



# E-Services for Individuals



Wolters Kluwer

## E-SERVICES FOR INDIVIDUALS

Over the past decade or so, the Canada Revenue Agency (CRA) has invested much effort and resources to provide electronic services to taxpayers through its Web site, at [www.cra-arc.gc.ca](http://www.cra-arc.gc.ca). As a result, information requests and transactions that once required correspondence with the Agency or even a visit to the CRA offices can now usually be carried out online or by telephone.

Generally, the e-services made available by the CRA to individual taxpayers fall into three areas: filing of returns, getting and providing information about one's specific tax situation and, finally, making payments and getting payments.



### Filing a tax return electronically

Electronic filing, or e-filing, of tax returns is probably the online service provided by the CRA with which most taxpayers are familiar. Electronic filing of returns is done in one of two ways – EFILE or NETFILE. (A third option – TELEFILE – which allowed taxpayers to file returns via telephone, was cancelled by the federal government in 2012.)

#### EFILE

Most Canadians don't complete their own tax returns unaided – in the majority of cases, individual taxpayers consult an accountant or a tax-return preparer (who isn't necessarily an accountant) and provide that person with all of the information slips (T4s, RRSP contribution

receipts, medical expense receipts, etc.) relevant to that year's return. The preparer then completes the taxpayer's return and transmits it electronically to the CRA, where it is then processed and a Notice of Assessment eventually issued.

In order to use the EFILE system, return preparers must be "authorized service providers" and registered as such with the CRA. An application must be made to become an authorized service provider, and once the application is approved (which generally takes about 30 days, although the CRA suggests that applications be made prior to December 31 with respect to the upcoming tax-filing season), the successful applicant will be provided with an EFILE number and password, which can then be used to file returns.

In order to assist taxpayers in locating authorized EFILE service providers, the CRA maintains a current listing, organized by postal code, on its Web site, at <https://apps.cra-arc.gc.ca/ebci/efes/epcs/pub/PostalCodeSearch-e>.

#### NETFILE

While e-filing a return requires the services of a tax-return preparer and an e-file service provider (who are in most cases the same person), NETFILE can be done by any taxpayer who is prepared to complete his or her own tax return and is comfortable enough with computers to file that return through the CRA Web site.

It seems that a lot of Canadian taxpayers meet those criteria, as millions of returns are filed every year through NETFILE, with the number steadily rising. To NETFILE a return, a taxpayer needs an access code, tax-return preparation software that meets the CRA's systems requirements (the CRA has certified return-filing software for 2009 tax returns— see the list of eligible software packages available on the CRA Web site at <http://www.netfile.gc.ca/sftwr-eng.html>), and of course, access to a computer that can log on to the CRA Web site.

Where a taxpayer is eligible to use NETFILE (first-time tax-filers are not) the CRA will include a four-digit access code with the T1 package sent to that taxpayer early in the year. If the package received doesn't include such an access code, and the taxpayer believes that he or she should be able to use NETFILE, an access code can be obtained on the CRA Web site at <http://www.netfile.gc.ca/dsclmr-eng.html> or by calling the CRA's e-service Helpdesk, at 1-800-714-7257.

NETFILE is available 7 days a week, 21 hours a day. Although taxpayers who wish to use NETFILE must obtain the software needed to prepare their return, there is no charge for NETFILE itself. Finally, only current-year returns can be filed using NETFILE, and the service is available from around the beginning of February to the end of September. The NETFILE transmission service to electronically file your 2013 personal income tax and benefit return is available from February 10, 2014, until January 16, 2015.



