

Personal Income Tax Compliance for Canadians

How and at What Cost?

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Executive Summary

The key purpose of this study is to estimate the resources expended by individuals in complying with the Canadian personal income tax/payroll tax system in 2023. This is of interest since the cost of this compliance can be high as shown in previous studies. However, to understand what explains the costs observed one also need to examine how tax returns are prepared. To examine both issues, we use survey data collected in May 2023 from a sample of 1,523 Canadian residents aged 18 and older drawn from the Canada-wide online panel of the firm Leger.

The first section of the report presents the choice of a tax filing mode including the use of downloadable information. It shows that almost half the filers (50%) prepared their 2022 income tax return themselves while more than a third (37%) used a paid tax preparer; the remainder had a friend, family member or a volunteer prepare it. Those preparing their own return tax report do so mainly (85% of self preparers) using some form of software.

The second section of the report shows the time, money (out-of-pocket expenses), and total costs of filing a tax return. We find that, on average, individual Canadian tax filers spent 1.5 hours on personal income tax compliance activities and spent \$88 on out-of-pocket expenses. Transforming the amount of time spent on tax filing into a monetary value yields \$42, bringing the total cost of compliance to \$130 per tax filer.

Costs vary according to various factors. Note that the type of income associated with the highest total compliance costs is rental income (\$334) then not surprisingly self employment income (\$239). Various types of investment income—interest (\$171) dividend income (\$175) and capital gains (\$237)—have higher compliance costs than wages and salaries (\$129) or government transfers (\$128).

The third section examines the total compliance costs and the possible impact of pre-filled returns on these costs. The total compliance costs associated with filing 2022 personal income taxes are estimated at \$4.2 billion, which is equivalent to 0.15% of GDP. Contributions to social security plans (EI, CPP, QPP and so on) were \$131.6 billion and personal income tax revenues were \$347.9 billion in 2022 for a total of \$479.5 billion. Thus, the filing costs are equal to 0.87% of payroll and personal income tax revenue collected (or 1.20% of personal income tax revenues alone). Using the percentage of time, one can calculate that provincial compliance costs are equal to \$1.6 billion while federal compliance costs stand at \$2.5 billion.

One way to reduce these compliance costs is tax simplification. However, the available evidence drawn from earlier work on personal income taxes indicates that since 1980 complexity has been increasing; thus, this is unlikely to be done in the near term. Another solution is to, if not reduce complexity, at least make it more manageable for tax filers by making the tax administration produce prefilled income tax reports. Such reports would be sent to individual tax filers who would either approve them as such, after a more or less detailed examination, or amend then approve them, or finally not make use of them. According to our survey, the hypothetical acceptance of prefilled tax returns is as follows: 6% of Canadian tax filers would accept them as such, 19% would accept them after a quick check, 49% would review them carefully and 26% would not use them. Using this information, we simulate the impact of prefilled tax returns on total compliance costs and calculate a drop of one third in these costs. Overall, compliance costs for personal income taxes and payroll taxes represent a significant expense for Canadians.

Introduction

The key purpose of this study is to estimate for 2023 the resources expended by individuals in complying with the Canadian personal income tax/payroll tax system (PIT/PT). This is of interest since the cost of this compliance can be high as shown in previous studies for 2018 (Grine and Vaillancourt, 2023), 2007 (Vaillancourt et al., 2013), and 1986 (Vaillancourt, 1989). However, to understand what explains the costs observed one also need to examine how tax returns are prepared. To examine both issues, we use survey data collected between May 5th and May 7th 2023 from a sample of 1,523 Canadian residents aged 18+ drawn from the Canada-wide online panel of the firm Leger. The characteristics of the sample are reported in Table A-1 in the table appendix. The first section of the report presents the choice of a tax filling mode including the use of downloadable information. The second shows the time, money (expenditures), and total costs of filing a tax return. The third examines the total costs and the possible impact of prefilled returns on these costs. Given their length, most tables are found in the appendix noted above. The questionnaires (English and French) and the methodology to compute the value of time of tax filers are also found in appendices.

The Choice of a Tax Filing Mode

Table 1 presents descriptive statistics on the choice of a tax filing mode. Roughly half the filers (50%) prepared their 2022 report themselves while more than a third (37%) used a paid tax preparer; the remainder had a friend, family member, or a volunteer prepare it. Tax filers preparing their own report do so mainly (85% of self preparers) using some form of software. Turning to results by socio-demographic characteristics, there are a few observations.

Gender matters for tax filing choices. Women (44%) are less likely to be self preparers than men (56%) and consequently use a paid tax preparer more often (41%) than men (33%). This choice may be linked to a real or perceived lower knowledge of tax matters amongst women than men as reported by Pham et al. (2020: 9, 34).

Age has less impact on the percentage of filers using a paid tax preparer than gender with a range of five percentage points rather than nine percentage points. The high use of paper by the younger age group is surprising and hard to explain but their greater use of the services of friends and family members is most likely explained by the fact that most of them still live with parents that have experience in filing income tax returns.

The mode of tax preparation varies by region. One key finding is that the use of a paid tax preparer is more frequent in Québec (44%) than in Canada as a whole (37%). Perhaps this is linked to the breakdown of effort between federal and provincial tax forms reported in table A-2. For Canada as a whole, respondents indicate that 61% of their tax filing time was for general/federal tax matters while Quebec respondents report a 52% time share for general/federal tax matters.

The area of residence has little impact on the choice of the tax filing mode. Surprisingly given distances the use of paid tax preparers is highest amongst rural dwellers. Total income is linked to the use of paid services, be they in the form of software or human expertise, as shown in Figure 1. Tax filers in higher income households use paid services more often than other income groups.

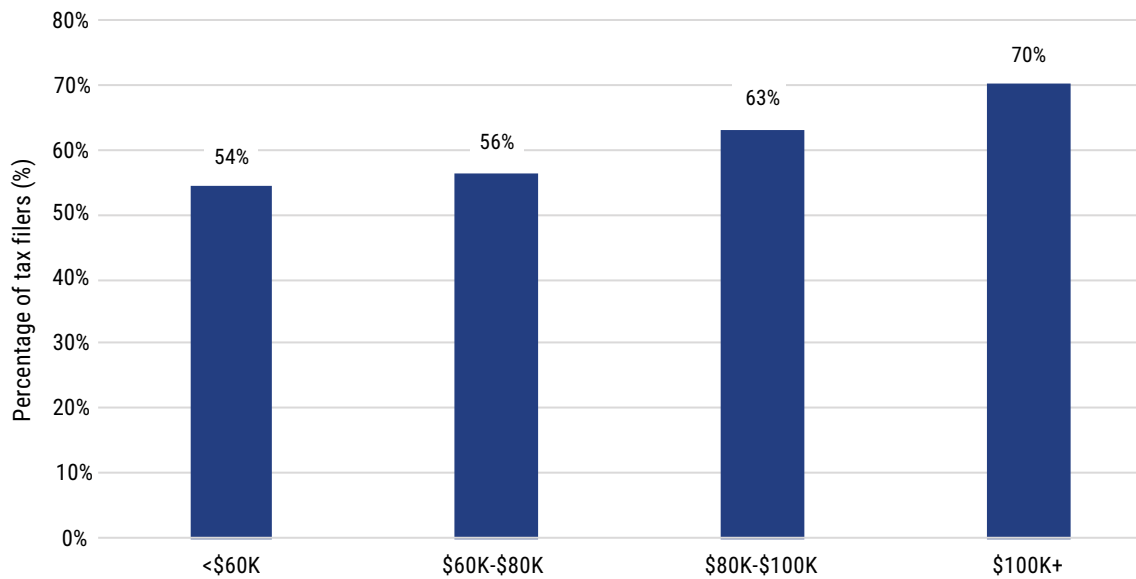
Employment status also impacts the choice of tax filing mode. The self-employed are the group most likely to use paid inputs for tax filings. One explanation is that the calculation of net employment income can be complex. Another is that they already use a software program or the services of accountants for other management purposes and that tax return preparation is either an inexpensive add-on or part of their package of services.

