

**TALL Lunch &  
Learn: Tax  
Research  
Reprise No. 3**

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# Tax versus Traditional Legal Research

- Legislation - Two main pieces of federal tax legislation
  - Income Tax Act (ITA)
  - Excise Tax Act (ETA)
- Case Law - specific court - Tax Court of Canada
- Government Documents to Support
  - Draft Legislation
  - Tax Technical/Explanatory Notes
  - CRA Advance Rulings
  - Income Tax Folios
  - CRA Publications
  - Budget

# Tax Legislation

Process for new legislation

-> Budget Speech - <https://budget.gc.ca/>

-> Release of Budget Documents

-> Explanatory / Technical Notes

-> Supplementary materials = Notice of Ways & Means / Explanatory Notes

-> News Release - > Introduction & First reading of a tax bill

# Tax Legislation

- Always released by the Department of Finance
  - New initiatives come from the Budget Speech (usually)
  - Either as a news release or on their draft legislation page
    - News release: <https://www.canada.ca/en/department-finance/news.html>
    - Draft Legislation: <https://fin.canada.ca/drleg-apl/index-en.html>
- Announcement usually contains:
  - Text of the proposed legislation
  - Notice of way and means
  - Technical/explanatory notes

# Technical Notes

- Technical notes date back to the late 1970s/early 1980s
- Are released with each piece of Draft Legislation
- Help give researchers insight into legislative intent for the sections that were changed in the ITA and why
- Technical Notes <https://fin.canada.ca/drleg-apl/index-en.html> (scroll from draft)
- Canada Archive for older notes has been down (for a long time!)
- Older notes can be found digitally from the Canadian Tax Foundation

# Case Law

- Tax Court of Canada
  - Superior court - trial level
  - Appeals to FCA
  - Has docket info on website - Current Appeal Docket  
[https://apps.tcc-cci.gc.ca/cf/docket/search\\_e.php?ap\\_id=171309](https://apps.tcc-cci.gc.ca/cf/docket/search_e.php?ap_id=171309)
  - Searchable by docket or party
- Very few cases tax cases make it to the Supreme Court of Canada
- There is a special add on within Taxnet Pro for Court Documents (\$\$\$) where documents can be found

# CRA Advance Rulings

- AKA - Access letters, CRA Views; CRA Letters, FOI requests
- Released by CRA each week on Wednesdays to vendors
- Only available in the language the CRA has written it (ie. English or French)\*\*
- Apply to specific taxpayer situation
- Costs \$100 unless subscribe to online vendors

The screenshot displays the Taxnet Pro web application interface. At the top, there is a navigation bar with links for Tax Foresight, History, Folders, Options, Help, Français, Logout, Feedback, and Client File: NONE. Below this is a search bar with the text "Enter search terms ..." and a "Search" button. The main content area shows a document titled "CRA Views 2018-0779261E5: Investment management fees -- Section 207.01(1) advantage". The document content is displayed in a scrollable area, showing the following text:

View Original Format

PRINCIPAL ISSUES: Announcement of deferral of implementation date for position on application of advantage tax rules to investment management

LANGIND E

DOCNUM 2018-0779261E5

AUTHOR Wurtele, Dave

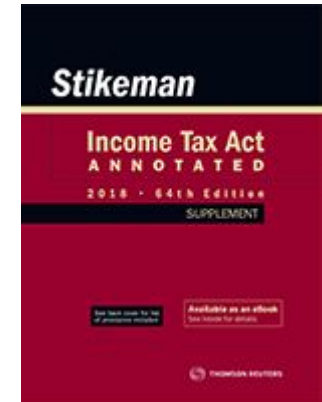
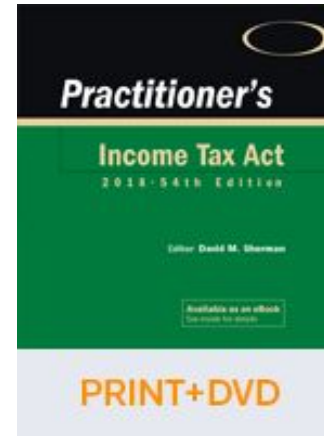
# Translations of CRA Views

- Recently vendors have been releasing unofficial translations of CRA Views
- These can be found on:
  - Taxnet Pro (dating back to 1992; but not comprehensively) 1200+
    - Can request a translation
  - Tax Interpretations (dating back to 2005) BUT more robust 2000+
    - free first 5 days of the month



# Core Federal Resources

- Annotated Income Tax Act (green version known as the PITA)-
  - Provides list of gov't documents and pieces of commentary associated with each ITA section
- Sherman's Technical Notes
  - Provides a history of changes made to each section of the ITA and lists the date/type of document that made the change



# Key Sections of the PITA

- There are a few especially helpful sections of the PITA you should keep in mind when doing Tax research:
  - Introductory Notes - These can be found at the beginning of the book and lay everything out
  - Tax conventions with US/UK
  - Tax acronyms can be found within
  - Proposed changes to legislation are highlighted in gray throughout the text

# Other Federal Resources

## Canadian Tax Foundation

- On main page have list of Tax Research Links for various jurisdictions
- Need to be a member
- Publish conference materials, papers, CTF Journal ([check out their free open-access version!](#))
- EXTREMELY useful if don't understand or if you need commentary on a topic
- Has a great team of research staff that can help you locate historical and hard to find material

# Canadian Tax Foundation Digital Collection

- The CTF has recently released a digitized collection of historical tax materials. These include:
  - Special Releases
  - Historic Budget Papers
  - CBA-CPA submissions
  - Historical CTF Tax Papers

# Research Tool Comparison

<b>Taxnet Pro</b>	<b>Answerconnect (formerly Intelliconnect)</b>	<b>TaxFind Online</b>	<b>Tax Interpretations</b>
Contains legislation, government documents, case law, commentary (including tax loose-leaf titles), newsletters	Contains legislation, government documents, case law, commentary, newsletters	<b>Contains commentary,</b> journal articles, conference reports	Contains case law; conference round tables, government documents
Has folio views, advanced search available	<b>Can search by topic</b> or by section	Has folio views, advanced search available	Basic search functionality
Has CRA View translations (dating back to 2015)	Does not have CRA View translations	Does not have CRA View translations	<b>Has CRA View translations (most robust; back to 2005)</b>
<b>Has calculators, checklists and useful election guides</b>	Has ability to make smart charts to compare tax items	No special tools	No special tools

# How to find legislative history/intent of an ITA section

- Looking at **History** and **Technical Notes** on Taxnet Pro (or other platform)
- Identify the changes that happened and when
- Take the dates of the changes and find corresponding **Special Releases** (**Technical Notes**)
- Look up **Hansards** associated with the dates in question
- Provide all documents to your requestor!

# Other Helpful Tools for Tax Research

- Ted Cook's Cdn Tax Research (2010)
  - Useful guide to all things tax; includes the dates for many changes and oddities in the federal tax legislation and structure
  - Explains each type of tax document



**Audience Questions?**