, or corporate income taxes, they should know the ins and outs of the tax system to know of their possible tax deductions, exemptions, incentives and of course tax filing obligations.

This fact sheet provides updated Canadian tax facts that can potentially help anyone make informed decisions, especially if they wish to go into international trade or crypto trading.

Canada's population - overview

Canada's population	38,939,056 (as of July 1, 2023) Source 40,913,297 (real-time model as of March, 2024)
Total children under 19	8,424,747 youth under 19 (as of July 1, 2023) Source
Canadians over 65	7,568,308 (as of July 1, 2023) Source
Canadian centenarians	11,705 (as of July 1, 2023) Source

Amount of tax collected in Canada

Personal taxes collected	\$207.9 billion (2022-2023) Source
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Corporate taxes collected	\$93.9 billion (2022-2023)
Non-resident	\$13.2 billion (2022-2023) Source
<u>Other taxes and duties</u>	
Goods and services	\$46.0 billion (2022-2023)
Energy taxes	\$5.7 billion (2022-2023)
Customs import duties	\$6.1 billion (2022-2023)
Other excise tax/duties	\$6.5 billion (2022-2023)
Employment Insurance	\$26.9 billion (2022-2023)
Pollution pricing	\$8.0 billion (2022-2023)
Other	\$33.6 billion (2022-2023)
Total	447.8 billion (2022-2023) Source
What is the “tax gap” and what is the amount	The tax gap is the difference between the taxes that are actually paid and those that are owed. It was between \$18.1 billion and \$23.4 billion, or 9% of total tax revenues, says a CRA Report up to fiscal year 2018. Source
Number of convicted Canadian tax evaders	31 taxpayers convicted of tax evasion of more than \$8.1 million collectively: more than \$6.9 million in fines. (2022-2023) Source

Individual taxpayers in Canada

Total number taxpayers who pay taxes	32,185,499 million Canadian filed a tax return (2023) Source
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<p>Tax filers who paid all the federal and provincial income tax</p>	<p>28.1 million (latest year available 2021) Source</p>
<p>Canadians who pay no income tax. Why?</p>	<p>40% of Canadians pay no taxes Source</p> <p>One of the main reasons is low-income taxpayers get paid back through benefits and tax credits – so it's out of one hand and back in the other. In many cases, they can get more money back than they owe in taxes. Based on tax laws, higher-income taxpayers can reduce what they owe through RRSP deductions, charitable donations, and tax-free benefits. Source</p>
<p>Federal personal tax rates for 2023 tax year</p>	<p>15% on the portion of taxable income that is \$53,359 or less, plus</p> <p>20.5% on the portion of taxable income over \$53,359 up to \$106,717 plus</p> <p>26% on the portion of taxable income over \$106,717 up to \$165,430, plus</p> <p>29% on the portion of taxable income over \$165,430 up to \$235,675 plus</p> <p>33% on the portion of taxable income over \$235,675 Source</p> <p>The tax bracket is based on your net income after deductions. You can use a tax calculator for this.</p>

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Calculate the federal tax first, the provincial rate second, then add the two together to get the combined federal/provincial tax rate.

[Source](#)

Provincial tax brackets for rates 2023 tax year

British Columbia	5.06% on the first \$45,654 of taxable income, plus 7.7% on the next \$45,654 up to \$91,310, plus 10.5% on the next \$91,310 up to \$104,835, plus 12.29% on the next \$104,835 up to \$127,299, plus 14.7% on the next \$127,299 up to \$172,602, plus 16.8% on the amount over \$172,602 up to \$240,716, plus 20.5% on the amount over \$240,716
Alberta	10% on the first \$142,292 of taxable income, plus 12% on the next \$142,292 up to \$170,751, plus 13% on the next \$170,751 up to \$227,668, plus 14% on the next \$227,668 up to \$341,502, plus 15% on the amount over \$341,502
Saskatchewan	10.5% on the first \$49,720 of taxable income, plus 12.5% on \$49,720 up to \$142,058, plus 14.5% on the amount over \$142,058
Manitoba	10.8% on the first \$36,842 of taxable income, plus 12.75% on the next \$36,842 up to \$79,625, plus 17.4% on the amount over \$79,625
Ontario	5.05% on the first \$49,231 of taxable income, plus

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	<p>9.15% on the next \$49,232 up to \$98,463, plus 11.16% on the next \$98,463 up to \$150,00, plus 12.16% on the next \$150,000 to \$220,000, plus 13.16% on the amount over \$220,000</p>
New Brunswick	<p>9.4% on the first \$47,715 of taxable income, plus 14.82% on the next \$47,715 up to \$95,431, plus 16.52% on the next \$95,431 up to \$176,756, plus 19.5% on the amount over \$176,756</p>
Nova Scotia	<p>8.79% on the first \$29,590 of taxable income, plus 14.95% on the next \$29,591 up to \$59,180, plus 16.67% on the next \$59,181 up to \$93,000, plus 17.5% on the next \$93,001 up to \$150,000, plus 21% on the amount over \$150,000</p>
Prince Edward Island	<p>9.8% on the first \$31,984 of taxable income, plus 13.8% on the next \$31,985 up to \$63,969, plus 16.7% on the amount over \$63,969</p>
Newfoundland/Labrador	<p>8.7% on the first \$41,457 of taxable income, plus 14.5% on the next \$41,457 up to \$82,913, plus 15.8% on the next \$82,913 up to \$148,027, plus 17.8% on the next \$148,027 up to \$207,239, plus 19.8% on the next \$207,239 up to \$264,750, plus 20.8% on the next \$264,750 up to \$528,500, plus 21.3% on the next \$528,500 up to \$1,059,00, plus 21.8% on the amount over \$1,059,00</p>
Nunavut	<p>4% on the first \$50,877 of taxable income, plus 7% on the next \$50,877 up to \$101,754, plus 9% on the next \$101,754 up to \$165,429, plus 11.5% on the amount over \$165,429</p>

