

Tax Tip
Week of March 29, 2010

Stopping the CRA Collection Process

If an individual disagrees with a CRA reassessment and the tax department has commenced attempting to collect the tax, filing a notice of objection will halt the collections proceedings. It is possible that the section of CRA that handles appeals has not communicated the filing of a notice of objection to the collections department. The taxpayer should always advise the CRA collections department if a notice of objection has been filed. A notice of objection must be filed by the later of 90 days from the date contained on the notice of assessment or one year from the date the tax return was required to be filed.

If the appeal proves unsuccessful, the taxpayer must not only pay the additional tax, but the related interest charge as well.