

## 1 TAX UPDATE 2023 – ELECTRONIC FILING AND PAYMENTS

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3 Several provisions that better facilitate CRA's ability to **operate digitally** have been included in **Bill C-47**, which received  
4 **Royal Assent** on June 23, 2023. These measures were previously included in **Budget 2021**, and **February 4, 2022** and **August**  
5 **9, 2022** draft legislation and explanatory notes.

### 7 **Correspondence with businesses**

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9 The **default method of correspondence** for **businesses** that use CRA's **My Business Account** portal is changed to **electronic**  
10 **only**. This default on all communications is linked to a business number. The person or partnership can **opt out** of the  
11 **default** of electronic communication; however, their request must be filed **at least 30 days** before the notice or  
12 communication is sent, so communications may be sent electronically for several weeks after the taxpayer requests these  
13 be sent by mail. The process for submitting requests to change the default to physical mail is to be set by CRA. This measure  
14 is effective as of Royal Assent (June 22, 2023).

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16 The legislation also provides that communications sent in this manner are deemed received at the time they are made  
17 available. It does **not require** that **CRA send any specific communications** electronically. CRA has not yet announced when  
18 or whether they will begin sending communications electronically by default.

### 20 **Notices of assessment (NOA) for individuals**

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22 An individual's NOA will be deemed received when **delivered electronically** only where the **individual** has **authorized** that  
23 notices may be made in this manner and has not revoked that authorization. This amendment is effective on **January 1,**  
24 **2024.**

### 26 **Electronic payments**

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28 As of January 1, 2024, all **payments** or **remittances above \$10,000** will be required to be made **electronically**, through  
29 services offered by financial institutions, or by any means authorized by the Minister **unless this cannot reasonably be**  
30 **done**. A \$100 penalty will apply to each payment not made in this manner where required.

### 32 **Electronic filing thresholds**

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34 Several measures have been enacted that will **limit** the ability to **file paper returns**.

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36 Certain **information returns** must be filed **electronically** where **more than 5** information **returns** (reduced from 50) of a  
37 **particular type** are required for a calendar **year**. A penalty of \$125 will apply where between 6 and 50 slips are filed on  
38 paper. Numerous information slips are included (Regulation 205.1(1)), such as forms NR4, T5007, T5018, T4A-NR, **T5,**  
39 **T5013, T4A, T4** and **T3**. This provision is effective January 1, 2024.

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41 **Professional tax preparers** will be required to file **personal, corporate** and **trust tax returns electronically**, with the **annual**  
42 **limit** for paper returns exempt from penalties reduced to **five** (from ten), effective January 1, 2024.

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44 The mandatory electronic filing thresholds for returns of corporations under the Income Tax Act and of GST/HST  
45 registrants (other than for charities or selected listed financial institutions) under the Excise Tax Act will be removed,  
46 resulting in **most corporations** and **GST/HST registrants** being **required to file electronically**. This measure is effective for  
47 taxation years and GST/HST reporting periods commencing after 2023.

1 **Information returns – T4A and T5**

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3 **Issuers of T4A** (Statement of Pension, Retirement, Annuity and Other Income) and **T5** (Statement of Investment Income)  
4 information returns can provide them **electronically without** having to **also issue a paper copy** and without the taxpayer  
5 having to authorize the issuer to do so. This measure is effective retroactively for information returns sent after 2021.

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7 **Electronic signatures**

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9 **Electronic signatures** are permitted on Forms **T183, T183CORP** and **T183TRUST** (which authorize electronic filing of tax  
10 returns); **T2200** (Declaration of Conditions of Employment); RC71 (Statement of Discounting Transaction) and RC72  
11 (Notice of the Actual Amount of the Refund of Tax). This measure is effective as of Royal Asset (June 22, 2023).

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