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Yukon	6.4% on the first \$53,359 of taxable income, plus 9% on the next \$53,359 up to \$106,717, plus 10.9% on the next \$106,717 up to \$165,430, plus 12.8% on the next \$65,430 up to \$500,000, plus 15% on the amount over \$500,000
NWT	5.9% on the first \$48,326 of taxable income, plus 8.6% on the next \$48,326 up to \$96,655, plus 12.2% on the next \$96,655 up to \$157,139, plus 14.05% on the amount over \$157,139 Source
Average amount of tax paid by Canadian families	\$48,199 (2022) Source

Top marginal tax rates for Canada 2023

[Source](#)

What is the marginal tax rate? (Federal and provincial)	The marginal tax rate is the rate of tax on the next dollar of income. The marginal tax rate for a taxpayer earning \$100,000 of "other income," determined using the Canadian Tax and RRSP Savings Calculator .
Nova Scotia	54%
Ontario	53.53%
British Columbia	53.50%
Quebec	53.31%
New Brunswick	52.50%

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Prince Edward Island	51.37%
Newfoundland & Labrador	54.80%
Manitoba	50.40%
Alberta	48.00%
Saskatchewan	47.50%
Yukon	48.00%
Northwest Territories	47.05%
Nunavut	44.50%

Personal tax returns & tech processed by CRA in 2023

[Source](#)

EFILE	19,168,450	59.6%
NETFILE	10,465,673	32.5%
File my Return (FMR)	52,898	0.2%
Total - electronic	29,687,021	92.3%
Paper	2,498,478	7.7%
Total - all methods	32,185,499	100%

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Canadian taxpayers, by income level		Source
Total persons with income	28,931,530	
Persons with income under \$5,000	1,341,250	
Persons with income of \$5,000 and over	27,590,290	
Persons with income of \$10,000 and over	26,470,170	
Persons with income of \$15,000 and over	24,894,720	
Persons with income of \$20,000 and over	22,990,500	
Persons with income of \$25,000 and over	20,458,810	
Persons with income of \$35,000 and over	16,697,900	
Persons with income of \$50,000 and over	11,885,790	
Persons with income of \$75,000 and over	6,473,920	
Persons with income of \$100,000 and over	3,499,090	

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Persons with income of \$150,000 and over	1,211,800
Those with \$250,000+ income	354,910

“Tax Freedom Day”

[Source](#)

What is Tax Freedom Day?	Tax Freedom Day is the day in the year when the average Canadian has earned enough money to pay the taxes imposed on them. There is the federal Tax Freedom Day, but it changes for each province depending on the extent of the tax burden each province levies.
Prince Edward Island	June 9 (in 2023)
Nova Scotia	June 18 (in 2023)
New Brunswick	June 12 (in 2023)
Newfoundland	June 26 (in 2023)
Quebec	June 30 (in 2023)
Ontario	June 18 (in 2023)
Manitoba	June 6 (in 2023)
Saskatchewan	June 22 (in 2023)
Alberta	June 14 (in 2023)
British Columbia	June 9 (in 2023)

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Yukon Territories	NA
Northwest Territories	NA
Nunavut	NA
Canada overall	June 19 (2023 last available for all data above)

Personal tax rates of a selection of countries		Source
Algeria	35	
Argentina	35	
Australia	45	
Austria	55	
Belgium	50	
Brazil	27.5	
Canada	33	(Federal; not combined with provincial)
Chile	40	
Columbia	39	
Costa Rica	25	
Croatia	30	

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Egypt	25
France	45
Germany	45
Greece	44
Hong Kong	15
India	42.7
Indonesia	35
Iran	NA
Iraq	15
Israel	50
Italy	43
Jamaica	30
Japan	55.9
Malaysia	30
Mexico	35
Morocco	38
Netherlands	49.5

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New Zealand	39
Nigeria	24
Norway	38.2
Philippines	35
Poland	32
Portugal	48
Russia	13
Saudi Arabia	0
Singapore	22
Spain	47
Sweden	52.3
Switzerland	40
Taiwan	40
Thailand	35
Turkey	40
U.K.	45
Ukraine	18

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U.S.	37
South Africa	45
South Korea	45
Venezuela	34

Known tax havens

Number of countries that are tax havens	75 Source
Is Canada a tax haven?	Yes Source
Is it illegal to have an offshore account?	No, not in Canada. But hiding it is. Source
Is it illegal not to declare an offshore account or pay taxes on offshore income?	Yes. You must keep everything documented and reported to the CRA annually on form T1135. Source

New tax filing requirements for trusts

[Source](#)

