

## **NEED TO CONFESS TO THE TAX MAN?** *Some tips for making a Voluntary Disclosure*

- **Remember Brian Mulroney:** The Voluntary Disclosure Program allows taxpayers to correct previous tax returns if they have failed to report income. Mr. Mulroney used this program to disclose unreported income.
- **Don't wait:** If the Canada Revenue Agency has already initiated action against you, it is too late to use the Voluntary Disclosure program. You have to inform the CRA first.
- **Penalty protection:** Disclosures made under the program are protected from penalties and prosecution.
- **Not a free pass:** Making a disclosure under the Voluntary Disclosure Program does not mean you don't have to pay. You are still responsible for the taxes owing and the CRA will determine whether or not interest will be waived.
- **There are conditions:** Your disclosure must be voluntary, complete and involve the application or potential applications of at least one penalty. The disclosure must also relate to information that is at least one year old or include information that is at least one year old.
- **Complete the paperwork:** You need to complete an RC199 in order to apply for a Voluntary Disclosure.