Table 1: Percent of PIT tax filers by tax preparation mode, by sociodemographic characteristics, Canada, 2023

	Self using paper form (%)	Self using purchased software (%)	Self using free software (%)	Not paid someone else (%)	Paid tax preparer (%)
Total	7	24	18	14	37
Gender					
Male	7	30	19	12	32
Female	7	19	17	16	41
Age					
18-24	14	11	19	18	39
25-34	8	24	23	12	34
35-44	5	22	23	15	35
45-54	6	25	22	9	37
55-64	6	30	14	13	37
65+	9	27	10	16	38
Region					
ON	8	22	20	13	37
BC	4	24	22	12	37
Prairies	7	26	22	15	30
QC	9	25	8	14	43
ATL	7	33	15	16	29
Area					
Urban	7	25	20	13	35
Suburban	6	26	15	14	38
Rural	9	21	15	15	39
I don't know /No answer	21	3	28	17	31
Income					
<\$60K	10	20	21	15	34
\$60K-<\$80K	10	22	18	16	34
\$80K-<\$100K	8	26	19	10	37
\$100K+	5	32	15	11	38
No answer	2	21	12	19	46
Employment Status					
Working	7	26	20	10	36
Self-employed	4	29	16	12	39
Not in labor force	8	24	12	17	39
Unemployed	11	10	36	16	27
No answer	0	7	19	56	18
Children in household					
Yes	8	24	20	10	39
No	7	25	17	15	36
No answer	0	11	43	0	46
Education					
High school or less	9	16	19	17	40
Post-Secondary certificate (or diploma below bachelor level)	7	27	17	13	35
Bachelor's degree or higher	6	30	17	11	36
No answer	25	22	19	28	6

Sources: Leger survey data; calculations by authors.

Figure 1: Percentage of Canadian PIT tax filers paying for tax filing software or tax preparer, by household income, 2023

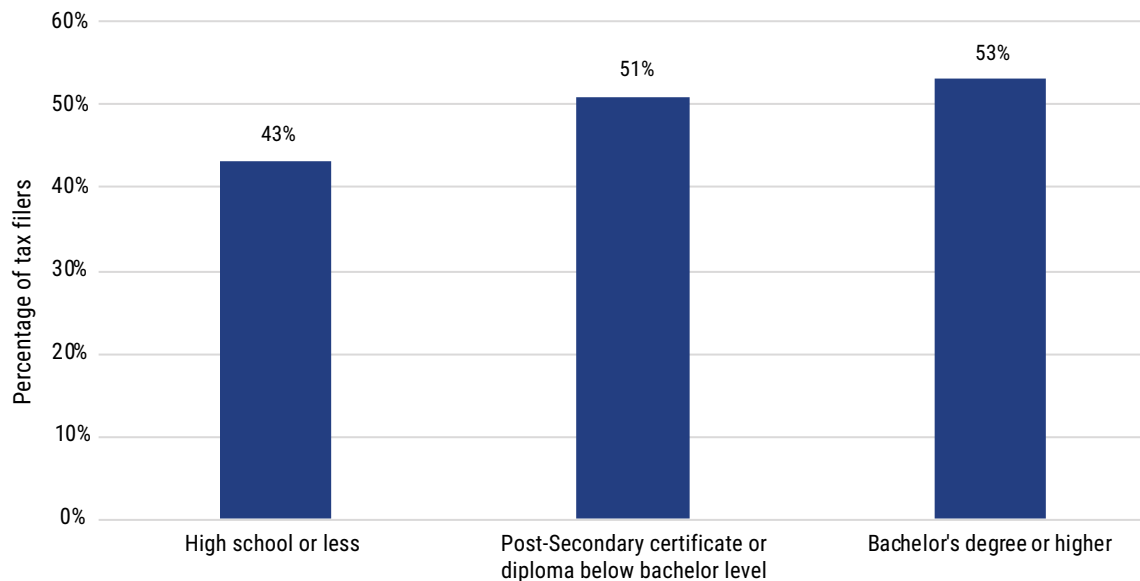


Source: Calculations by authors using data in table 1.

The presence of children does not appear to be a major factor in explaining the mode of tax filing. An increase in the level of education of tax filers is associated with choosing more often to self prepare their tax return as shown in figure 2.

Finally, we report in table A-3 in the appendix the impact of the non-exclusive receipt of 13 types of income on the choice of mode of tax filing. Non-exclusive here means the respondents were asked to indicate all the types of income they received. Types of income range from wages and salaries to foreign investment income. The goal of that table is to link complexity and use of tax professionals. We found that the receipt of other (not interest, dividend, or capital gains) investment income (52%) and of rental income (47%) were the two instances associated with an overuse relative to the mean of paid tax professionals.

The possibility of downloading data (Auto-fill my return) from the Canada Revenue Agency (CRA) was first offered to the general public in 2016 for the 2015 personal income tax return (Carrick, 2016). It was offered earlier (2013) in Québec (TDF: téléchargement des données fiscales) by Revenu Québec but the process to access this service was modified also for the 2015 tax return (Infodimanche, 2015). Table A-4 presents information on

Figure 2: Percentage of Canadian PIT tax filers self-preparing returns, by education level, 2023

Source: Calculations by authors using data in table 1.

the use of either service by tax filers who use software to prepare their tax return.¹ Key points are that:

- Downloading tax information is much more common in Québec (64%) than Canada as a whole (58%) perhaps due to the availability of two options to download data.
- Downloading is much more common for those aged 25-34 (66%) than others perhaps because they began preparing tax returns at the same time as downloading became available.
- Downloading generally increases with income and with education.
- Downloading is more common when you are in receipt of dividend or rental income.

¹ Tax filers who use software can access various tax slips through either the Canada Revenue Agency or Revenu Québec.

The Costs of Personal Income Tax Compliance

Table 2 presents information on the amount of time, the value of that time, the out-of-pocket expenses and finally the total resources (sum of the value of time and of expenses) needed to comply with tax filing requirements in Canada in 2023. Tables A-5 and A-6 report respectively the amount of time and of out-of-pocket expenses by tax filing mode.

Table 2 shows that in 2023 on average individual Canadian tax filers spent 1.5 hours on tax compliance activities and spent \$88. Transforming the amount of time into a monetary value (as explained in appendix C) yields \$42 for a total cost of \$130 per tax filer. Breaking down the results by socio-economic characteristics we find that:

- Total cost is higher for men than women because they have a higher value of time than women and spend more out of pocket.
- Total cost has an irregular U-shaped relation with age. Breaking down its components we find that time spent is much higher for those aged 65+ while out of pocket expenses are highest for the 18-24 and 65+ age groups. For the 65+ age group, issues linked to various source of pension income may matter but for the 18-24 the source of this spike in spending is not clear.
- Total cost is highest in Ontario and in rural areas mainly because of higher out-of-pocket expenses. In the case of Ontario, this may reflect higher wages while for rural resident this may be linked to farm activity that is linked to self-employment.

As shown in figure 3, the three indicators of the compliance costs go up with income. This is the result of the wage-income correlation and more importantly of higher compliance expenses as income goes up. These expenses go up not because of the slightly higher use of paid expertise but likely because more (hours) of this expertise is used.

Total cost is substantially higher for the self employed (\$224 rather than the average of \$130) mainly because they spend more time on tax compliance (4.5 hours rather than 1.5 hours) but also because they have higher out-of-pocket expenses (\$139 rather than \$88).