What are the changes?	The rules governing which trusts file an annual T3 Trust Income Tax and Information Return (T3 Return) changed for trusts with a taxation year ending after December 30, 2023. That means, all trusts, with the
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	<p>exception of bare trusts, unless specific conditions are met, must now annually provide a T3 Return including additional beneficial ownership information.</p> <p>Bare trusts that are resident or deemed resident were to have to file a T3 Return, but on March 28, 2024—just four days before the April 1, 2024 filing deadline—the CRA hit “pause” on the reporting requirement for them, unless the CRA makes a direct request for these filings.</p> <p>The CRA defines a bare trust as “arrangement under which the trustee can reasonably be considered to act as agent for all the beneficiaries under the trust with respect to all dealings with all of the trust’s property.”</p> <p>Even though Canadians weren’t going to be taxed on a trust’s value, failing to report being a member of one could have netted a \$2,500 fine or 5% of the value of all property in it, whichever is higher.</p> <p>Source</p>
<p>What information must be provided in the T3 Return?</p>	<p>Information that must be submitted:</p> <ul style="list-style-type: none"> • All trusts (including bare trusts) that have to file a T3 Return, other than listed trusts, must report beneficial ownership information on Schedule 15.

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	<ul style="list-style-type: none"> • The Schedule 15 includes information on all trustees, settlors, beneficiaries and controlling persons for the trust. • The Schedule 15 will only be accepted if filled out as part of the T3 and not on a separate document. • For each reportable entity of the trust, the following information must be provided: <ul style="list-style-type: none"> ○ name ○ address ○ date of birth (if applicable) ○ country of residence, and <p>Tax Identification Number (i.e., Social Insurance Number, Business Number, Trust Number, or, in the case of a non-resident trust, the identification number assigned by a foreign jurisdiction) Source</p>
<p>Does Schedule 15 information have to be provided if the trust existed for only a portion of the year?</p>	<p>Information for all reportable entities of the trust that existed at any time during the tax year must be included, even in situations where the person became a reportable entity at any time during the tax year and then were not anymore at the end of the tax year.</p> <p>The information that has to be provided does not include that which is subject to solicitor-client privilege.</p>

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<p>What happens if a trust doesn't fill out a T3 or include Schedule 15 information?</p>	<p>Failure to file may result in a penalty. Also, if a person knowingly or under circumstances amounting to gross negligence makes, participates in, assents to, or acquiesces in the making of a false statement or omission on a return, or fails to file a return, a penalty may be imposed the greater of \$2,500 and 5% of the highest amount of the fair market value of all the property held by the trust.</p> <p>If events beyond your control prevent you from meeting your tax obligations, the CRA may grant relief of penalties and interest.</p>
<p>Which trusts now have to file a T3?</p>	<p>A trust that is resident in Canada (including a trust deemed resident under subsection 94(3)), other than a listed trust, must file a T3 Return annually, if:</p> <ul style="list-style-type: none"> • It is an express trust, or • For civil law purposes, a trust is other than a trust that is established by law or by judgment. <p>For all other trusts (resident and non-resident), including listed trusts, a T3 Return is required to be filed for taxation years in which the trust:</p> <ul style="list-style-type: none"> • has tax payable • is requested to file

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- is a deemed resident trust
- is resident in Canada and has either disposed of, or is deemed to have disposed of, a capital property or has a taxable capital gain (for example, a principal residence, or shares in the capital stock of a corporation)
- is a non-resident throughout the year, and has a taxable capital gain (other than from an excluded disposition described in the Income Tax Act) or has disposed of taxable Canadian property (other than from an excluded disposition)
- holds property that is subject to the Income Tax Act
- has provided a benefit of more than \$100 to a beneficiary for upkeep, maintenance, or taxes for property maintained for the beneficiary's use, or
 - receives from the trust property any income, gain, or profit that is allocated to one or more beneficiaries, and the trust has:
 - total income from all sources of more than \$500
 - income of more than \$100 allocated to any single beneficiary
 - made a distribution of capital to one or more beneficiaries

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	<ul style="list-style-type: none"> o allocated any portion of the income to a non-resident beneficiary
If the trust has no income to report, can it just fill out Schedule 15?	No, because it's part of the T3.

Pandora Papers 2021 Source	
What are they?	<p>The Pandora Papers is a release of 11.9 million leaked tax haven documents with 2.9 terabytes of data that reveal how the global wealthy and elite – including hundreds of prominent world leaders, politicians, corporate executives, celebrities, and billionaires – use secrecy jurisdictions to their advantage to avoid taxes.</p> <p>Following on the heels of the Panama and Paradise papers leaks, it is the largest such data dump to date and got its name because it was expected to open a Pandora's box of probes and lawsuits. More than 600 journalists from 150 media outlets in 117 countries worked on the project.</p> <ul style="list-style-type: none"> • Released in late 2021 by the International Consortium of Investigative Journalists (ICIJ) the trove of information is noteworthy as it could result in those politicians exposed as hiding money offshore to skip taxes involved being

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	<p>forced from office or stripped of powers.</p> <ul style="list-style-type: none"> • The papers reveal how those involved used offshore accounts, shell companies and real estate investments to shelter money. It's not always illegal to have offshore assets – but hiding them from the taxman is. • More than 1,600 works of art by about 400 artists from all over the world, were secretly traded through shell companies in tax havens. • The Panama Papers was based on the files of a single offshore services provider, but the Pandora Papers dump is huge – records come from 14 offshore services firms. Pandora has data on more than 27,000 companies and 29,000 so-called ultimate beneficial owners – the real owners of shell companies – or more than twice the number in Panama. Pandora also named twice as many politicians and public officials. Source
<p>Number of individuals named in Pandora Papers</p>	<p>The data included 130 billionaires, over 330 politicians, celebrities, members of royal families and religious leaders. Source</p>
<p>Estimated amount held offshore</p>	<p>Estimated \$5.6 trillion to \$32 trillion Source</p>

