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**Canada – Tax Authority
Extends Filing Deadline to
May 5**

by KPMG LLP, Canada (a
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firm)

flash International Executive Alert

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The Canada Revenue Agency (CRA) has extended the filing deadline for 2013 personal tax returns to May 5, 2014, after it temporarily shut down its online services to fix a critical security issue. Although the CRA's site can once again be accessed, the CRA is recommending changing CRA user IDs and passwords as a preventative measure.

Why This Matters

The extension gives taxpayers who may have encountered difficulties concerning their tax returns due to the shutdown of CRA's online services additional time to properly prepare and file their returns.

Notwithstanding this CRA extension, KPMG LLP in Canada remains committed to completing 2013 individual income tax returns for its clients by April 30, 2014.

Background

The CRA shut down public access to its online services on April 7, 2014, after it discovered it was vulnerable to the "Heartbleed bug" that has been affecting systems around the world. Affected CRA online services included EFILE, NETFILE, My Account, My Business Account, and Represent a Client.

The CRA announced on April 13, 2014, that it had successfully applied a security patch and that all of its online systems are again operational.¹

T1 Extension

The CRA said it would extend the filing deadline for personal 2013 tax returns to Monday, May 5, 2014 (from April 30, 2014). As a result, the CRA also confirmed that it would not apply interest and penalties to individual taxpayers filing by May 5, 2014.

Take Action – Change your Password

While taxpayers can now log on to CRA's online services, the CRA recommends that taxpayers who use its online services should change their CRA user IDs and passwords.

Security Breach

On April 14, 2014, the CRA announced that it was notified of a security breach affecting approximately 900 taxpayers.² The CRA intends to send a registered letter to those taxpayers impacted by the breach.

Footnotes:

1 See: <http://www.cra-arc.gc.ca/gncy/sttmnt-eng.html> .

2 For further information, see: <http://www.cra-arc.gc.ca/gncy/sttmnt2-eng.html>

Or go to: <http://www.cra-arc.gc.ca/menu-eng.html> .

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Please 'Save the Date' in your calendar and join us in Chicago, Illinois, USA, at KPMG's International Executive Services: Global Mobility Forum 2014. We have a fantastic line-up and look forward to seeing you in Chicago on **6-8 October 2014**.

If you have any questions, please contact your usual KPMG professional or send an e-mail to: go-fmforum@kpmg.com.

The information contained in this newsletter was submitted by the KPMG International member firm in Canada. The information contained herein is of a general nature and based on authorities that are subject to change. Applicability of the information to specific situations should be determined through consultation with your tax adviser.

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