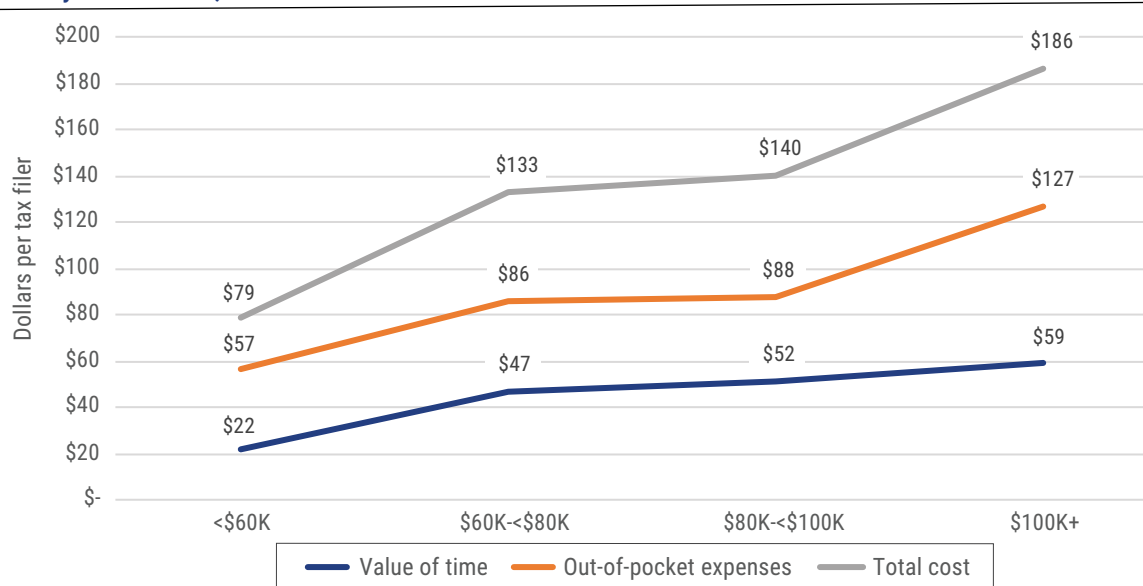
While the number of children has little impact on total costs, a higher education increases total compliance costs. This relationship is explained on one hand by the education-income correlation and, on the other, by the education-knowledge of the tax system correlation (Pham et al., 2020: table 15) with more knowledgeable tax filers spending more time using this knowledge.

Table 2 Total compliance costs (time or \$), by sociodemographic characteristics of Canadian PIT tax filers, 2023

	Time spent to prepare and file (hours)	Total time in \$ (time x wages)	Out of pocket expenses (\$)	Total resources (\$)
Total	2	42	88	130
Gender				
Male	2	49	95	145
Female	2	34	79	114
Age				
18-24	1	32	115	146
25-34	1	45	88	133
35-44	1	47	67	113
45-54	1	47	87	134
55-64	2	43	76	119
65+	2	35	102	137
Region				
ON	1	44	101	144
BC	1	33	84	116
Prairies	2	41	73	114
QC	1	50	75	125
ATL	1	26	99	125
Area				
Urban	2	45	76	120
Suburban	1	44	82	126
Rural	1	33	129	162
I don't know /No answer	1	9	50	59
Income				
<\$60K	1	22	57	79
\$60K-<\$80K	2	47	86	133
\$80K-<\$100K	2	52	88	140
\$100K+	1	59	127	186
No answer	1	24	80	104
Employment Status				
Working	1	52	82	134
Self-employed	5	84	139	223
Not in labor force	1	27	95	122
Unemployed	1	18	46	64
No answer	0	0	0	0
Children in household				
Yes	1	50	89	139
No	2	39	87	126
No answer	1	25		
Education				
High school or less	1	25	84	109
Post-Secondary certificate (or diploma below bachelor level)	1	34	81	114
Bachelor's degree or higher	2	66	100	167
No answer	2	82	101	182

Sources: Leger survey data; calculations by authors.

Figure 3: Value of Time, Out-of-Pocket Expenses, and Total Cost of PIT Compliance, \$ per Canadian tax filer by income level, 2023



Source: Calculations by authors using data in table 2.

We report in table A-7 (in the appendix) the impact of the receipt of 13 types of income on the costs of complying, by choice of mode of tax filing. Types of income range from wages and salaries to foreign investment income. The goal of that table is to link complexity and individual tax compliance costs. It shows that the type of income with the highest total compliance costs is rental income (\$334), then not surprisingly self employment income (\$239). Various types of investment income-interest (\$171), dividend income (\$175) and capital gains (\$237), have higher compliance costs than wages and salaries (\$129) or government transfers (\$128).

Tax filers must comply with both federal and provincial income tax filing requirements. We thus asked them to indicate the share of the time spent meeting their tax filing requirements that was associated with the federal and the provincial income tax. Table A-2 presents the time breakdown between the two income tax filing requirements. Overall, Canadians tax filers report a 60/40 split in their time between the federal and provincial income tax requirements. The main exception is for Québec tax filers with an almost 50/50 split. A higher share of time for the federal tax filing requirements is also observed for individuals with investment income and those aged 55+ with private pension income.

The results presented in table 2 are bivariate results. Thus, when we observe a positive relationship between income levels and compliance costs, we do not control for age or education—two determinants of income. We carried out a multivariate analysis of the determinants of total resources using three models; the results from model 1 (using variables in table 2) and model 2 (using variables in table 2 and table A-7) are found in table A-8.² The key determinant of total compliance costs is income, both in terms of its level and of its type.

2 Model 3 results simply show that using a paid preparer is an important source of higher compliance costs. Schwarz's Bayesian information criterion (BIC) are also used to evaluate model fit, which suggests Model 1 is the preferred model with the smallest BIC value of all three models.

Total Costs of Compliance

The total costs of tax filing are presented in table 3. The costs of filing 2022 personal income taxes are estimated at \$4.2 billion, which is equivalent to 0.15% of GDP. Contributions to social security plans (EI, CPP, QPP, and so on) are \$131.6 billion and personal income tax revenues are \$347.9 billion in 2022 for a total of \$479.5 billion. Thus, the filing costs are equal to 0.87% of payroll and personal income tax revenue collected (1.20% of personal income taxes). Using the percentage of time method, one can calculate that provincial compliance costs are equal to \$1.6 billion while federal compliance costs stand at \$2.5 billion.

Table 3: Total compliance costs of Canadian personal income tax filers, 2023

Indicator	Value
Total compliance costs (in billions \$)	4,171,241
Compliance costs as percentage of PIT revenue and Payroll Taxes	0.87%
Compliance costs as percentage of PIT revenue	1.20%
Compliance cost as percentage of GDP	0.15%

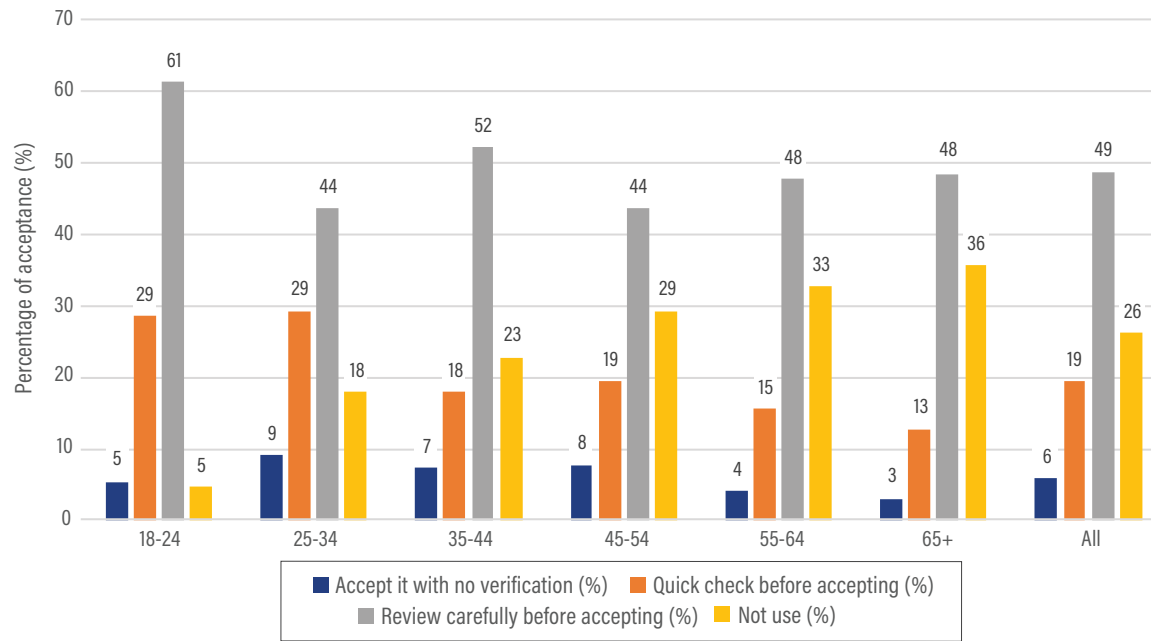
Note: Total compliance costs= Number of tax filers 31,784,455 X \$129.60 (table 3). The total number of tax filers for 2022 tax year is based on returns from 06/02/2023 to 15/01/2024.

