

CRA STRATEGIC DIRECTIONS

The CRA in 2020 is a modern tax and benefit administration in an environment where compliance with tax laws is recognized as good citizenship. Our advanced technology means that most Canadians deal with their tax matters online, when and how they choose. Our high-calibre, professional staff help taxpayers resolve complex issues in real time. Sophisticated use of data and analytics allows us to take timely and decisive action on non-compliance. Those who want to comply find it easy to do so; those who deliberately avoid their obligations know they likely will not succeed.

COMPLIANCE CONTINUUM



MANAGE COMPLIANCE INTELLIGENTLY
From a variety of approaches to understanding taxpayers and assessing risks within each program
To business intelligence and advanced analytics applied across the CRA to ensure the most effective and efficient intervention at the right point in the compliance continuum.



INTEGRATE THE TAXPAYER EXPERIENCE
From functionally-driven service delivery contact points
To a taxpayer-centric approach that minimizes interactions and simplifies access to information and services



EARLY CERTAINTY ABOUT TAX ISSUES
From a standardized approach with resource-intensive and lengthy recourse processes
To flexible and streamlined practices that are accessible for smaller taxpayers and provide certainty up front for cooperative taxpayers



INFLUENCE COMPLIANCE ATTITUDES
From accepting taxpayer compliance posture as a given
To promoting the link between paying taxes and maintaining our society through engagement strategies that leverage personal and social norms and employ a variety of media and messengers



THE LEVERS



EXTEND OUR REACH THROUGH THIRD PARTIES
From trying to do it all ourselves
To using third parties more systematically to improve program outcomes



DRIVE TO ELECTRONIC
From a mix of manual processes and electronic tools designed for specific purposes
To fully integrated technology solutions for taxpayer segments and internal services, with the maximum degree of automation and self-service



BETTER DATA, USED BETTER
From data repositories that serve specific operational purposes
To an enterprise approach to aggregate data that supports a sophisticated analytics capacity



CORPORATE FOUNDATION



OPTIMIZE OUR ORGANIZATION
From an organizational design that emphasizes functional, geographic and historic approaches to workload distribution
To an organizational design that promotes taxpayer centric approaches, delivers workload to available technical capacity with effective knowledge management support, and maximizes efficiency



BUILD THE WORKFORCE AND WORKPLACE OF THE FUTURE
From a traditional workplace and a workforce that is transactionally-oriented, rules based, functionally and geographically organized
To a workplace that is designed to support high performance with a diverse workforce that is knowledge-seeking, innovative, versatile and resilient, driven by values and focused on results



Canada Revenue Agency
 Agence du revenu du Canada

Canada

CRA STRATEGIC DIRECTIONS

Toronto Centre CRA & Tax Professionals Group
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Canada Revenue Agency / Agence du revenu du Canada

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The CRA in 2020 is a modern tax and benefit administration in an environment where compliance with tax laws is recognized as good citizenship. Our advanced technology means that most Canadians deal with their tax matters online, when and how they choose. Our high-calibre professional staff help taxpayers resolve complex issues in real time. Significant use of data and analytics allows us to take timely and decisive action on non-compliance. Those who want to comply find it easy to do so. Those who deliberately avoid their obligations know they likely will not succeed.

COMPLIANCE CONTINUUM

 MANAGE <small>COMPLY AND OPTIMIZE</small>	 INTEGRATE <small>THE BUSINESS EXPERIENCE</small>	 EARLY <small>IDENTIFY RISKY TAXPAYERS</small>	 INFLUENCE <small>COMPLIANCE ACTIVITIES</small>
From a reactive approach to understanding taxpayers and resolving their issues on demand.	From technology-driven service delivery concepts to a tax partnership approach that motivates compliance and supports access to information and services.	From a traditional approach to compliance enforcement and longer resolution processes.	From accepting taxpayer compliance as passive to a pro-active approach to compliance programs that leverage personal and social norms and employ a variety of media and messages.
To discover inefficiencies and advanced analytics applied across the CRA to ensure the most effective and efficient enforcement in the right order of the tax liability continuum.	To deliver a partnership approach that motivates compliance and supports access to information and services.	To resolve and determine compliance issues in real time for smaller taxpayers and provide customized tax front-line responses to taxpayers.	To promote the law between private taxpayers and monitoring compliance through compliance programs that leverage personal and social norms and employ a variety of media and messages.

DRIVERS

 EFFICIENT <small>FOR REAL TIME ACTION FROM PARTNERS</small>	 DRIVE <small>TO HELP TAXPAYS</small>	 BETTER <small>DATA WITH BETTER</small>
From being under it all ourselves.	From a mix of manual processes and electronic flow designed for specific purposes.	From data collection that is too specific to answer the questions to an extensive approach to aggregate data that supports a key data analytic capacity.
To spend time better, more effectively to improve program outcomes.	To help integrated technology solutions for taxpayer payments and critical services with the maximum level of automation and self-service.	To ensure the law between private taxpayers and monitoring compliance through compliance programs that leverage personal and social norms and employ a variety of media and messages.

