

“Minister of National Revenue” Disregard for Federal Court Decisions

There have been two Federal Court Decisions that have determined that the CRA is NOT granted the discretionary power under Section 152(1) of the Income Tax Act for the improper purpose of deterring taxpayers from participating in RPGA's.

In both Robert McNally and the Minister of National Revenue, decided on June 18th, 2015, and in Alice Ficek and the Attorney General of Canada, decided in May of 2014, the Court ruled that the Minister failed to assess taxpayer's in 2012 and 2013 with all due dispatch in direct contradiction of Section 152(1)(a) and (b).

Now, on June 17th, 2015, the Minister of National Revenue has responded in writing to an affected taxpayer by continuing the same treatment and arguments as her office has used as far back as January 2013.

I personally corresponded with the Minister's office, (both Gail Shea and Kerry-Lynne Findley) at which time they ultimately refused to discuss this policy any further until now, June 17th, 2015. Their position continues to be identical to their previous policy which the courts have now ruled is not in accordance with Income Tax Law.

In Canada, we, including the CRA are governed by the rule of law and, as taxpayers we are to be treated in accordance with our Taxpayer Bill of Rights. The actions of the CRA and the Ministers of National Revenue on this file have no doubt **PRECULED TAXPAYERS FROM EXERCISING THESE RIGHTS AND PREVENTED US FROM ACCESS TO THE RULE OF LAW AS OUTLINED IN THE INCOME TAX ACT.**

I was pleasantly surprised, however to see that the Liberal Party of Canada has now responded to this unfair treatment of Canadian taxpayers. In their platform of Real Change, the Liberal Party has committed to an **OPEN AND FAIR** Canada Revenue Agency. Most specifically to introduce a significant overhaul of the Canada Revenue Agency (CRA) operating practices to **DEVELOP A CLIENT RELATIONSHIP** rather than that of simply a taxpayer. Elements include **“Proactively contacting Canadians when they are entitled to but are not receiving benefits”** and **“ending the CRA political harassment of charities, as well as clarifying rules to affirm the important role that charities can and should play in developing and advocating for public policy in Canada”**.

In my 40 years of Income Tax experience, 81/2 years with Revenue Canada, this, to my knowledge, is the first ever occasion where the rights of Canadian taxpayers are finally being considered and the CRA is to be held accountable for their actions by Parliament.

As Canadians, we should all be writing our MP's; it is the duty of the Minister of National Revenue to be responsible for the actions of the CRA and is responsible to Parliament for those actions.

Yours sincerely,

R. G. Allen
Income Tax Consultant
Vernon BC