Sources: Canada Revenue Agency (2023); Statistics Canada (2023a and 2023b); calculations by authors.

How can these compliance costs be reduced? One possibility is tax simplification. However, the available evidence for the personal income tax system (Vaillancourt et al., 2016; Poschmann et al., 2019) indicates that since 1980 complexity has been increasing. A partial explanation of this is the replacement of the tax-on-tax used by provinces before 2001 by a tax-on-income (TONI) which allows for greater flexibility in provincial tax policy but increases complexity.

One solution sometimes put forward (Goolsbee, 2006; Highfield, 2006; Vaillancourt, 2011; Laurin and Dahir, 2022) to, if not reduce complexity, at least make it more manageable for tax filers is for the tax administration to produce prefilled income tax reports. Such reports would be sent to individual tax filers who would either approve them as such, after a more or less detailed examination, or amend then approve them or just not make use of them. Figure 4 present information on the hypothetical acceptance of prefilled tax

Figure 4: Level of Acceptance (%) of prefilled PIT returns, by age group, Canadian tax filers, 2023



Source: Calculations by authors using data in table A-9.

returns for all Canadian tax filers and by age; results for all demographic variables are found in table A-9.

How can this affect total compliance costs? We assume (as shown in table 4) a percentage of average compliance costs by type of response to prefilled returns and thus compute simulated compliance costs by type of response to prefilled returns. Combining this information with the share of tax filers by type of response yields a new average compliance cost of \$87, for a drop of roughly \$43—or one third from the current calculation of compliance costs of \$130.

Is there a downside to the introduction of prefilled personal income tax returns? There is some literature that argues that a greater ease of preparing income tax returns could reduce the interest of taxpayers in how public money is spent. That is not desirable as Zelenak (2008: 56) describes “As long as the return filing obligation is not unduly burdensome... a filing obligation has significant civic virtues.... A return-based system represents an appropriate compromise on the level of visibility and painfulness of taxation, and the filing of a tax return can serve an important ceremonial function as an expression of fiscal citizenships.” Brookes and Déry (2018: 3-4) argue that “(w)ith a pre-filled tax return, taxpayers risk no longer being able to correctly assess their contribution, and as a result, pay less attention to the evolution of the fiscal policies that concern them.” Benzarti

Table 4: Inputs to simulate impact of prefilled PIT returns on compliance costs, Canada, 2023

Response to prefilled returns	Accept as such	Quick check	Review carefully	Not use	Total
Percentage of tax filers (%)	6%	19%	49%	26%	100%
Percentage of average compliance costs assumed (%)	0%	25%	75%	100%	
Simulated compliance costs per tax filer (\$)	0	32	97	130	
Simulated average, all filers, compliance costs (\$)					87

Source: Calculations by authors using data in table 2. The all filers compliance costs is the weighted sum (% , line 1) of the simulated per tax file costs (\$, line 3).

(2020) notes this could lead to less interest in public spending but points out the lack of empirical evidence to support this claim. We fill this void by reporting in table A-10 how Canadian tax filers would change their behaviour. Two thirds (66%) report no intent to change—while amongst those who would change, tax filers who would have more interest in public spending outnumber four to one (28% to 6%) those with a drop of interest in such spending.

Conclusion

Our study shows that personal income tax and payroll tax compliance costs, a subset of the total administrative and compliance costs associated with the Canadian tax system, amount to \$4.2 billion, or 0.15% of GDP in 2022. Tax simplification should be envisaged to reduce this amount. A prefiled return would reduce these costs by about one third according to our simulations.

These costs are a subset of the total costs associated with the collection of taxes on payroll and personal income since they do not include the administrative costs of the Canada Revenue Agency and of Revenu Québec. And, of course, they do not address the issue of the compliance costs associated with other taxes. Using an average of low and high results we can calculate that the compliance costs of the PIT/PT accounted for 25% of the total administrative and compliance costs in Canada in 2008 (Vaillancourt et al., 2013: table 50). Thus, assuming unchanged ratios, the total administrative and compliance costs of collecting taxes in Canada are of the order of 0.6% of GDP in 2023. Overall, the cost of complying with the total tax system represents a significant expense for Canadians.

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Appendix Tables A-1 to A-10

Table A-1: Sample breakdown by sociodemographic characteristics, Canadian personal income-tax filers, 2023

	Unweighted N	Weighted N	Unweighted %	Weighted %
Gender				
Male	763	705	53	49
Femal	690	748	47	51
Age				
18-24	109	132	8	9
25-34	263	243	18	17
35-44	246	241	17	17
45-54	312	228	21	16
55-64	238	256	16	18
65+	285	354	20	24
Region				
ON	578	556	40	38
BC	141	199	10	14
Prairies	246	262	17	18
QC	392	340	27	23
ATL	96	97	7	7
Area				
Urban	611	604	42	42
Suburban	562	548	39	38
Rural	264	277	18	19
I don't know /No answer	16	23	1	2
Income				
<\$60K	476	546	33	38
\$60K-<\$80K	191	200	13	14
\$80K-<\$100K	197	187	14	13
\$100K+	478	398	33	27
No answer	111	123	8	8
Employment Status				
Working	807	722	56	50
Self-employed	72	68	5	5
Not in labor force	485	569	33	39
Unemployed	78	82	5	6
No answer	11	12	1	1
Children in household				
Yes	412	395	28	27
No	1,036	1,052	71	72
No answer	5	7	0	0
Education				
High school or less	320	428	22	29
Post-Secondary certificate (or diploma below bachelor level)	528	623	36	43
Bachelor's degree or higher	597	387	41	27
No answer	8	15	1	1

Table A-1: Sample breakdown by sociodemographic characteristics, Canadian personal income-tax filers, 2023 (cont'd)

	Unweighted N	Weighted N	Unweighted %	Weighted %
Wages and salary				
No	668	733	46	50
Yes	785	720	54	50
Self-employment income				
No	1,299	1,305	89	90
Y	154	148	11	10
Child tax benefit				
No	1,280	1,279	88	88
Yes	173	174	12	12
Government transfer payment				
No	1,034	984	71	68
Yes	419	469	29	32
Private pension				
No	1,219	1,207	84	83
Yes	234	246	16	17
Interest income				
No	1,091	1,129	75	78
Yes	362	324	25	22
Dividend income				
No	1,243	1,272	86	88
Yes	210	181	14	12
Rental income				
No	1,393	1,395	96	96
Yes	60	58	4	4
Capital gains				
No	1,329	1,353	91	93
Yes	124	100	9	7
Other investment income, Canadian				
No	1,406	1,406	97	97
Yes	47	47	3	3
Investment income, non-Canadian				
No	1,378	1,389	95	96
Yes	75	64	5	4
Labour income, non-Canadian				
No	1,419	1,419	98	98
Yes	34	34	2	2
Pension Income, non-Canadian				
No	1,415	1,403	97	97
Yes	38	50	3	3

Note: The sample excludes 25 respondents who reported they did not file taxes in 2022 and 45 respondents who either don't know or prefer not to answer the question regarding the method used to prepare tax returns.

Sources: Leger survey data; calculations by authors.

Table A-2 Percentage of time spent on federal and provincial PIT forms, by sociodemographic characteristics of Canadian tax filers, 2023

	Federal form	Provincial form
Total	61	39
Gender		
Male	61	39
Female	60	40
Age		
18-24	59	41
25-34	59	41
35-44	56	44
45-54	60	40
55-64	64	36
65+	64	36
Region		
ON	62	38
BC	66	34
Prairies	68	32
QC	52	48
ATL	63	37
Area		
Urban	60	40
Suburban	60	40
Rural	63	37
I don't know /No answer	77	23
Income		
<\$60K	62	38
\$60K-<\$80K	56	44
\$80K-<\$100K	62	38
\$100K+	62	38
No answer	61	39
Employment Status		
Working	59	41
Self-employed	68	32
Not in labor force	62	38
Unemployed	65	35
No answer	50	50
Children in household		
Yes	59	41
No	62	38
Education		
High school or less	61	39
Post-Secondary certificate (or diploma below bachelor level)	61	39
Bachelor's degree or higher	61	39
No answer	60	40
Wages and salary		
No	60	40
Yes	61	39

Table A-2 Percentage of time spent on federal and provincial PIT forms, by sociodemographic characteristics of Canadian tax filers, 2023 (cont'd)

	Federal form	Provincial form
Self-employment income		
No	61	39
Yes	62	38
Child tax benefit		
No	61	39
Yes	60	40
Government transfer payment		
No	59	41
Yes	65	35
Private pension		
No	59	41
Yes	66	34
Interest income		
No	60	40
Yes	63	37
Dividend income		
No	60	40
Yes	64	36
Rental income		
No	61	39
Yes	65	35
Capital gains		
No	60	40
Yes	67	33
Other investment income, Canadian		
No	61	39
Yes	66	34
Investment income, non-Canadian		
No	61	39
Yes	60	40
Labour income, non-Canadian		
No	61	39
Yes	46	54
Pension Income, non-Canadian		
No	61	39
Yes	60	40
Means of completion		
Self using paper form	57	43
Self using purchased software	65	35
Self using free software	59	41
Not paid someone else	58	42
Paid tax preparer else	59	41
Use of Autofill		
Yes	60	40
No	62	38
No answer	50	50

Sources: Leger survey data; calculations by authors.

