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Report offshore tax cheating – After you submit

From: [Canada Revenue Agency](#)

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4. After you submit

All submissions are reviewed to verify the alleged international tax non-compliance and to determine the informant's eligibility for the program.

Evaluating an informant's submission

The CRA will conduct a preliminary review of your submission in order to:

- verify the identity of the Canadian taxpayer(s), individual(s), corporation(s), or trust(s) that are the subject(s) of your submission
- determine if your submission includes sufficient, specific and credible facts relating to the alleged international tax non-compliance
- verify your identity, as the informant(s)

The CRA will evaluate an informant's submission according to the following criteria:

- The informant is eligible. See [Eligibility](#) for more details.
- The information provided by the informant demonstrates that:
 - the tax non-compliance is [international](#)
 - the potential federal tax, excluding interest and penalties, is \$100,000 or more

If the submission meets the above criteria, the OTIP will review the informant's submission to:

- determine the potential existence and extent of the offshore non-compliance involving unreported foreign income and/or assets
- ensure the CRA does not already have the Canadian taxpayer(s) under compliance action or have the information in its possession
- determine if an offshore compliance audit of the Canadian taxpayer(s) is appropriate and/or whether the information will be shared with

other CRA program areas for other possible enforcement-related actions

If a case is recommended for inclusion in the reward program, it is sent to an internal committee of senior management representatives for approval to enter into a contract.

In some situations, such as when it is not apparent that it will recover at least \$100,000 in federal tax, the CRA may not offer a contract to the informant. In these situations, the CRA will keep the information on file. If an audit does occur and it reassesses and collects at least \$100,000 in tax, the CRA will reach out to the informant to offer a contract. Therefore, it is important to keep your address up to date with the OTIP.

Entering into a contract

Once an internal committee approves the recommendation for a contract, the CRA will enter into a contract with the informant. In many cases, this may happen after an audit.

The contract sets out the terms and conditions under which the informant provides information to the CRA. In exchange for that information, the CRA agrees to pay a reward to the informant if they meet all the terms and conditions in the contract.

▼ Example of submission

The CRA offers George a contract

George knows that his business partner is hiding his personal assets in a foreign country. George has emails, property records, and bank statements to prove it. He fills out the RC626 form and sends it to the OTIP along with the supporting documents.

The OTIP reviews the allegations and documents George provided and estimates that the amount owing to the CRA is just under the \$100,000 threshold. As a result, George is not offered a contract by the CRA. The OTIP does refer the information received for compliance action. The CRA conducts an audit of the taxpayer George identified and discovers that the taxpayer actually owes more than \$300,000 in federal tax to the CRA.

It has been several years since George sent in his submission, but George now qualifies for a contract. George kept the OTIP updated with his current address so the OTIP was able to reach out to him to offer him a contract for the information he provided.

After the taxpayer's appeals rights have expired and the CRA has collected the taxes owing, the OTIP will issue a reward payment to George.

If you have information similar to George's or other information about major international tax non-compliance, you could receive a financial reward. To find out if you are eligible go to [Report offshore tax cheating – Eligibility](#).

How long the process takes

The CRA works to conclude the process as efficiently as possible. However, it may take several years until the CRA assesses the additional federal tax, the taxpayer's objection and appeal rights expire, and the CRA collects the amount owing.

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