



NUNATSIAVUT

kavamanga

Government

Department of Finance, Human Resources & Information
Technology

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David Dicker Jr.
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 Nunatsiavut 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.

Our department, Mr. Speaker, makes 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.

I am pleased to inform the Assembly that these efforts are successful. In 2022, only 90 tax filers in Nunatsiavut did not complete the declaration correctly; a decrease from 122 tax filers in 2021. However, outside of Nunatsiavut, there has been an increase from 598 tax filers in 2021 to 677 tax filers in 2022, who indicated that they resided in Nunatsiavut when they did not.

Filing tax returns not only benefits the Nunatsiavut Government but in fact may personally benefit the tax filer. The Government of Newfoundland and Labrador will remit annually, \$500 payment under the Coastal Labrador Seniors' Food and Heating Supplement to seniors living in Coastal Labrador communities to help with the cost of food and heating. Residents have to have their tax return filed in order to receive this payment. The Government of Canada also has benefits available based on information provided through the filing of tax returns. These benefits include the GST Credit, Canada Child Benefit, and Canada Carbon Rebate.

Our department, Mr. Speaker, will continue to complete outreach to tax filers and tax preparers. 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. Nakummek.