Table A-3: Tax filing mode by type of income received, personal income tax, Canada, 2023

	Self using paper form (%)	Self using purchased software (%)	Self using free software (%)	Not paid someone else (%)	Self using free software (%)
Wages and salary					
No	8	22	16	16	38
Yes	7	27	19	12	36
Self-employment income					
No	7	24	18	15	37
Yes	13	29	18	7	34
Child tax benefit					
No	8	24	17	14	36
Yes	3	25	22	9	41
Government transfer payment					
No	7	23	19	13	38
Yes	8	28	14	15	34
Private pension					
No	7	22	19	14	38
Yes	8	35	11	13	32
Interest income					
No	8	20	19	16	38
Yes	6	39	14	7	34
Dividend income					
No	8	23	18	15	37
Yes	4	36	17	5	37
Rental income					
No	7	24	18	14	36
Yes	9	29	9	6	47
Capital gains					
No	8	23	18	15	37
Yes	3	45	17	4	31
Other investment income, Canadian					
No	8	24	18	14	36
Yes	5	31	3	9	51
Investment income, non-Canadian					
No	8	23	18	14	37
Yes	5	46	9	2	38
Labour income, non-Canadian					
No	7	24	18	14	37
Yes	21	30	17	9	22
Pension Income, non-Canadian					
No	7	24	18	14	36
Yes	15	22	4	14	45

Sources: Leger survey data; calculations by authors.

Table A-4: Percentage of Canadian PIT tax filers who use software downloading tax information, by sociodemographic characteristics, 2023

	Yes	No
Total	57	43
Gender		
Male	55	45
Female	59	41
Age		
18-24	59	41
25-34	66	34
35-44	55	45
45-54	49	51
55-64	51	49
65+	60	40
Region		
ON	57	43
BC	58	42
Prairies	55	45
QC	64	36
ATL	41	59
Area		
Urban	56	44
Suburban	60	40
Rural	54	46
I don't know /No answer	24	76
Income		
<\$60K	53	47
\$60K-<\$80K	56	44
\$80K-<\$100K	55	45
\$100K+	63	37
No answer	55	45
Employment Status		
Working	57	43
Self-employed	46	54
Not in labor force	61	39
Unemployed	39	61
No answer	100	0
Children in household		
Yes	63	37
No	55	45
No answer	0	100
Education		
High school or less	44	56
Post-Secondary certificate (or diploma below bachelor level)	59	41
Bachelor's degree or higher	63	37
No answer	67	33
Wages and salary		
No	54	46
Yes	59	41

Table A-4: Percentage of Canadian PIT tax filers who use software downloading tax information, by sociodemographic characteristics, 2023 (cont'd)

	Yes	No
Self-employment income		
No	56	44
Yes	62	38
Child tax benefit		
No	57	43
Yes	58	42
Government transfer payment		
No	56	44
Yes	58	42
Private pension		
No	56	44
Yes	58	42
Interest income		
No	55	45
Yes	62	38
Dividend income		
No	54	46
Yes	71	29
Rental income		
No	56	44
Yes	77	23
Capital gains		
No	56	44
Yes	60	40
Other investment income, Canadian		
No	57	43
Yes	61	39
Investment income, non-Canadian		
No	57	43
Yes	60	40
Labour income, non-Canadian		
No	57	43
Yes	28	72
Pension Income, non-Canadian		
No	56	44
Yes	81	19
Means of completion		
Self using purchased software	55	45
Self using free software	59	41

Sources: Leger survey data; calculations by authors.

Table A-5 Time spent to prepare and file, by sociodemographic characteristics of Canadian PIT tax filers, 2023

	Self using paper form (hours)	Self using purchased software (hours)	Self using free software (hours)	Not paid someone else (hours)	Paid tax preparer (hours)	All (hours)
Total	3	2	1	1	1	2
Gender						
Male	2	2	1	1	2	2
Female	5	1	1	1	1	2
Age						
18-24	2	1	1	1	1	1
25-34	3	1	1	1	1	1
35-44	2	2	1	1	1	1
45-54	1	2	1	1	2	1
55-64	1	2	1	1	2	2
65+	6	2	2	1	1	2
Region						
ON	2	1	1	1	2	1
BC	1	2	1	1	1	1
Prairies	11	2	1	1	1	2
QC	2	2	2	1	1	1
ATL	3	1	1	1	1	1
Area						
Urban	7	2	1	1	2	2
Suburban	1	2	1	1	1	1
Rural	2	1	1	1	1	1
I don't know /No answer			1		1	1
Income						
<\$60K	2	1	1	1	1	1
\$60K-<\$80K	1	2	2	1	3	2
\$80K-<\$100K	12	2	1	2	1	2
\$100K+	2	2	1	1	1	1
No answer	1	2	1	1	1	1
Employment Status						
Working	2	2	1	1	1	1
Self-employed	67	1	2	2	2	5
Not in labor force	2	2	1	1	1	1
Unemployed	2	2	1	1	1	1
No answer				0		0
Children in household						
Yes	2	2	1	1	1	1
No	4	2	1	1	1	2
No answer		2			1	1
Education						
High school or less	2	2	1	1	1	1
Post-Secondary certificate (or diploma below bachelor level)	2	1	1	1	1	1
Bachelor's degree or higher	8	2	1	2	2	2
No answer		2				2

Table A-5 Time spent to prepare and file, by sociodemographic characteristics of Canadian PIT tax filers, 2023 (cont'd)

	Self using paper form (hours)	Self using purchased software (hours)	Self using free software (hours)	Not paid someone else (hours)	Paid tax preparer (hours)	All (hours)
Wages and salary						
No	4	2	1	1	1	2
Yes	2	2	1	1	1	1
Self-employment income						
No	2	2	1	1	1	1
Yes	14	1	2	1	2	3
Child tax benefit						
No	3	2	1	1	1	2
Yes	5	2	1	1	1	1
Government transfer payment						
No	4	2	1	1	1	2
Yes	2	2	1	1	2	2
Private pension						
No	4	2	1	1	1	1
Yes	3	2	2	2	2	2
Interest income						
No	2	1	1	1	1	1
Yes	10	2	1	1	1	2
Dividend income						
No	4	1	1	1	1	1
Yes	2	2	2	2	1	2
Rental income						
No	2	2	1	1	1	1
Yes	26	2	1	1	1	4
Capital gains						
No	3	2	1	1	1	1
Yes	2	2	2	2	1	2
Other investment income, Canadian						
No	3	2	1	1	1	2
Yes	3	3	1	1	2	2
Investment income, non-Canadian						
No	4	2	1	1	1	2
Yes	2	2	2	1	1	2
Labour income, non-Canadian						
No	4	2	1	1	1	2
Yes	1	1	1	2	1	1
Pension Income, non-Canadian						
No	3	2	1	1	1	2
Yes	3	2	1	1	1	2

Sources: Leger survey data; calculations by authors.

