

Time for change is now

Advocates should help 55+ prepare for what's to come

[Tom Carney](#) / North Shore News

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I'm in a bit of a quandary.

My colleagues are outraged by a recent decision by the Canada Revenue Agency. I'm not.

Let's start at the beginning. The CRA wants taxpayers to file their return online. Last year the CRA ended the mail-out service of the T1 personalized income tax package and the Telefile service, which allows taxpayers to file their return by telephone. Seniors' advocates called these decisions "manifestly unfair and frankly unnecessary" and they accused the CRA of "pushing everyone online before they are ready."

It costs approximately four times more for the agency to process a paper return than an electronic return.

The CRA says that a significant majority of Canadians now file their taxes online and in 2011, printed tax packages for approximately 1.3 million people in the country went unused. That's a lot of wasted paper.

A suggestion: Rather than eliminate the mailing of the TD1 tax form altogether, the CRA should mail copies of the return only to those who filed a paper return in the previous year.

Let's be clear here: the CRA may be pushing us to file our taxes online but Canadians can still file a paper return if they wish. Tax packages are available for pick up each year at a Canada Post or Service Canada location or by calling the tax office. The forms can also be downloaded online.

When a taxpayer chooses to file their return using pen and paper it's free.

I believe the decision to eliminate mailing tax forms to Canadians is a precursor to the elimination of the option of filing a paper return. In that case, in my opinion, the CRA should be required to provide the tax software necessary to file an electronic return at no charge to tax filers.

Overall, I view the CRA's decision not to mail out the TD1 tax form as more of an inconvenience than a hardship.

I will go one step further. Instead of opposing the move towards electronic filing, seniors' advocates should be encouraging seniors to file their taxes online for a couple of reasons. Tax experts point out that using a tax software program instead of a pen and pencil significantly reduces the chances of making a mistake and helps optimize calculations for medical expenses, charitable, RRSP and RRIF calculations, and pension splitting. Seniors who file electronically will probably have more money in their pocket and they will certainly have a better understanding of the tax system.

News that the CRA would no longer be mailing out returns or providing the Telefile service caught a lot of seniors and their advocates by surprise. More changes are on the way.

For example, the federal government intends to replace issuing cheques, including pension cheques, in favour of

a direct deposit system by 2016.

The lesson here is that seniors who can't or won't adapt to technological change are going to be left in the dust. Getting old and tuning out isn't an option. Instead of opposing technological change, seniors' advocates should be helping their clients prepare for it.

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