



**NUNATSIAVUT**

kavamanga

Government

Department of Finance, Human Resources & Information  
Technology

March 5, 2024

Tom Evans  
Minister

Mr. Speaker, a significant own source revenue for the Nunatsiavut Government is personal income taxes. All personal income taxes collected from residents living in the five Inuit communities, or living on Labrador Inuit Lands, are remitted to the Government by the Government of Canada, less a 5% administration fee.

Currently, the Government of Canada remits a set amount of \$5.775 million annually. An additional amount may be remitted based on the completion of audits by the Canada Revenue Agency. The CRA, as they are commonly referred to, audit tax returns to ensure that individuals are residents of Nunatsiavut. Mr. Speaker, Newfoundland and Labrador residents are asked to declare if they reside in Nunatsiavut by answering a question on their tax return called “*Residency Information for Tax Administration Agreements*”. There have been errors with tax filers incorrectly answering this declaration since Effective Date. Tax filers have declared that they reside in Nunatsiavut when in fact, they do not

and vice versa. As a result, CRA completes audits annually to ensure that the declaration has been completed correctly.

My department, Mr. Speaker, over the years, has made efforts to educate Beneficiaries on the completion of this declaration.

Notices have been released in Nunatsiavut and to Beneficiaries who reside outside of Nunatsiavut. Letters have been sent to tax preparers in Nunatsiavut and the Upper Lake Melville area. One year, individual notices were placed in all mailboxes in the community of Nain, to target an area where 55% of tax returns completed incorrectly.

I am pleased to inform the Assembly that these efforts are successful. In 2021, 122 tax filers in Nunatsiavut did not complete the declaration correctly; a decrease from 570 tax filers in 2015.

Outside of Nunatsiavut, there has been a decrease from 980 tax filers in 2015 to 598 tax filers in 2021, who indicated that they resided in Nunatsiavut when they did not.

My department, Mr. Speaker, will continue to complete outreach to tax filers and tax preparers. Letters continue to be sent to tax preparers in Nunatsiavut and in Upper Lake Melville. New notices have been designed by Nunatsiavut Visual Design and will be released via social media and posted on bulletins boards in Nunatsiavut. I respectfully ask all members of the Nunatsiavut Assembly to share these notices and this information with your constituents and members of your communities and corporations. These efforts do make a difference.

I am pleased to inform that Assembly that the Government has again received a “zero” risk score under the general assessment completed by Indigenous Services Canada. This score is used to

assess capacity for delivery of programs and services. It represents a “low risk” profile. Nakummek to all of our staff who work diligently on behalf of the Government. Without their efforts, we would not be in this position.

Nakummek.