Table A-6 Out of pocket expenses (\$), by sociodemographic characteristics of Canadian PIT tax filers, 2023

	Self using paper form (\$)	Self using purchased software (\$)	Self using free software (\$)	Not paid someone else (\$)	Paid tax preparer (\$)	All (\$)
Total	42	53	17	19	186	88
Gender						
Male	64	53	9	29	224	95
Female	15	51	25	11	155	79
Age						
18-24	88	84	94	7	208	115
25-34	111	91	5	16	161	88
35-44	16	58	11	19	141	67
45-54	57	42	6	25	191	87
55-64	1	41	3	10	169	76
65+	7	43	8	27	226	102
Region						
ON	48	45	6	17	226	101
BC	1	45	15	11	185	84
Prairies	35	80	3	23	172	73
QC	45	43	16	13	135	75
ATL	69	52	182	43	149	99
Area						
Urban	65	65	9	15	149	76
Suburban	35	41	11	23	176	82
Rural	18	49	46	17	294	129
I don't know /No answer			6		86	50
Income						
<\$60K	40	62	7	12	109	57
\$60K-<\$80K	40	50	12	29	219	86
\$80K-<\$100K	60	41	65	15	163	88
\$100K+	41	51	8	23	276	127
No answer	3	41	0	18	139	80
Employment Status						
Working	74	55	23	22	158	82
Self-employed	1	91	3	17	289	139
Not in labor force	18	45	10	20	209	95
Unemployed	4	49	4	6	155	46
No answer				0		0
Children in household						
Yes	75	71	12	25	169	89
No	27	46	19	18	193	87
No answer						
Education						
High school or less	29	71	6	22	176	84
Post-Secondary certificate (or diploma below bachelor level)	53	46	34	10	159	81
Bachelor's degree or higher	37	52	8	22	238	100
No answer		96		110		101

Table A-6 Out of pocket expenses (\$), by sociodemographic characteristics of Canadian PIT tax filers, 2023 (cont'd)

	Self using paper form (\$)	Self using purchased software (\$)	Self using free software (\$)	Not paid someone else (\$)	Paid tax preparer (\$)	All (\$)
Wages and salary						
No	27	52	8	17	217	96
Yes	62	53	23	22	156	80
Self-employment income						
No	32	42	15	20	166	77
Yes	87	122	27	1	355	169
Child tax benefit						
No	40	48	18	20	190	87
Yes	73	84	10	12	161	91
Government transfer payment						
No	52	54	22	17	171	84
Yes	24	51	4	22	211	94
Private pension						
No	46	55	18	15	181	86
Yes	24	45	9	34	207	93
Interest income						
No	54	58	19	21	152	79
Yes	6	43	7	10	294	113
Dividend income						
No	45	54	18	18	169	82
Yes	5	49	5	35	281	120
Rental income						
No	41	47	16	19	166	78
Yes	61	147	28	24	466	256
Capital gains						
No	42	53	17	19	161	80
Yes	51	49	7	29	530	174
Other investment income, Canadian						
No	41	53	16	19	183	85
Yes	72	36	41		228	151
Investment income, non-Canadian						
No	42	52	8	19	182	83
Yes	46	57	430	0	251	162
Labour income, non-Canadian						
No	4					
Yes	0	52	15	19	187	87
Pension Income, non-Canadian						
No	106	105	64	50	151	105
Yes	39	52	17	20	189	88
	112	55	25	0	142	91

Sources: Leger survey data; calculations by authors.

Table A-7: Total compliance costs (hours or \$), by types of income of Canadian PIT tax filers, 2023

	Time spent to prepare and file (hours)	Total time in \$ (time x wages)	Out of pocket expenses (\$)	Total resources (\$)
Wages and salary				
No	2	34	96	130
Yes	1	50	80	129
Self-employment income				
No	1	39	77	116
Yes	3	71	169	239
Child tax benefit				
No	2	41	87	128
Yes	1	49	91	139
Government transfer payment				
No	2	46	84	130
Yes	2	34	94	128
Private pension				
No	1	42	86	128
Yes	2	43	93	136
Interest income				
No	1	36	79	115
Yes	2	58	113	171
Dividend income				
No	1	39	82	121
Yes	2	55	120	175
Rental income				
No	1	40	78	118
Yes	4	77	256	333
Capital gains				
No	1	40	80	119
Yes	2	63	174	237
Other investment income, Canadian				
No	2	42	85	127
Yes	2	55	151	206
Investment income, non-Canadian				
No	2	41	83	124
Yes	2	65	162	227
Labour income, non-Canadian				
No	2	42	87	129
Yes	1	43	105	148
Pension Income, non-Canadian				
No	2	42	88	130
Yes	2	29	91	120

Sources: Leger survey data; calculations by authors.

Table A-8: Multivariate analysis of total resources allocated to compliance activities, Canadian personal income-tax filers, 2023

	Model 1	Model 2	Model 3
Gender (Male as Reference)			
Female	-16 (18)	-12 (17)	-24 (17)
Age (18-24 as reference)			
25-34	-1 (47)	-18 (45)	-18 (44)
35-44	-29 (42)	-20 (41)	-25 (39)
45-54	-8 (47)	-2 (47)	-8 (44)
55-64	-8 (43)	-19 (45)	-28 (41)
65+	30 (49)	32 (58)	27 (56)
Region (ON as reference)			
BC	-50 (31)	-70 (38) *	-47 (33)
Prairies	-23 (25)	-31 (21)	-7 (17)
QC	-23 (21)	-19 (21)	-21 (19)
ATL	-27 (43)	-14 (41)	-17 (42)
Area (Urban as reference)			
Suburban	6 (113)	2 (12)	2 (11)
Rural	50 (37)	52 (33)	53 (31) *
I don't know /No answer	68 (68)	85 (68)	80 (38) **
Income (reference is <\$60K)			
\$60K-<\$80K	63 (22) ***	61 (23) ***	63 (21) ***
\$80K-<\$100K	52 (25) **	35 (20) *	33 (19) *
\$100K+	118 (35) ***	109 (33) ***	91 (30) ***
No answer	19 (21)	41 (30)	18 (27)
Employment Status (Working as reference)			
Self-employed	104 (43) **	22 (47)	8 (42)
Not in labor force	11 (30)	6 (30)	7 (28)
Unemployed	-5 (30)	-1 (35)	9 (31)
Children in household (Yes as reference)			
No	-6 (19)	-1 (17)	2 (16)
Education (reference is High school or less)			
Post-Secondary certificate (or diploma below bachelor level)	-23 (32)	-16 (20)	-19 (19)
Bachelor's degree or higher	18 (39)	3 (36)	2 (35)
No answer	75 (100)	26 (83)	53 (76)

Table A-8: Multivariate analysis of total resources allocated to compliance activities, Canadian personal income-tax filers, 2023 (cont'd)

	Model 1	Model 2	Model 3
Type of income (Absence is reference for each category)			
Wages and salary		-15 (19)	-15 (18)
Self-employment income		75 (36) **	81 (31) ***
Child tax benefit		5 (20)	9 (18)
Government transfer payment		15 (20)	11 (19)
Private pension		-30 (53)	-34 (51)
Interest income		38 (34)	48 (34)
Dividend income		-41 (59)	-51 (58)
Rental income		195 (104) *	172 (99) *
Capital gains		80 (95)	101 (93)
Other investment income, Canadian		3 (57)	-36 (56)
Investment income, non-Canadian		56 (65)	46 (66)
Labour income, non-Canadian		23 (38)	27 (36)
Pension Income, non-Canadian		-17 (44)	-40 (43)
Means of completion (Self using purchased software as reference)			
Self using paper form			2 (22)
Self using free software			-12 (17)
Not paid someone else			-13 (16)
Paid tax preparer else			161 (26) ***
Use of Autofill (Yes as Reference)			
No			6 (12)
No answer			4 (28)
Constant	82 (43) *	67 (43)	31 (37)
AIC	51	109	117

Notes: The numbers in parentheses are the standard errors of the regression coefficients. *, ** and *** denote statistical significance at the 10%, 5%, and 1% levels, respectively.

Sources: Leger survey data; calculations by authors.

