

A message from Jane Clerk, New Assistant Deputy Minister, Tax and Revenue Administration



After being away from Alberta Finance for a number of years, I am very pleased to be back with Tax and Revenue Administration. May I take a moment of your time to introduce myself?

I am an Albertan, born and raised here. After many years of night school at NAIT and the University of Alberta, I achieved my CMA designation, and am proud to continue membership in good standing with the Society of Management Accountants of Alberta.

My accounting career began in tax-related areas and appears to have come full circle. For almost three years I was with Canada Customs and Excise and for seven years with Revenue Administration in Alberta Finance (then called Treasury). My focus during those years was federal sales and excise taxes, and various provincial tax and rebate programs.

To broaden my horizons, I joined Alberta Energy in 1990, where I held several management positions in finance, planning, and organizational development. In 2000, I took on new opportunities and challenges as Business Unit Leader responsible for conventional oil development, which included royalty and tenure policy, royalty operations, and the marketing of the Crown's barrels of in-kind oil royalty. Most recently, as Executive Director, Strategy and Policy for Oil Sands Development, I was responsible for royalty and tenure policy, and strategic development of Alberta's oil sands resources.

My first month, October, at Tax and Revenue Administration has been spent meeting TRA staff and getting reacquainted with the corporate and commodity tax programs. Over the next few months I am looking forward to meeting our external clients, to enhance my understanding of your perspectives and to continue to build on TRA's positive relationship with you.

Jane Clerk
Assistant Deputy Minister – Tax and Revenue Administration

IFTA Renewal for 2006

Renewal applications will be mailed to all IFTA carriers and their agents in mid-November. Applications should be returned to Tax and Revenue Administration (TRA) for processing by December 9th to ensure that the 2006 decals and licenses are mailed prior to Christmas. Applications will not be processed unless accounts are compliant, that is, there are no outstanding returns or payments owing.

For more information contact Information Services at one of the numbers listed below.

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Property that Vests in the Crown

Owner rights and government process to be clarified

Alberta's Vested Property Committee is spearheading a joint ministry initiative to develop resolutions to two separate, yet related issues.

First, the (Alberta) *Business Corporations Act* provides that any property still owned by a corporation at the date of its dissolution vests in the Crown. However, provincial legislation provides little guidance for resolving issues relating to the rights and obligations of the Crown with respect to such property. Similarly, Alberta has limited ability to identify and assume control of such property.

Second, the Uniform Law Conference of Canada has recommended that all provinces adopt a uniform unclaimed property regime, based on its *Uniform Unclaimed Intangible Property Act*. The legislation provides a means of reuniting people with their unclaimed or abandoned property, and allows governments the ability to administer the property until such time as it may be reclaimed.

Four provinces and most U.S. states have enacted unclaimed property legislation.

The Vested Property Committee has developed comprehensive proposals to address these two issues. The proposals are set out in the recently released Discussion Paper entitled *Property that Vests in the Crown in Right of Alberta*. The paper is available at:

www.finance.gov.ab.ca/publications/reports_papers/2005_0926_vested_property.pdf

The paper provides background information about how corporate property comes to vest in the Crown and includes a comprehensive proposal for dealing with such property when it comes to the Crown's attention. It proposes changes to the corporate revival process in Alberta's *Business Corporations Act*, and the adoption of an Unclaimed Property Fund as a primary repository for unclaimed or

abandoned property owned by individuals or corporations.

Albertans were invited to submit their views on the paper by October 31, 2005. Feedback will help the committee determine the practicality and impact of these proposals and will assist in developing guidelines that will be taken forward for government approval.

The process is expected to result in comprehensive legislation and policy guidelines that clearly define the rights of owners and former owners of property in these circumstances. It will also enable the Alberta government to deal with this property with certainty and consistency.

The Vested Property Committee is composed of participants from Finance, Energy, Environment, Justice, Government Services, Municipal Affairs, Infrastructure and Transportation, and Sustainable Resource Development.