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Number of Canadians named in The Pandora Papers	Over 400 Canadians have been linked to this data leak and risk assessment and compliance actions are “ongoing,” says the CRA website. Source
Number of audits launched by CRA into Canadians named	As of late 2022 the CRA said it’s “compliance action” was still in progress and it couldn’t say how many, if any named Canadians are being investigated or audited, said a CBC story. Source
Federal taxes & penalties assessed against Canadians	No public information on the CRA website. Source
Estimated amount of taxes dodged by Canadians	\$40 billion annually Source
Amount of money recovered so far by CRA	CRA website does not contain this information. Source

Paradise Papers - 2017

What are they?	<p>A collaboration by global media partners of 13.4 million leaked files (1.4 terabytes) from two offshore service providers that revealed secrets from prestigious offshore law firms, a specialized trust company and 19 tax havens. It expands on Panama Papers revelations.</p> <ul style="list-style-type: none"> Reveals how multinational companies in Africa and Asia use shell companies in havens Mauritius and Singapore to reduce taxes
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	<ul style="list-style-type: none"> • Digs into secretive deals and hidden companies connected to Glencore, the world's largest commodity trader, and gives details of their negotiations in the Democratic Republic of the Congo for valuable mineral resources • Outlines how owners of jets and yachts, including royalty and sports stars, used Isle of Man tax-avoidance structures
Number of individuals named in Paradise Papers	<ul style="list-style-type: none"> • Reveals offshore interests and activities of more than 120 politicians and world leaders, including Queen Elizabeth II, and 13 advisers, major donors, and members of U.S. President Donald J. Trump's administration • Exposes the tax structuring of more than 100 multinational corporations, including Apple, Nike and Botox-maker Allergan • More than 120,000 names of individuals and companies Source
Estimated amount of global taxes dodged	\$500 billion annually Source
Amount of money recovered so far	At least \$500 million in taxes and penalties had been recouped by governments around the world as of November 2019. Source
Number of Canadians and entities named in Paradise Papers	3,127 Source

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	Includes former prime ministers Jean Chretien, Paul Martin and Brian Mulroney named in the papers, though there is no evidence they did anything illegal. Source
Number of audits launched by CRA into Canadians named in the Paradise Papers	As of May 2022 (the latest CRA data available on its website) the CRA has completed 30 audits. Another 27 were ongoing but whether they still are as of 2024 is unclear. The CRA has completed audits of 40 Economic Groups linked to the papers in the course of its large business audit program, according to the CRA. Source
Federal taxes & penalties assessed against Canadians audited from Paradise Papers	\$1.6 million in federal taxes and penalties (as of 2022) Source
Estimated amount of taxes dodged by Canadians?	\$10 to \$25 billion a year due to tax havens Source
Amount of money recovered so far by Canadians?	CRA can't, or won't, say if any/how much has been recovered as of late 2022. Source

Panama Papers – 2016

What are they?	A massive leak of more than 11.5 million financial and legal records exposes a system that enables crime, corruption, and wrongdoing, hidden by
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	<p>secretive offshore companies.</p> <ul style="list-style-type: none"> Files reveal the offshore holdings of 140 politicians and public officials from around the world Current and former world leaders in the data include the prime minister of Iceland, the president of Ukraine, and the king of Saudi Arabia More than 214,000 offshore entities appear in the leak, connected to people in more than 200 countries and territories Major banks have driven the creation of hard-to-trace companies in offshore havens. Source
Number of individuals and companies named in the Panama Papers globally	More than 300,000 Source
Estimated amount CRA identified of taxes dodged in Panama/Paradise Papers	\$76 million by late 2022 Source
Amount of money recovered globally: Panama Papers	\$1.7B Source
Number of Canadian individuals, companies and trusts named in The Panama Papers	Nearly 900 Canadians – including individuals, corporations, and trusts – have been identified in the papers. Source

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<p>Number of audits completed by CRA into Canadians named in the Panama Papers</p>	<p>240 audits completed; 160 still underway as of 2022 per the CRA website which has not been updated since March of that year.</p> <p>There have been five criminal investigations of tax evasion, 3 were discontinued and two were ongoing but no criminal charges as of 2022.</p> <p>Source</p>
<p>Federal taxes & penalties assessed against Canadians audited from Panama Papers</p>	<p>\$61 million in taxes and penalties as of 2022.</p> <p>Source</p>

Canadian corporations as taxpayers

<p>Amount of corporate taxes paid</p>	<p>\$93.9 billion (2022-2023)</p> <p>Source</p>
<p>How much less the biggest Canadian companies pay than if they paid at the tax rate.</p>	<p>A 2022 report from Canadians for Tax Fairness says it analyzed the financial statements of 123 corporations worth at least \$2 billion and found they paid \$30 billion less in taxes in 2021 than would be expected under corporate tax rates. It found the effective or actual tax rate paid by these companies was about 15 per cent – lower than the 26.5 per cent average of the combined federal and provincial tax rate. That’s compared to an average effective tax rate of 19 per cent between 2017 -2019, a \$13.5 billion shortfall in tax revenues.</p> <p>Source</p>
<p>Unpaid personal income tax from foreign holdings</p>	<p>\$3 billion (2018 latest figures)</p> <p>Source</p>