Table A-9: Acceptance of prefiled return, by sociodemographic characteristics of Canadian PIT tax filers, 2023

	Accept it with no verification (%)	Quick check before accepting (%)	Review carefully before accepting (%)	Not use (%)
Total	6	19	49	26
Gender				
Male	7	22	49	22
Female	4	17	49	30
Age				
18-24	5	29	61	5
25-34	9	29	44	18
35-44	7	18	52	23
45-54	8	19	44	29
55-64	4	15	48	33
65+	3	13	48	36
Region				
ON	5	20	49	26
BC	6	19	47	28
Prairies	6	18	50	26
QC	7	20	48	25
ATL	8	17	49	27
Area				
Urban	7	22	50	21
Suburban	6	18	48	28
Rural	4	17	46	33
I don't know /No answer	0	0	92	8
Income				
<\$60K	5	18	49	28
\$60K-<\$80K	8	23	40	29
\$80K-<\$100K	6	22	54	17
\$100K+	6	20	49	25
No answer	5	13	51	31
Employment Status				
Working	7	24	47	22
Self-employed	8	12	33	47
Not in labor force	4	14	54	29
Unemployed	11	19	47	23
No answer	0	40	33	26
Children in household				
Yes	8	21	50	21
No	5	19	48	28
No answer	0	0	100	0
Education				
High school or less	4	19	46	31
Post-Secondary certificate (or diploma below bachelor level)	6	18	49	27
Bachelor's degree or higher	7	21	51	20
No answer	0	38	62	0

Table A-9: Acceptance of prefilled return, by sociodemographic characteristics of Canadian PIT tax filers, 2023 (cont'd)

	Accept it with no verification (%)	Quick check before accepting (%)	Review carefully before accepting (%)	Not use (%)
Wages and salary				
No	6	18	45	31
Yes	5	21	52	21
Self-employment income				
No	6	19	50	25
Yes	8	23	36	32
Child tax benefit				
No	6	19	49	26
Yes	5	22	48	25
Government transfer payment				
No	8	22	48	23
Yes	2	14	50	33
Private pension				
No	6	21	47	26
Yes	4	14	56	26
Interest income				
No	6	21	46	26
Yes	4	14	57	25
Dividend income				
No	6	20	48	26
Yes	4	17	52	27
Rental income				
No	6	19	48	26
Yes	1	23	56	20
Capital gains				
No	6	19	49	26
Yes	5	19	49	28
Other investment income, Canadian				
No	6	20	49	26
Yes	7	2	48	42
Investment income, non-Canadian				
No	6	19	49	26
Yes	9	19	38	34
Labour income, non-Canadian				
No	6	19	49	27
Yes	16	36	42	7
Pension Income, non-Canadian				
No	6	20	49	26
Yes	9	16	40	35
Means of completion				
Self using paper form	8	20	46	26
Self using purchased software	14	18	46	22
Self using free software	7	25	46	22
Not paid someone else	5	22	48	24
Paid tax preparer else	2	15	53	30

Sources: Leger survey data; calculations by authors.

Table A-10: Impact of prefiled tax form on interest in public spending, by sociodemographic characteristics of Canadian PIT tax filers, 2023

	Reduce (%)	Increase (%)	No impact (%)
Total	6	28	65
Gender			
Male	6	29	65
Female	7	28	66
Age			
18-24	10	42	48
25-34	14	35	50
35-44	7	38	55
45-54	3	29	68
55-64	3	22	75
65+	3	17	81
Region			
ON	7	30	62
BC	4	25	72
Prairies	7	37	56
QC	5	23	72
ATL	4	22	74
Area			
Urban	8	31	61
Suburban	4	28	67
Rural	6	22	72
I don't know /No answer	13	34	53
Income			
<\$60K	7	29	64
\$60K-<\$80K	8	28	63
\$80K-<\$100K	8	28	64
\$100K+	4	27	70
No answer	0	36	64
Employment Status			
Working	9	32	59
Self-employed	0	24	76
Not in labor force	3	23	75
Unemployed	9	36	55
No answer	0	94	6
Children in household			
Yes	11	38	51
No	4	25	71
No answer			
Education			
High school or less	6	28	65
Post-Secondary certificate (or diploma below bachelor level)	6	30	63
Bachelor's degree or higher	6	25	69
No answer	0	38	62

Table A-10: Impact of prefilled tax form on interest in public spending, by sociodemographic characteristics of Canadian PIT tax filers, 2023 (cont'd)

	Reduce (%)	Increase (%)	No impact (%)
Wages and salary			
No	5	27	67
Yes	7	29	64
Self-employment income			
No	6	27	67
Yes	9	38	53
Child tax benefit			
No	6	28	66
Yes	9	31	60
Government transfer payment			
No	8	32	61
Yes	3	22	75
Private pension			
No	7	31	62
Yes	3	17	79
Interest income			
No	7	32	61
Yes	3	18	80
Dividend income			
No	6	29	65
Yes	4	25	71
Rental income			
No	6	28	66
Yes	15	32	53
Capital gains			
No	6	29	65
Yes	5	22	72
Other investment income, Canadian			
No	6	29	65
Yes	2	15	83
Investment income, non-Canadian			
No	6	29	65
Yes	10	15	75
Labour income, non-Canadian			
No	6	28	66
Yes	12	42	46
Pension Income, non-Canadian			
No	6	29	65
Yes	4	24	72

Sources: Leger survey data; calculations by authors.

Appendix B: The Questionnaire (English Version)

This survey wants to ascertain the costs of preparing your 2022 Canadian personal income tax return.

SURVEY

Q1. Who prepared your 2022 income tax return or returns? Was it

- Yourself using paper forms
- Yourself using purchased software
- Yourself using free software
- A friend or family member or a volunteer group who was not paid for their services
- A tax preparer (specialized firm, accountant, lawyer) that you paid
- I did not file
- DNK/REF

Q2. How much time did you need to spend to prepare and file your 2022 personal income tax return(s)? Time can be spent learning about the various aspects of the 2022 personal income tax laws (reading documents, consulting websites), preparing and sorting your tax documents (receipts, T4s, T5s,...), installing the tax software you used (if applicable), completing the return or interacting (in person, phone, or internet) with the person (paid or unpaid) who prepared your tax return and finally paying outstanding amounts if any.

- INDICATE IN HOURS and MINUTES (rounded to nearest 10)
- For example, three and a half hours write 3:30. One-hour write: 1:00
- Total time --:-- [INSERT TIME]
- Time on general issues, payment, and federal form % of total ___% [INSERT %]
- Time on provincial form or annex % of total ___% [INSERT %]
- [MUST ADD TO 100%]
- DNK/REF

Q3. How much did you spend (for software, for tax preparer services) to be able to prepare your 2022 personal income tax return? Please indicate in \$ [DO NOT FORCE ANSWER]

- Software \$___ [INSERT NUMBER]
- Tax preparer \$___ [INSERT NUMBER]
- Other (postage travel) \$___ [INSERT NUMBER]
- DNK/REF

Q4. In 2022 did you receive any of the following type of income. Please select all that apply. [SELECT ALL THAT APPLY] [DO NOT RANDOMIZE]

Canadian

- Wage and salary income
- Self-employment income
- Child tax benefit
- Government transfer payments (at least one of Welfare, Workers compensation, Employment insurance, Old Age Security or OAS Canada Pension Plan or CPP/Québec Pension Plan or QPP of any kind)
- Private Pension Income, including Registered Retirement Income Funds or RRIF
- Interest income
- Dividend income
- Rental income
- Capital gains income
- Other Canadian investment income

Non-Canadian

- investment income (interest, dividends, capital gains)
- labour income (wages or self-employment)
- pension income
- DNK/REF

Q5 In 2022, what was your usual hourly wage before taxes when you worked? We use this to estimate the value of the time you spent on preparing your income tax return. If you did not work check not applicable. If you were paid a weekly monthly or annual salary or self-employed, please use a reasonable estimate.

- \$10 to \$20
- More than \$20 to less than \$30
- More than \$30 to less than \$40
- More than \$40 to less than \$50
- More than \$50 to less than \$70
- More than \$70 to less than \$90
- More than \$90 to less than \$120
- \$120 or more
- Not applicable (retired, student, not in labour force...)
- DNK/REF

Q6 Did you download tax information (T4, T5) to prepare your 2022 personal income tax return from either the CRA (using the Auto-fill option) or Revenu Québec or both?

- Yes
- No
- DNK/No response

Q7 If the federal government sent you a prefilled income tax form for both federal and provincial taxes that you could accept or not what would you choose to do?