FOUNDATIONS

 OPTIMIZE <small>CROSS-ORGANIZATION</small>	 BUILD <small>THE WORKFORCE AND AWARENESS OF THE FUTURE</small>
From an organizational design that reinforces functional geographic and historic approaches to workload to a focus on outcomes.	From a traditional number grade workforce that is not clearly defined and focused to a modern and specifically organized workforce.
To an organizational design that provides taxpayer centric approaches, delivers workload to enable technical capacity with effective knowledge management support, and maintains effective service.	To a workplace that is designed to support high performance with a diverse workforce that is knowledge seeking, innovative, versatile and modern, driven by values and for good results.

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MANAGE COMPLIANCE INTELLIGENTLY

Did you know?

HRMC uses a targeted campaign based approach on the taxi industry to influence voluntary disclosure of unreported income

Political parties are using analytics to try to get an edge by influencing voting behavior.



Where we are going

Using business intelligence and advanced analytics across the CRA to ensure the most effective and efficient intervention at the right point in the compliance continuum



What we are building on

- Integrated Revenue Collections (IRC)
- Database Services
- Industry Campaign Approach
- BI strategy

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INTEGRATE THE TAXPAYER EXPERIENCE

Did you know?

The U.S. has created an overarching digital government strategy to help guide agencies in integrated service delivery. It emphasizes principles related to a customer/information-centricity and a shared, streamlined delivery platform.

The Australian government has created *Centrelink*, a single portal for citizens to interface with all health, social, and welfare payments and services.



Where we are going

A taxpayer-centric approach that minimizes interactions and simplifies access to information and services



What we are building on

- Smartlinks
- *My Account, My Business Account, Represent a Client*
- *Tell Us Once* – Red Tape Reduction Initiative
- CRA's service strategy

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EARLY CERTAINTY ABOUT TAX ISSUES

Did you know?

Uncertainty costs everyone. The EU Court of Justice recently ruled against HMRC on their historic tax treatment of dividends paid by foreign subsidiaries. They may now be required to pay up to £5 billion to UK-headquartered multinationals.



Where we are going

Flexible and streamlined practices that provide accessible information to help ensure certainty up front about tax practices and decisions.



What we are building on

- Advanced rulings online
- Technical Tax Amendments Act, 2012
- *Quick View* for charities

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INFLUENCE COMPLIANCE ATTITUDES

Did you know?

Behavioural economists say that peer pressure can make delinquent taxpayers pay what they owe – tax agencies in the US and Britain have found this to be true



Where we are going

Promoting the link between paying taxes and maintaining our society through engagement strategies that leverage personal and social norms and employ a variety of media and messengers



What we are building on

- Outreach and education campaigns
 - 2010 YouTube video contest
 - Trade School Initiative
 - Get it in Writing Campaign
- Use of social media tools
 - Webinars and videos for businesses
 - Twitter and CRA's YouTube channel

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EXTEND OUR REACH THROUGH THIRD PARTIES

Did you know?

ATO uses third party data to strike a balance between assistance and enforcement activities.

Like CRA, the ATO uses third party information for data matching purposes. However, they also use this information to facilitate accurate filing by sharing industry averages obtained from industry associations with taxpayers to let taxpayers know when their filings are outside of expected norms.



Where we are going

Using third parties more systematically to improve program outcomes and capacity



What we are building on

- Represent a client
- Expanding our current network of strategic alliances
- Updating income tax bulletins online

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DRIVE TO ELECTRONIC

Did you know?

In the U.S. 25% of internet users access the web strictly via their smartphones. By 2015 more Americans will access the internet via mobile devices than desktop computers. In 2011 more than 8 trillion text messages were sent. Mobile strategies are becoming a necessity.

The Government of Canada has teamed up with major Canadian banks to develop universal login information for government e-services: your online banking user/pass. All federal services will be using this system by the end of the year, including CRA.



Where we are going

Increase our uptake of electronic services



What we are building on

- Secure Online Services Strategy
- Established social media presence
- High e-filing rates

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BETTER DATA, USED BETTER

Did you know?

The world has created 2.7 zettabytes of data this year (= 50 million libraries of Congress); up nearly 50% from 2011

CRA has approximately 10 petabytes of information stored in our various repositories - if printed, this information is equivalent to almost 4.7 billion books, each containing 200 pages.



Where we are going

An enterprise approach to aggregate data that supports a sophisticated analytics capacity



What we are building on

- Agency Data Warehouse and data marts
- Data mining and predictive modeling
- Centralized area within the Agency for data analysis and research

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OPTIMIZE OUR ORGANIZATION & BUILD THE WORKFORCE AND WORKPLACE OF THE FUTURE

Did you know?

In the private sector, technology trends like mobility and social networking are changing the workplace

62% of companies enable remote meetings through desktop video conferencing



Where we are going

A workplace designed to support high performance with a diverse workforce that is knowledge-seeking, innovative, versatile and resilient



What we are building on

- Virtual management
- Online self-service tools
- Effective knowledge transfer strategies
- Learning investments aligned with Agency priorities
- An integrity-based organization

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CRA AND BUSINESS TOMORROW'S VISION – TODAY'S INITIATIVES

Getting it Right the First Time

Helping Business Reduce Non-Intentional Errors

Red Tape Reduction

Recent Consultations with Business

Action plans for 12 red tape reduction commitments

Improving Service to Business

"One-Stop" Web page

Improving Functionality of My Business Account

Encouraging Electronic filing/payment

Understanding Business Taxpayers

Random Audit / Business Intelligence

Assistance to the Business Community

Closer relations with businesses and intermediaries

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