### My Account

The "gold standard" of personal tax information access on the CRA Web site is a feature called My Account, which can be found at <http://www.cra-arc.gc.ca/esrvc-srvce/tx/ndvdl/myccnt/menu-eng.html>. Taxpayers

who register for My Account can do online just about anything that could be done by phone or letter or at a CRA Tax Services Office. Personal tax information that can be obtained online includes information about all of the following:

- tax refunds or balances owing;
- direct deposit;
- RRSP, Home Buyers' Plan, and Lifelong Learning Plan balances and amounts;
- tax returns and carryover amounts;
- eligibility for the disability tax credit;
- account balances and payments on filing;
- instalments;
- the Canada Child Tax Benefit and related provincial and territorial programs payments, account balances, and statements of account;
- the GST/HST credit and related provincial programs payments, account balances, and statements of account;
- Universal Child Care Benefit payments, account balances, and statements of account;
- children for whom the taxpayer is the primary care giver;
- Working Income Tax Benefit advanced payments;
- any pre-authorized payment plans in place with the CRA;
- any authorized representatives on the taxpayer's account; and
- addresses and telephone numbers on file for the taxpayer.

Taxpayers who have registered with My Account can also carry out a number of tax-related transactions online, including all of the following:

- changing a return;
- changing an address or telephone numbers;
- applying for child benefits;
- arranging for direct deposit;
- authorizing a representative;
- setting up a payment plan; and
- formally disputing an assessment or determination.



Even where information will be sent by the CRA to the taxpayer in hard copy form, it's often possible to view that information online before the hard copy is sent out by the CRA or received by the taxpayer. Naturally, anything viewed online can be printed out by the taxpayer for his or her records.

Not surprisingly, making such an enormous amount of personal tax information available online creates a need for security to protect that information. Consequently, in order to gain access to My Account, taxpayers must obtain a Government of Canada epass. To do that, they must register online, at <http://www.cra-arc.gc.ca/esrvc-srvce/tx/ndvdl/myccnt/menu-eng.html>. As part of the registration process, taxpayers will be asked to provide the following:

- their social insurance number;
- their date of birth;
- the amount which the taxpayer calculated and reported on line 150 of their 2006 or 2007 filed-and-assessed tax return; and
- their current postal code.

Once that information is provided to and verified by the CRA, the taxpayer will be asked to create an epass user ID and password, and select and answer three questions. Once that is done, the CRA will send the taxpayer a security code by regular mail. The code will be sent to the address that the CRA has on file for the taxpayer and will take about a week to arrive. Once the security code is received, the taxpayer must go to the CRA's site to enter that security code. After the security code is verified, the taxpayer will be able to log on to My Account. Thereafter, access to the taxpayer's personal tax information can be obtained simply by entering the e-pass user ID and password. The CRA's epass services are available 20 or 21 hours a day, depending on the day, and the hours of service vary by region and time zone. A listing of hours is provided on the Agency's Web site at <http://www.cra-arc.gc.ca/esrvc-srvce/tx/pssrvcs/hrs-eng.html>.

## Quick Access

Many taxpayers don't necessarily want to go through the entire process of getting an epass to get access to My Account, especially if they are infrequent users of the Web site or just need a particular piece of information in a hurry – such as if they are looking for their RRSP deduction limit on the last day a contribution can be made. Recognizing that reality, the Agency created something called Quick Access. As its name implies, Quick Access doesn't require the taxpayer to obtain an epass, or register, or create a password. And while the kinds of information available through Quick Access are much more limited than those available through My Account, they tend to be the kinds of information that taxpayers look for most frequently.

Quick Access is available on the CRA Web site at <http://www.cra-arc.gc.ca/esrvc-srvce/tx/ndvdl/qkccss/menu-eng.html>. Using it, a taxpayer can find out the status of a tax return that has been filed (i.e., whether a return delivered or sent by mail has been received, whether the return has been assessed yet, and whether a Notice of Assessment and a refund cheque are on their way), whether he or she is eligible for particular federal government benefits (e.g., Child Tax Benefit, Goods and Services Tax Credit), and finally, what the taxpayer's RRSP contribution limit is for the year.