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Business tax rates of a selection of countries 2023

[Source](#)

Algeria	26	Source
Argentina	30	
Australia	30	
Austria	24	
Belgium	25	
Brazil	34	
Canada	26.2	
Costa Rica	30	
Chile	27	
Colombia	35	
Croatia	18	
Egypt	22.5	
France	25.8	
Germany	29.9	
Greece	22	

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Hong Kong	16.5	
India	25.2	
Indonesia	22	
Iran	25	Source
Iraq	15	Source
Israel	23	
Italy	27.8	
Japan	29.7	
Jamaica	25	
Malaysia	24	
Mexico	30	
Morocco	32	
Netherlands	25.8	
New Zealand	28	
Norway	22	
Nigeria	30	
Philippines	25	Source

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Poland	19	
Portugal	31.5	
Russia	20	
Saudi Arabia	20	
Singapore	17	
Spain	25	
South Africa	27	
South Korea	26.5	
Sweden	20.6	
Switzerland	19.7	
Taiwan	20	Source
Turkey	23	
Thailand	20	
Ukraine	18	
U.S.	25.8	
U.K.	25	
Venezuela	34	Source

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Canada Revenue Agency (CRA)	
What is the CRA?	The Canada Revenue Agency collects taxes, hands out benefits and tax credits, oversees policies and the registration of charities, and enforces tax laws for most provincial and territorial governments. It is the largest organization in the country's public service with its headquarters in Ottawa, divided into four regions, and in turn into tax centers which intake and process individual and business tax returns. Source
How does Canada's tax system work?	The system is a process of mandatory self-assessment. Every year a taxpayer must fill out a tax return to report if they owe taxes or get a refund. There are penalties if the returns are received after the various deadlines, or outstanding amounts are owed. Source
What is the collection process?	Employees' pay via their employer who withholds the income taxes via payroll and remits them to the CRA monthly, quarterly, or annually. The employer must provide by the end of February each year a summary (form T4) of total wages. Source
How do audits work?	The CRA uses risk assessment to choose a file for audit, looking at criteria like the possibility of errors or chances of non-compliance. It also compares to other similar files. If a taxpayer is chosen for an audit the auditor will reach out by mail or phone and set up an appointment either at their residence, place of

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	<p>business, a representative's office or the local CRA office. The auditor will examine books, records like bank, mortgage and credit card statements, documents, and personal or business records of family member, corporations, partnerships, or a trust. If the auditor finds issues the taxpayer may discuss them. Source</p>
<p>What happens after an audit?</p>	<p>The taxpayer gets a letter saying there will be no adjustments; an adjustment resulting in tax owing; an adjustment resulting in less tax owing, and they'll get a refund. If they owe tax, they'll get a notice of reassessment and if they pay right away, they'll avoid interest. If they don't agree with the result they can appeal. Source</p>
<p>What if Canadians don't file their taxes?</p>	<p>If a taxpayer doesn't file on time the CRA can send a reminder called a TX11. If they ignore that they'll get a second stronger letter called TX14 demanding them to file. If that doesn't work a third letter, TX14D is issued by registered mail or delivered personally. Meanwhile, if a return isn't filed after the second letter, one could be done for them, likely generating a higher tax bill. A notice of arbitrary assessment is issued, and collection actions follow. The taxpayer can file an amended tax return to reduce the amount owing but that will normally trigger an audit. Source</p>

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Facts about CRA	
Minister of National Revenue	The Honourable Marie-Claude Bibeau since 2023 Source
Total number of Tax Services offices across Canada	58 Source
How CRA's performance in tax collection compares with tax agencies in other countries	The CRA was largely in the middle of the pack on key performance indicators, coming in at better than average for half the 11 "similar" tax administrations and worse for the other half, says a 2022 report of the Office of the Parliamentary Budget Officer. Source
Annual projected operating budget	Roughly \$4.13 billion (2023-24 fiscal year) Source
Ratio of total revenue collected to total operating expenditures	Canada is among the worst performers regarding cost of collection ratios, outperforming only Germany as of 2022. Source
Spending on technology, as a percentage of total operating expenditures.	About 16%. In 2019, Canada was barely below the average of comparable countries. (Latest available) Source , 3-21
Total number of employees	The CRA is the largest organization in the Canadian federal public service by number of personnel with close to 60,000 employees in 2024. Source

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Average age of CRA employees	44.6 Source
Average length of service at CRA	11 years Source
Gender parity at CRA	45.1% of staff positions are held by women 54.9% of executives are women Source
Total number of Chartered Accountants who work at CRA	CRA does not disclose this information.
Number of CRA employees disciplined annually	Between 2014-2018 more than 1,000 CRA employees were disciplined for professional misconduct. That works out to one case every working day. Failure to protect the agency and/or taxpayers' information was the top reason for suspensions, reprimands, or firing.
Number of CRA employees fired annually	185 employees have been fired by end of 2023 for claiming a federal COVID-19 benefit when they were not eligible for it. 600 are being investigated. Source 110 CRA employees investigated for fraud between 2017-2022, with 20 fired. Source
Salary of average CRA employee	As of 2021, wages at the CRA have ranged between \$41,658 and \$121,923. Source In mid-2023 the CRA reached a four-year deal with 35,000 striking PSAC taxation employees members for a compounded wage increase of 12.6 per cent