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DOING IT RIGHT, THE FIRST TIME:

The Letter of Authorization (LOA)

A letter of authorization (LOA) authorizes TRA to provide confidential information to a designated third party. Often this document is submitted to TRA with errors that make it invalid. Some common errors noted include:

- **Improper form** - Tax and Revenue Administration (TRA), Alberta Finance, receives the federal LOA form, instructing Canada Revenue Agency (CRA) to provide information, rather than TRA. The LOA must specifically instruct Alberta Finance, Tax and Revenue Administration, to provide the information.
- **Third Party identification unclear, incomplete or missing** – the third party to whom information is to be released is not clearly identified: the space allotted for this information is either blank or incomplete.

- **Authorizing signature** – the LOA is not signed by a representative of the corporation, such as an executive officer, authorized to sign tax returns, or the signature is a photocopy. Without a valid, original signature, the document is not valid.

Because TRA receives a large volume of LOAs, we do not contact those who have submitted an invalid LOA. However, we can provide information to those who call or write in and give us the appropriate responses to our security questions, whether they have submitted a valid LOA, or not.

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TRA moving towards e-business:

TAX AND REVENUE ADMINISTRATION CLIENT SELF-SERVICE SYSTEM (TRACS)

We are pleased to announce that we are undertaking an exciting e-business project that will benefit our clients and stakeholders. When completed, the Tax and Revenue Administration Client Self-service System (TRACS) will provide Tax and Revenue Administration's (TRA) clients with the following Internet services:

1. secure access to up-to-date information about
 - the **status of their returns and/or claims**,
 - **previously processed** assessments and reassessments, including the ability to view notices.
2. secure access to **financial data**, including account balances, Statements of Account, and information about various financial transactions.
3. **reminders** when our clients have not filed their returns or when they may be subject to interest charges on unpaid balances.
4. enhanced **access to** the existing web functions providing our clients with **links** to

other Alberta Government sites, other government jurisdictions, Canada Revenue Agency (CRA), TRA information circulars and forms, for example.

5. a secure method for TRA clients and other government jurisdictions to **transfer information**, such as an address.
6. **management of access privileges** made available to client staff and/or service providers, such as accountants.

Best of all, as the planning and development of the system progresses, our clients will be involved in fine-tuning the system for ease of use and overall benefits. We are inviting you to participate in focus groups to help us build the system that will best meet your needs.

If you are interested in participating in a focus group in early 2006, please contact Jayne Bury at: 780-644-4113 or Jayne.bury@gov.ab.ca

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Tourism Levy publications now online

Tourism Levy information circulars, special notices and forms are now available online at our website address: http://www.finance.gov.ab.ca/publications/tax_rebates/tourism_levy/overview.html

All operators of accommodation establishments in Alberta are encouraged to visit the site. Please note the rate decrease and the introduction of a new-late filing penalty.

ON THE DRAWING BOARD:

Special notice to clarify IFTA/IRP books and records requirements

TRA strives to help carriers/vehicle lessors to prevent costly common errors

Tax and Revenue Administration conducts joint International Fuel Tax Agreement (IFTA) and International Registration Plan (IRP) audits. A significant number of these audits have resulted in reassessments as certain carriers fail to meet IFTA and IRP books and records requirements. For this reason, TRA is producing a special notice identifying

the most common errors and how to prevent them. Special Notice Vol. 1 No. 19 *International Fuel Tax Agreement (IFTA) and International Registration Plan (IRP - Prorate): Common Issues Noted During Audit* is slated for release in December 2005 and will be available in hardcopy and on the Internet. Copies will also be mailed to all registered carriers.

In the meantime, if you are an IFTA/IRP carrier or you lease vehicles to registered carriers, remember the:

Distance records rule of thumb - if an IFTA and/or IRP unit moves, the travel must be recorded.

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For your convenience – electronic payment

A reminder: Tax and Revenue Administration (TRA) accepts your corporate and/or commodity tax payments electronically through the internet payment services provided by most major financial institutions in Canada. For more information, contact your financial institution or call TRA.

To Contact Us

Please direct all questions about material in *Tax Notes* to Information Services by [e-mail](#) or by telephoning (780) 427-3044 in the Edmonton area or 310-0000, then enter (780) 427-3044 for toll free service from anywhere else in Alberta.

Disclaimer: *This newsletter is intended to keep our clients informed about corporate and commodity tax-related matters. Tax Notes does not replace the legislation or regulations.*

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