In order to satisfy the Agency's legitimate security requirements, taxpayers must provide specific information before they can gain access to the data available on Quick Access. Specifically, the taxpayer must provide his or her social insurance number and date of birth. The taxpayer will also be asked for his or her total income (the number which appears on line 150 of the tax return) for one of the two previous filing years (the taxpayer can choose which year). (Note that if the number on line 150 of the return differs from the number on line 150 of the Notice of Assessment, it is the return amount that must be entered.) Once that information is

entered and verified by the CRA's computers, all of the Quick Access data will be displayed on the screen. Like My Account, the CRA's Quick Access service is available 21 hours a day, 7 days a week. The specific hours during which the service is available in each time zone are outlined on the Agency's Web site at <http://www.cra-arc.gc.ca/esrvc-srvce/tx/ndvdl/qckccss/hrs-eng.html>.

It's inevitable that dealing with the CRA will entail making a payment at some point, whether that payment is a tax payment made on filing or the payment of quarterly income tax instalments. It's also possible, of course, to receive funds from the CRA, whether in the form of an income tax refund or periodic payments, such as the Child Tax Benefit or the GST credit. Either way, it's usually possible to set up a payment arrangement with the CRA online or to arrange for direct deposit of funds from the CRA into the taxpayer's bank account.

such an arrangement online, it's necessary to first obtain an epass, as outlined above, in order to access My Account on the CRA's Web site. Similarly, where a taxpayer wants to arrange online for funds from the Agency to be deposited directly into a bank account, rather than having a cheque sent by mail, it's necessary to first obtain an epass and become registered to use My Account. Once that is done, the taxpayer can start or stop the direct-deposit process, or view or update any related information, on the CRA's Web site.

### Getting help with e-services

The CRA maintains an e-service Helpdesk for taxpayers who are having difficulty with the registration process for My Account or QUICK ACCESS, or who are having difficulty using any of the Agency's e-services. That help desk is reachable by phone at 1-800-714-7257. The help desk services are available more than 13 hours a day, on weekdays, and the hours of operation in different regions are listed on the Agency's Web site at <http://www.cra-arc.gc.ca/cntct/hdsk-nd-eng.html>.

### Tax Information Phone Service (TIPS)

While the CRA clearly intends to move in the direction of dealing with taxpayers mainly online, through its Web site, the Agency does recognize that not every taxpayer wishes, or is able, to connect with it via the Net. And just as the Agency has made it possible for taxpayers to file their tax returns by telephone, it has provided the means by which taxpayers can obtain both general and personal tax information using the same technology.

The CRA's solution in this area is known as the Tax Information Phone Service (TIPS), and that service has two components. The first is a general-information service, called Info-Tax, which provides general (i.e., not taxpayer-specific) information on a wide variety of topics, including the different credits



Where funds are to be remitted to the CRA on a regular basis (for example, with income tax instalments, or where an outstanding balance is being paid off), it's possible to arrange to have those payments automatically debited from one's bank account on specified dates. To make

that may be claimed on the annual return, the GST/HST credit, the Child Tax Benefit, and taxpayer appeal rights. To access any of that information, it's necessary to call TIPS, at 1-800-267-6999, and then to select the desired topic from the list provided.

TIPS can also be used to obtain personal tax information, similar to the types of information that can be obtained online through QUICK ACCESS. Generally, when using TIPS, it's possible to find out the following:

- the status of a return (that is, whether the return has been received and processed and whether an expected refund has been sent);
- whether the taxpayer is eligible for the Child Tax Benefit or the Universal Child Care Benefit and, if so, when those payments can be expected; and
- the taxpayer's RRSP deduction limit for the current taxation year.

As is always the case where the disclosure of personal tax information is involved, there are security requirements to be met. A taxpayer who wants to obtain personal tax information through TIPS must provide his or her social insurance number, month and year of birth, and the total income that the taxpayer entered on line 150 of the 2008 personal tax return.

The CRA has devoted substantial resources over a number of years to making personal tax information available to taxpayers and enabling taxpayers to carry out transactions with the Agency online, while still protecting taxpayer confidentiality. For those who aren't comfortable with the online environment (or who would rather speak directly to a live CRA representative), the CRA continues to maintain its individual enquiries line, at 1-800-959-8281. For those who would rather speak to a CRA representative in person, an appointment can be made (the CRA no longer provides drop-in service at its Tax Services Offices) by calling the individual enquiries line at 1-800-959-8281.