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	and a one-time pensionable payment of \$2,500. Source
Value of annual benefits package	NA
Average CRA pension	NA
Number of CRA pensioners	As of March 31, 2020, there were 651,353 pension recipients and active members. Source

Tax audits

Number of CRA auditors	Approximately 7,700 employees in the Audit, Objection, and Appeals sectors. Source
Number of tax audits performed each year on individuals	30,000 audit notification letters go out per year. Source
Number of taxpayers per full-time equivalents (FTEs) on audits	About 3,900 (Canada is in the middle of the pack) Source , Figure 3-9
Number of audits per FTE on audits	About 390 (Canada is second after Australia) Source , Figure 3-10
Number of tax audits performed each year on businesses	CRA completed 7,700 SME audits per year on average (5,900 audits of small businesses and 1,800 audits of medium-sized businesses) finding more than \$1 billion in 2018-2019.

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	<p>Source</p> <p>Audit volume does not speak to the complexity of such audits. In Canada, the CRA conducts a large volume of low complexity audits of GST/HST registrants.</p> <p>Source, Figure 3-10</p>
Audit “hit rate,” audits of randomly selected taxpayers	<p>59%</p> <p>Source, Figure 3-13</p>
Average time it takes for an audit	<p>Months up to years.</p> <p>Source</p>
Cost of average audit to taxpayers	<p>NA</p>
Offshore audits	<p>Between 2014 to 2015 and 2016 to 2017, close to \$1 billion in income was uncovered and assessed from 370 individuals, 200 corporations and a small number of trusts. Additionally, \$284 million was identified, of which 23% was attributable to individuals and 77% to corporations and trusts linked to them.</p> <p>Source</p>
Reasons/triggers for audits	<ul style="list-style-type: none"> • Living above your means: If you make \$40,000 a year, but you’re living in a luxury home, drive around in a pricey sports car, and travel to exotic locales on your yacht, it doesn’t look good. • Self-employed: Since you don’t get a T-4 where it assumes your boss held back the right amount, it’s thought to be more likely you made a mistake.

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	<ul style="list-style-type: none"> • Cash business: The CRA knows it's easy to under-report cash so keep detailed records because they're coming. • Real estate flips: The CRA has a special audit project dedicated to these types of real estate deals. Expect an audit. • Family business: Having family members on the payroll, especially if one of them is a contractor attracts the CRA. • Big charity donations: Since these are write-offs, abnormally high donations as compared to your income are red flags. • Auto claim: If you claim the car for 100 per cent work expenses, the CRA knows it's unlikely you never use it personally. • HST and income discrepancies: The CRA runs a revenue comparison looking for a difference between sales on your personal return and reported HST. • Home office expenses: The CRA often finds these expenses are over-reported. • Prior audits: If the CRA finds a number of issues with an audit, expect a follow-up. <p>Source</p>
--	--

CRA service standards & turnaround times	
Individual income tax returns (T1)	Issue notice of assessment within two weeks of receiving digital individual income tax return, and within eight weeks of receiving paper individual income tax return. In the 2022 filing season, 96% were

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	<p>processed within this standard for digital and 98 per cent for paper.</p> <p>Source</p>
Corporate income tax returns (T2)	<p>Issue notice of assessment within six weeks of receiving digital corporation income tax return, and within sixteen weeks of receiving paper corporation income tax return. In the 2022–2023 fiscal year, 96% of notices were issued within the standard for T2 corporation income tax returns filed digitally.</p> <p>Source</p>
GST/HST returns	<p>Issue notice of assessment, if applicable, within four weeks of receiving digital GST/HST return, and within eight weeks of receiving paper GST/HST return. In the 2022–2023 fiscal year, 97% of notices were issued within the standard for GST/HST returns filed digitally.</p> <p>Source</p>

The “Tax Gap”

What is it?	<p>The difference between what is owed in taxes and how much is actually paid.</p> <p>Source</p>
Tax gap of individuals	<p>Collectively, 5.4% to 7%, roughly equal to \$6.5 Billion.</p> <p>Source</p>
Tax gap of corporations	<p>Collectively, 24% to 29%, roughly \$9.4B to \$11.4B</p> <p>Source</p>

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<p>Number of Canadians who are convicted tax dodgers</p>	<p>Between April 1, 2020, and March 31, 2021, there were 36 convictions of tax evasion with court imposed fines totaling \$5,172,844, according to CRA. Source</p>
<p>Industries known for dodging taxes, tax irregularities, the underground economy</p>	<p>Hospitality, including restaurants, construction, and small retail outlets. Source</p>

Tax cheating

<p>Why people cheat on taxes</p>	<p>According to <i>Blacklock's</i>, a 2019 study by the Canada Revenue Agency (CRA) found 20% of respondents believed the benefits of tax cheating outweighed the risks. Thirteen percent were classified as “outlaws” who believed tax evasion was “no big deal.” A 2016 Statistics Canada report found nearly \$45.6 billion is lost to tax cheating. Source</p>
----------------------------------	--

