

# Taxpayer Alert

## **PROTECT YOURSELF!! What to do when you hire a contractor**

When a contractor works on your home, you need to be protected from a number of risks. These risks exist whether you are hiring someone for a simple home repair, a large renovation project, the construction of a new home or cottage, or to work on a rental property you own.

Cash deals without contracts mean a lot of risk for you. Contractors who don't issue receipts and don't prepare contracts are risky and may not protect you from accidents or their mistakes. You could face lawsuits and financial loss if there is a work-related injury or damage to your property.

Without a contract, you could lose any deposit or advance payment given to the contractor, or find yourself charged far more than you expected. There is little you can do about poor quality or incomplete work and no assurance that you will get warranty coverage and after-sales service.

If you participate in the underground economy, you affect the government's ability to provide services such as health care, pensions and employment insurance. The CRA takes this problem seriously, and has over 1200 employees involved on identification, audit and enforcement initiatives aimed at addressing the underground economy.

For more information, visit [www.cra.gc.ca](http://www.cra.gc.ca) or call 1-800-959-8281 (toll free).

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