

Audit Shield Fee Waiver Service Commonly Asked Questions



Our Audit Shield Fee Waiver Service provides for the payment of our professional fees incurred if you are selected for an audit, enquiry, investigation or review (audit activity) of filed returns by the Canada Revenue Agency (CRA) and other relevant revenue agencies. *

Why are you offering this product to me now?

The CRA is dramatically increasing the amount of audit activity it is undertaking, especially with regards to processing reviews and limited reviews.

With the use of “advanced data analysis” and increased data matching programs, anyone can be selected for an audit or review by the CRA, irrespective of whether your returns are filed accurately and on time. According to Federal Economic Statement (FES) issued in November 2020, they have committed additional \$605 million over next five years, starting in 2021-2022, the FES has indicated to invest in auditing, including hiring additional auditors focusing on compliance activities. This additional investment is on top of over \$1 billion investment in the previous years.

These investments have provided the CRA significant funding to expand their capacity to gather information and to conduct audit activities. These could be based around a targeted industry, a category of expense or income, or be totally random in nature.

We believe that our Audit Shield Fee Waiver Service can assist our clients in reducing additional costs (i.e., our professional fees) associated with the “audit” response process.

What does the Audit Shield Fee Waiver Service cover?

It covers our professional fees you would otherwise have to incur should you be subject to an investigation, audit, enquiry or review instigated by the CRA or any relevant government revenue agencies.

Cover under the Audit Shield Fee Waiver Service offering is comprehensive. The scope encompasses relevant matters from a basic phone enquiry through to a full audit.

In relation to filed returns, the following is covered:

(Please note, this list is not exhaustive, and only provides examples.)

- Business Audits
- **Covid-19 related wage & rental subsidy reviews**
- Corporate Tax
 - Full
 - Area specific (e.g. professional fees)
- Employment Compliance Audits
- GST/HST/PST/QST (Pre and Post-Assessment Reviews)
- Payroll Audits (T4)
- Personal Tax (Post-Assessment T1 only)**
 - Processing Review Program
 - Matching Program
 - Special Assessment Program
- SR&ED (Financial reviews only)
- WCB/WSIB.

Do I need to participate?

The Audit Shield Fee Waiver Service is an opt-in service, so there is no compulsion to take up this offer. We simply offer it to you as an optional service that you may wish to consider. Should you choose not to participate and you are subject to an audit, review or investigation instigated by the CRA or other relevant government agency, we will continue to represent you and provide complete support, however, you will be subject to additional professional costs.

Do you think I need it?

We hope that you are never targeted by the CRA, but we cannot predict who will be chosen for an investigation, audit, enquiry or review. If you would take comfort from knowing our costs would be covered in case you are scrutinized, then this is a service you should consider.

*The service is limited to the detailed terms and conditions which will be provided prior to acceptance.

**It does not cover any T1 pre-assessment reviews unless they are in relation to a business item of a Sole proprietor. This service only covers audits/reviews instigated by CRA or any other Canadian government revenue authority that is directly in relation to a tax filing.