Voluntary disclosure

<p>What is voluntary disclosure?</p>	<p>The CRA allows taxpayers and registrants to voluntarily come forward to fix errors or omissions in the tax forms they filed before they are discovered. The CRA, on a case-by-case basis grants relief. Changes to the program were made on March 1, 2018, that divided it into two streams, General (penalty relief and partial interest relief) or Limited (intentional avoiders; prosecution relief). The program is only available for the last 10 years of tax issues. Source</p>
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Number of applications submitted for last year available	19,134 (2014-2015 last available time period) Source
Amount of taxes recovered	\$1.3 billion (2014-2015) Source
Amount of interest recovered on those taxes	NA
Length of time to process	Should hear within five weeks if accepted. Source
How long has the program existed?	Decades, but latest program since March 1, 2018, for all applications received after Feb. 28, 2018.
Number of CRA employees dealing with voluntary disclosure	72 (2014-15)

Notices of Objection

What are notices of objection?	It's how taxpayers can formally dispute a CRA assessment. Filed using form T400A, the CRA will review all the tax information before making its decision. Source Taxpayer has 90 days to file an objection. Source
Number of objections submitted for last year available	NA

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Percentage of objections resolved in favour of taxpayer	NA
Length of time to process	In 2022-23, low complexity: 165 days, 62% of the time, medium 301 days 74%, High, may take more than 690 days. Source .
Number of CRA employees dealing with objections	NA

Tax Court

Number of proceedings launched annually	3,230 (2022-2023) latest available Source
Judgments, orders, and directions processed	12,391 (2022-2023) Source
Files prepared for hearing and heard in court	713 Source
Recorded entries	152,927 Source
Total dispositions	3,876 Source

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CRA helpline	
Number of calls received monthly	NA
Wait time	<p>In 2023-2024 (early) the CRA's own data showed call wait times increased to 22 minutes, the highest in years. Average wait time in 2015 was one minute and seven seconds. Source</p> <p>Auditor general said in December, 2023 she will update a 2017 report on call centers in light of complaints over long wait times and confusing advice given. Source</p> <p>During the Covid-19 pandemic wait times due to an increase in call demand increased and led to complaints. In 2020-21, 33% of calls were answered within the 15 minutes or less service target standard of 65%. Wait times often grew to an hour and for specialized agents three hours. In response, more agents were hired and other initiatives including website improvements were undertaken. Source</p>
Accuracy of information provided	NA
CRA online portal	
Number of business owners using it	NA

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Percentage of business owners using portal	NA
Number of individuals using portal	29,691,230 2023 Source
Percentage of individuals using portal	92 % in 2023 Source

CRA security breaches

Number of breaches annually for last five years

48,500 accounts were locked after CRA identified suspicious activity in 2020.

[Source](#)

In 2020, thousands of accounts were hacked and used to file fake CERB applications.

[Source](#)

In 2021, a further 800,000 users were locked out of fear; usernames and passwords were hacked.

[Source](#)

Also in 2021, the services were taken offline due to a possible security threat. [Source](#)

In late 2022 a coalition of state attorneys general reached settlements with the CRA related to data breaches in 2012 and 2015. [Source](#)

In 2023 the Federal Court of Canada certified a class action lawsuit against the federal government, which alleges negligence in "safeguarding the confidential information of Canadians, leading to widespread privacy breaches." [Source](#)

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<p>CRA response to breaches</p>	<p>In early 2024 the CRA reported it now has a multi-layered approach to protect information including personnel screening, employee awareness and training on security obligations, security markings on forms, implemented a policy to reveal information only to the taxpayer or authorized third party, and risk assessments and internal audits are performed. Source</p> <p>The federal budget of 2021 proposed providing \$330.6 million over five years and \$51.2 million ongoing for the CRA to invest in new tech to meet the growing sophistication of cyber threats. This includes ensuring CRA workers have the skills to monitor threats and protect data and measures to strengthen authentication. Source</p>
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CRA collections	
Number of collections officers	NA
Collections officer salary	\$59,000-\$67,000 a year Source
Total amount of taxes collected through collection	NA

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Taxpayer ombudsperson	
What is it	Working independently from the CRA the ombudsperson mandate is to improve the CRA service by reviewing complaints about it. They also look at service issues that could affect a segment of the population rather than just individuals. Source
Number of annual complaints received	2,189 (2022-2023). Source
Enquiries	2,752 (2022-2023). Source
Length of time to resolve	There isn't a processing time limit and times are on a case-by-case basis. Source
Number resolved annually	NA

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<p>Types of complaints</p>	<ul style="list-style-type: none"> • mistakes • undue delays • incomplete, unclear, inaccurate, or inconsistent information • availability of information • employee behaviour • accountability • misplaced documents • fairness, i.e. in process, treatment • all relevant documents not taken into consideration • not receiving reasons for a decision • particular or individual circumstances not considered by the CRA • inability to access the CRA by telephone <p>Source</p>
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<p>Cryptocurrency task force</p>	
<p>Size of task force</p>	<p>NA</p>
<p>Number of audits</p>	<p>The CRA does not typically disclose the number of audits conducted by specific units or task forces, including the cryptocurrency task force, due to privacy and confidentiality reasons.</p>

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Aggressive tax planning division

What is it?	The Aggressive Tax Planning Division is a compliance branch of the CRA that identifies emerging tax avoidance issues. Source
Number of CRA employees	NA
Number of taxpayers monitored annually	NA
Annual tax recovery	\$5 billion in additional gross federal tax revenues. (2021) Source

