

AUDIT PROTECTION PLAN

WHAT IS IT?

In response to numerous client concerns about the Canada Revenue Agency's ("CRA") intensifying audit activities, HW Partners implemented a program called the "Audit Protection Plan" to assist our personal tax clients. The plan serves to reduce the unanticipated professional fees associated with responding to enquiries received from the CRA following the filing of your personal income tax return.

The CRA continues to select more taxpayers for further review. These reviews generally involve a request for supporting documentation to verify or substantiate claims made on income tax returns. Even if no tax is owing, responding to these CRA requests can be time consuming and expensive. As a result, we have implemented this optional protection plan for our clients to help reduce, or in most instances, fully cover the professional fees associated with responding to CRA.

WHY SHOULD YOU ENROLL?

- HW Partners responds to hundreds of requests from the CRA each year. The frequency and complexity of these responses has increased substantially over the past few years. As a result, our time responding to these requests has increased dramatically.
- Depending on the nature and complexity of the review, a secondary follow-up is often required with the CRA to ensure processing of the information provided to the CRA is appropriate.
- Recent internal policy changes at the CRA have increased the level of documentation needed to support taxpayer claims.
- The following is a list of common items CRA chooses to review, but is not an exhaustive list:
 - Support payments
 - Tuition credits transferred between individuals
 - Foreign tax credits
 - Medical expenses
 - Child care expenses
 - Annual union, professional or like dues
 - Moving expenses
 - Property tax & rent paid

WHAT DOES IT COVER?

The audit protection plan will cover all professional fees incurred (up to a maximum of \$1,500 per individual income tax return for which we have been engaged to prepare at an agreed upon fee) in responding to the CRA information requests for the current taxation year related to personal tax returns. This includes the cost of all submissions and correspondence with the CRA to resolve any outstanding issues for any individual in your family for which a personal income tax return was prepared by HW Partners.

This fee does not cover any income tax, penalties or interest due as a result of the review but does cover our time and expenses incurred in resolving your issue. If a review involves items that are not income tax related this plan does not cover those matters (such as payroll taxes, indirect sales taxes, property taxes, RRSP and TFSA overcontributions issues and/or other issues).

WHAT IS THE COST TO ENROLL?

The cost of the audit protection plan is 15% of your or your family's personal income tax preparation fee for the year.

HOW DO I ENROLL?

If you would like to take advantage of the audit protection plan, please indicate yes below and return this form to us. If you enrolled in the plan in the previous year, you are automatically enrolled for subsequent years.

☐

YES, please enroll me in HW Partners audit protection plan for the 2024 taxation year.

☐

NO, not at this time.

Name: _____

Signature: _____

Date: _____

If you choose to enroll in the audit protection plan our invoice will include the fee above with the normal fees for your return preparation. **You will also be automatically enrolled for subsequent taxation years unless you indicate otherwise.**