

HOW TO SURVIVE A CRA REVIEW OR AUDIT

- **Deal with it:** Open all the brown envelopes you receive from the Canada Revenue Agency (CRA) promptly. If you receive a call from the CRA, return it. Ignoring the problem will not result in it going away. If you are being reviewed or audited, you need to respond and provide the information requested.
- **Meet the deadlines:** If the CRA is reviewing your moving expenses, they will give you a due date for providing the documentation. Make sure you meet their deadlines. Even if you have the right paperwork, but you are late sending it, they will re-assess your return without the credit. Then you will have to file an adjustment to make the claim again.
- **Find your paperwork:** Not every taxpayer is organized and can find all their tax-related paperwork in one place. But you do need to do your best to provide the documents or receipts requested by the CRA. Do not expect the CRA to find your paperwork for you or accept excuses about why you do not have it.
- **Make sure you are eligible:** If your friend told you that you could claim your cell phone as an employment expense, you should make sure that is actually the case. Employment expenses can only be claimed with a T2200 and must be included in your employment contract.
- **Pay up front:** If your review results in a reassessment, pay the balance right away to avoid additional interest charges. You can still disagree with the assessment and file a Notice of Objection. If the CRA reverses its decision, you will receive the money back. If not, you avoid the accumulated interest charges during the decision process.
- **The CRA is not always right:** If you are re-assessed and you do not agree, you can file a Notice of Objection. Or take them all the way to Tax Court to see if your claim will be accepted. There is a system for fighting the taxman.
- **Unfair treatment:** If you believe you are being treated unfairly by the CRA, you can always file a complaint with the Taxpayers' Ombudsman Office. The office cannot change the tax laws but can review service-related complaints and ensure the Taxpayers' Bill of Rights is being upheld.