Non-filer program

What is it?	A program to promote compliance with the filing requirements of individuals, corporations, and trusts, as outlined in the Income Tax Act and various other pieces of legislation. Source
Number of employees	NA
Annual caseload of non-filers	NA
Amount of taxes recovered annually	NA

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Insolvency section

What is it?	The insolvency section of the Canada Revenue Agency (CRA) deals with tax-related matters when an individual or business is unable to pay their taxes or debts. It involves procedures such as filing for bankruptcy, making a proposal to creditors, or seeking relief under the Income Tax Act. The CRA has specific rules and processes for handling tax debts in these situations to ensure that taxpayers fulfill their obligations to the extent possible while also allowing for a fresh start for individuals and businesses facing financial difficulties. Source
Number of employees	NA
Number of taxpayers who go bankrupt with taxes owing	NA

Tax Calendar

[Source](#)

Personal returns (not self-employment income)	April 30
Personal returns with self-employment income	June 15
T1135-with personal tax return	Foreign property reporting: due on or before the due date of the taxpayer's income tax return or if it's a partnership the due date of the partnership information return. Source

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Corporate returns, small business corporation	Six months after year-end, although not when tax is owed.
Corporate returns, other	Three months after year-end
T1134	For tax years that begin in 2020, Form T1134 must be filed within 12 months of the end of the reporting taxpayer's tax year or, in the case of a partnership, fiscal period, reporting interests in foreign corporations.
Trust returns	90 days after the trust's tax year-end. Source
T4s-T5s	February 28
GST/HST return	Annual, quarterly, or monthly depending on sales volume
RRSP contributions	Feb. 28 of the following year [varies slightly each year]

Cryptocurrencies, taxes and CRA

What are cryptocurrencies?	A digital or virtual currency secured by cryptography. Many are decentralized networks based on blockchain technology and operate outside government or central bank control. Source
How do cryptocurrencies work?	Cryptocurrency works as a digital means to pay for goods and services between parties who agree to

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	use it – instead of conventional money referred to as fiat currency. Source
What is blockchain?	Blockchain is the digital database that underpins cryptocurrencies. The system records information in a way that offers cyber security, making it impossible to hack. Basically, it's a digital ledger of transactions that's copied and sent across the network of computers on the blockchain. When a new transaction happens on the blockchain, a record of it is added to all participants' ledgers. Source
Is there a bubble in the price of cryptocurrency shares? What is the outlook?	Last year it looked bubble-worthy, but what a difference a year makes. There's potential for a transformative leap forward for the crypto asset class in 2024. Significant advances in market structure in 2023 and deep industry innovation indicate that rapid institutional adoption, improved advisor investment accessibility and bullish catalysts for asset prices may be in store. Source
How are cryptocurrencies taxed by CRA?	The CRA treats it like a commodity. Income from crypto transactions, including coin to coin exchanges, have to be reported as either income or a capital gain, depending on various factors including intention when crypto is acquired. If used to pay for goods or services, it's treated as a barter transaction for tax purposes. Source

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Non-fungible tokens, taxes and CRA

<p>What are non-fungible tokens (NFTs)?</p>	<p>Non-fungible tokens (NFTs) are digital assets that turn works of art and collectibles including images, songs, GIFs, tweets, sports plays, and more, into verifiable, unique assets using blockchain technology.</p> <p>Source</p>
<p>How do NFTs work?</p>	<p>They are traded on the blockchain market.</p> <p>Source</p>
<p>How are NFTs taxed by CRA?</p>	<p>Buying an NFT is not taxable. Selling it is taxed in two possible ways: It's either business income or capital gains/investment income.</p> <p>Source</p>

Bitcoin Exchange Traded Funds (ETFs)

<p>When was the first U.S. Bitcoin ETF introduced?</p>	<p>In January 2024, the U.S. securities regulator approved the first U.S.-listed exchange traded funds (ETFs) to track bitcoin, in a turning point for the world's largest cryptocurrency and the crypto industry as a whole. The SEC approved 11 applications, amid warnings there were risks.</p> <p>Source</p>
<p>When was the first Canadian Bitcoin ETF introduced?</p>	<p>Purpose Bitcoin ETF, the first Bitcoin ETF, began trading under the symbols TSX:BTCC.B on the Toronto Stock Exchange (TSX) on February 18, 2021. Source</p>

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FAQs on Canadian Tax Facts 2024

1. What is the most convenient way to file my taxes this year?

To avoid long lines and scrambling for deadlines, it's best to file your taxes as early as possible. You could also sign up for a [direct deposit](#) and file your taxes online for faster transactions.

2. How can I avoid tax scams?

Make sure to verify the identity of the Canada Revenue Agency (CRA) representative that is contacting you. Never give out your personal information, including account passwords or one-time passcodes (OTPs). Do not send them any money if you haven't confirmed their identity. If the person you are speaking with is rude or threatening, end the conversation.

You could also check [this handy guide](#) in identifying possible CRA scams.

3. I need help filing my taxes. Where can I find assistance?

If you aren't too well-versed in the Canadian tax system and need assistance, you may call 1-800-959-8281, the individual tax enquiries line. If you reside in Quebec, you may qualify for their Income Tax Assistance – Volunteer Program. You could also teach yourself by following [these short courses](#).

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