



1/42 - 1524 8

2017 - 09 - 19

INQUIRY OF MIN. DEMANDE DE RENSEIGNEMENT AU GOUVERNEMENT

PREPARE IN ENGLISH AND FRENCH MARKING "ORIGINAL TEXT" OR "TRANSLATION"
PRÉPARER EN ANGLAIS ET EN FRANÇAIS EN INDIQUANT "TEXTE ORIGINAL" OU "TRADUCTION"

QUESTION NO./N° DE LA QUESTION 46	BY / DE Honourable Senator Downe	DATE March 29, 2017
--------------------------------------	-------------------------------------	------------------------

Reply by the Minister of National Revenue
Réponse de la ministre du Revenu national

Signed by the Honourable Diane Lebouthillier

PRINT NAME OF SIGNATORY
INSCRIRE LE NOM DU SIGNATAIRE

SIGNATURE
MINISTER OR PARLIAMENTARY SECRETARY
MINISTRE OU SECRÉTAIRE PARLEMENTAIRE

QUESTION

With respect to the Canada Revenue Agency (CRA): An article in the March 20th 2017 edition of the Toronto Star mentioned "a new branch of the CRA, known as the International, Large Business and Criminal Investigations". Regarding this "new branch": 1. When was it formed? 2. Is it a wholly new organization, or is it merely a reorganization of existing resources? 3. What is its annual budget?
- See full text of the question attached.

REPLY / RÉPONSE

ORIGINAL TEXT
TEXTE ORIGINAL

TRANSLATION
TRADUCTION

With respect to the above-noted question, what follows is the response from the Canada Revenue Agency (CRA).

Parts 1, 2 and 4: The International, Large Business and Investigations Branch (ILBIB) was formerly part of the larger Compliance Programs Branch (CPB). ILBIB was created in April 2016 to provide more focus on international tax audit, aggressive tax planning, criminal investigations, and the development of strategies to combat international tax evasion and aggressive tax avoidance.

Part 3: As of March 24, 2017 (the most recent date for which current information is available), the ILBIB has an annual operating budget of \$276,298,757.

Part 5: The reorganization of the CPB did not change ILBIB's goals of identifying and addressing non-compliance. However, it has allowed for greater focus in cracking down on tax evasion and international collaboration which will assist in meeting Budget 2016 and Budget 2017 commitments such as hiring additional auditors, expanding the Promoter Compliance Centre, increasing audit coverage of the large, multinational corporations and high net worth individuals, and revenue commitments. Incremental revenue expected from Budget 2016 investments is \$2.6B over 5 years and for Budget 2017 is \$2.5B over 5 years.

Additionally, the CRA's Summary of the Corporate Business Plan 2017-2018 to 2019-2020, available on the CRA's website (http://www.cra-arc.gc.ca/qncy/bsnss_plns/2017/txpyr-bsns-sstnc-eng.html) describes initiatives associated with compliance efforts in the CRA, including those of ILBIB.

Date... 19 / 1X / 2017

PRINCIPAL CLERK
GREFFIER(ÈRE) PRINCIPAL(E)

No. 46.

By the Honourable Senator Downe:

March 29, 2017—With respect to the Canada Revenue Agency (CRA):

An article in the March 20th 2017 edition of the Toronto Star mentioned "a new branch of the CRA, known as the International, Large Business and Criminal Investigations".

Regarding this "new branch":

1. When was it formed?
 2. Is it a wholly new organization, or is it merely a reorganization of existing resources?
 3. What is its annual budget?
 4. What is its mandate?
 5. Has it been assigned any performance goals? If so, what are they?
 6. How many people are employed in it, full time?
 7. How many of these people are new hires, and how many came from other parts of the Agency?
-

Part 6: As of March 24, 2017 (the most recent date for which current information is available), ILBIB had 2,716 full time equivalents (FTEs).

Part 7: ILBIB was created from the reorganization of the former CPB into two separate branches namely, Domestic Compliance Programs Branch and the ILBIB. This reorganization did not necessitate an increase or transfer of resources.

However, over the last two Federal Budgets, the Government of Canada has invested close to \$1 Billion to help the CRA crack down on tax evasion and tax avoidance. These investments are giving the CRA more tools and resources to hire more auditors to crack down on tax cheats.