- Accept it as such with no verification on your part
- Check it quickly before accepting it
- Review it carefully to avoid missing items or double-counting, correct the information then accept it
- Continue preparing your own income tax form as you did in 2022
- DNK/No response

Q8 If you used the prefiled personal income tax form, would this:

- Reduce your interest in how your tax \$ are spent;
- Increase your interest in how your tax \$ are spent;
- Have no impact on your interest in how your tax \$ are spent.
- DNK/REF

Q9. Personally, when you consider the range of programs and services that are provided by the government, would you say that you pay too much tax, enough tax, or not enough tax (you're willing to pay more)?

- You're paying too much tax
- You're paying enough tax
- You're not paying enough tax (you're willing to pay more)
- I don't know

Annexe B : le questionnaire (version française)

Intro Cette enquête veut identifier le coût de préparer votre rapport d'impôt personnel canadien pour 2022. Nous posons neuf questions ; leur répondre devrait vous prendre 7-10 minutes de votre temps.

SONDAGE

Q1. Et qui a préparé votre ou vos déclarations fiscales pour l'année 2022 ? Était-ce...

- Vous-même à l'aide de formulaires papier
- Vous-même à l'aide d'un logiciel payant
- Vous-même à l'aide d'un logiciel gratuit
- Un groupe sans but lucratif, un(e) ami(e) ou membre de la famille qui n'a pas été payé(e) en échange de ses services
- Un(e) spécialiste en déclarations (firme, comptable, avocat...) qui a été payé(e)
- NSP/REFUS

Q2. De combien de temps avez-vous eu besoin pour préparer et soumettre votre(vos) déclaration(s) d'impôt sur le revenu des particuliers pour 2022 .Ce temps a pu être utilisé pour vous informer au sujet des lois fiscales concernant l'impôt des particuliers (en lisant des documents, en consultant des sites Web,...), à préparer et à classer vos documents fiscaux personnels (reçus, relevés T4 ou T5,etc), à installer le logiciel que vous avez utilisé (si pertinent), à remplir votre déclaration d'impôt , à interagir(en personne, par téléphone ou internet) avec la personne (rémunéré ou non) qui a préparé votre déclaration d'impôt et finalement à payer vos impôts si pertinent?

- INDIQUER EN HEURES et MINUTES (arrondies au 10 minutes près)
- Par exemple 3 heures et demi indiquer 3 :30 une heure indiquez 1 :00
- Temps total -- :--
- Temps sur questions générales, formulaire fédéral et paiement : % du total ___%
- Temps sur formulaire ou annexes provinciales : % du total ___%
- NSP/REFUS

Q3 Combien avez-vous payé (le logiciel utilisé, les services du préparateur d'impôt) pour votre déclaration personnelle de 2022 ?

- INDIQUER LE MONTANT EN DOLLARS
- Logiciel ___\$
- Préparateur d'impôt ___\$
- Autres (courrier, déplacements...) ___\$
- NSP/REFUS

Q4. En 2022, avez-vous reçu l'un ou l'autre des revenus suivants ? [COCHER TOUS LES CHOIX APPLICABLES]

Canadiens

- Revenu d'un salaire
- Revenu d'un travail autonome
- Prestation fiscale pour enfants
- Paiements de transfert du gouvernement (au moins un prestataire d'assurance chômage, d'aide sociale, d'une indemnisation des accidentés du travail, d'assurance-emploi, de la sécurité de la vieillesse ou du Régime de pensions du Canada (ou RPC), ou du Régime de rentes du Québec (ou RRQ), sous quelque forme que ce soit)
- Revenu d'un régime complémentaire, incluant un Fonds enregistrés de revenu de retraite, ou FERR
- Revenu d'intérêts
- Revenu de dividendes
- Revenu de location
- Revenu de gains en capital
- Autres revenus de placements canadiens

Non canadiens

- Revenu de placement (intérêts, dividendes, gains en capital)
- Revenu d'emploi (salaire ou travail autonome)
- Revenu de pension
- NSP/REFUS

Q5. En 2022, quel était votre salaire horaire habituel avant les déductions lorsque vous travailliez ? Si vous n'avez pas travaillé cochez non pertinent (si vous êtes travailleur autonome, fournir un estimé qui soit le plus réaliste possible)

- 10 \$ à 20 \$
- Plus de 20 \$ à moins de 30 \$
- Plus de 30 \$ à moins de 40 \$
- Plus de 40 \$ à moins de 50 \$
- Plus de 50 \$ à moins de 70 \$
- Plus de 70 \$ à moins de 90 \$
- Plus de 90 \$ à moins de 120 \$
- 120 \$ ou plus
- Non pertinent (retraité, étudiant, pas dans population active)

Q6 Avez-vous téléchargé des données (T4, T5,) de l'ARC (Auto-Fill) ou de Revenu Québec pour préparer votre déclaration d'impôt de 2022.

- OUI
- Non
- Ne sait pas/Refus de répondre

Q7 Si le gouvernement fédéral vous envoyait un rapport d'impôt personnel prérempli pour l'impôt fédéral et provincial que vous pourriez utiliser plutôt que de préparer vous-même votre rapport d'impôt que choisiriez-vous de faire:

- L'accepter comme tel sans vérification de votre part;
- L'examiner rapidement avant de l'accepter;
- L'examiner pour éviter les éléments manquants et le double comptage puis l'accepter;
- Continuer à préparer vous-même votre rapport d'impôt personnel comme en 2022
- Ne sait pas/ Refus de répondre

Q8 Si vous utilisiez le rapport d'impôt personnel prérempli, cela:

- réduirait votre intérêt sur la façon dont vos impôts sont dépensés ;
- augmenterait votre intérêt sur la façon dont vos impôts sont dépensés ;
- ne changerait pas votre intérêt sur la façon dont vos impôts sont dépensés.

Q9. Personnellement, quand vous considérez l'ensemble des programmes et services gouvernementaux, diriez-vous que vous payez trop d'impôts, assez d'impôts, ou pas assez d'impôts (vous seriez disposé à en payer plus)?

- Vous payez trop d'impôts
- Vous payez assez d'impôts
- Vous ne payez pas assez d'impôts (vous seriez disposé à en payer plus)
- NSP/REFUS

Appendix C: Methodology Used to Estimate the Value of Time of Tax Filers

The time spent preparing and filing personal income taxes is multiplied by an estimate of the average wage to determine the value of time for tax filers. For respondents with a reported hourly wage rate range, the midpoint of each interval is used for those earning under \$120. For the interval earning of \$120 or higher per hour, \$135 is applied, and \$15 is used for retirees and students.

For those who did not answer the question of hourly wage rate (4.9% of the weighted sample), chi-squared tests were initially conducted to assess if they significantly differed from those who answered the question in terms of sociodemographic characteristics. The chi-squared tests suggested significant differences regarding employment status, household income, among other characteristics. Consequently, we categorized the group with no responses for wage rates into seven groups based on their household income intervals in the questionnaire. Subsequently, we calculated the weighted average hourly wage rate for each income group, relying on the estimated wage rates of respondents who answered the questions. The wage rate for individuals who did not respond to the question is then assigned as the weighted average wage rate of the income group to which they belong.

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François Vaillancourt is an emeritus professor in the department of economic sciences at the University of Montreal where he taught from 1976 to 2011. He completed his Ph.D. in economics at Queen's University in 1978 and received a Doctorate honoris causa from the University of Geneva in 2021 for his pioneering work in the economics of language. Professor Vaillancourt was a Fulbright scholar in 2007 in Atlanta and was elected to the Royal Society of Canada in 2009. He was the Shastri lecturer in India has been a guest lecturer at the University of Toronto and Australian National University and a research scholar at the Institute for Research in Public Policy (1992-2000) and the C.D. Howe Institute (2000-2003). Professor Vaillancourt was also a research coordinator (Income distribution and Income security) for the MacDonald Commission (1983-1986). He has consulted for a number of international organizations such as the IMF, the World Bank, OECD, UNDP and national agencies such as Statistics Canada, Finance Canada, and the Seguin Commission. His fields of research include linguistic policies, intergovernmental financial relations, and tax compliance costs. He has published on a wide variety of issues including equalization in federal countries, education, minority language policies, federalism, and taxation. Professor Vaillancourt is widely acknowledged as one of the pre-eminent scholars on the issue of tax compliance and administrative costs.



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