

# Pretty soon, the CRA could be doing your tax return for you — but for now try 'Auto-fill'



**JAMIE GOLOMBEK** | April 22, 2016 | Last Updated: Apr 22 6:00 AM ET  
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If you haven't yet filed your 2015 tax return yet, you're in good company. Statistics released by the Canada Revenue Agency earlier this week show that they've processed approximately 15.5 million tax returns so far this season. Based on the 28.8 million returns it received last year, that means the CRA has processed just over half the number of returns it's expected to receive this year.

So, if you're one of the procrastinators who still hasn't filed, the good news is that you've got an extra two days this year. That's because the normal filing deadline of April 30 falls on a Saturday, automatically extending the deadline to midnight on Monday, May 2. If you (or your spouse or partner) were self-employed in 2015, you have until June 15 to file, but any balance owing is still due by May 2.

CRA statistics released show that about 65 per cent of returns processed to date will be receiving a refund for 2015, with the average refund being \$1,645. Only 16 per cent of returns processed so far show a balance owing, with the remainder being nil returns. If you're a taxpayer who owes money, it's important to file on time as the penalties and arrears interest can add up quickly.

If you're a do-it-yourself tax filer who plans to tackle your own return this weekend, chances are you'll turn to a software package to assist you with filing. (Only 13 per cent of returns filed so far this tax season have been paper returns.) To make your job even easier, this season marked the introduction of CRA's "Auto-fill my return."

The new service, which launched on Feb. 15, allows Canadians to automatically complete certain parts of their tax return when they file online using certified tax preparation software that includes the service. The auto-fill program draws from information the CRA already has on file related to T3, T4 and T5 slips, RRSPs, amounts owing under the Home Buyers' and Lifelong Learning Plans, non-capital losses carried forward from prior years, capital gains and losses in other years, federal and provincial tuition, education and textbook carryover amounts, instalment payments and more.

The program can be used by anyone who is registered for the CRA's online service, "My Account" ([www.cra.gc.ca/myaccount](http://www.cra.gc.ca/myaccount)) and uses compatible certified tax preparation software. According to the CRA, the new auto-fill service "represents the first major step towards allowing Canadians to automatically fill in their income tax and benefit returns."

Of course, the next logical step would be to have the CRA do your return for you. That may soon become a reality south of the border if a new bill, introduced this week by Massachusetts Democratic Senator Elizabeth Warren, becomes law.

In introducing "The Tax Filing Simplification Act of 2016," Warren, a former Harvard Law School professor, referred to a 1998 bill passed by the Republican Congress (and signed by president Bill Clinton) that required the Internal Revenue Service to implement a simple "return-free" filing system, which would give taxpayers the option of receiving tax returns already filled out for them with the information the IRS already has on hand, by 2008. Nearly a decade later, however, the U.S. Treasury Department still hasn't fulfilled its legal obligation, "surrender(ing) to pressure from the tax preparation industry - giant, powerful companies that make a lot of money off of complicated tax forms."

Contained within Senator Warren's new bill is a rule that would prohibit the IRS from making agreements with the tax preparation industry to restrict its ability to provide free, online tax preparation or filing services. Additionally, it would create a "return-free option for those with simple tax situations," in which the IRS would send qualified people pre-filled tax forms explaining how much they owe (or how much they'll be refunded), which taxpayers could then review, sign and file.

Warren claims her bill already has the support of "dozens of the country's top law professors and economists." Even presidential-hopeful Hillary Clinton voiced her support, saying, "This important piece of legislation will help us build a better, fairer tax system."

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