

## Consumer Taxes

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*This version of bulletin ADM. 4 supersedes the version of November 7, 2016. This bulletin ADM. 4 takes into account recent developments concerning the exchange of information between Canada and other jurisdictions, in particular as part of the OECD's work on tax base erosion and profit shifting, as well as changes to the federal Voluntary Disclosures Program.*

This bulletin explains Revenu Québec's voluntary disclosure program. It sets out the terms and conditions under which a person that makes a voluntary disclosure application in respect of Québec fiscal legislation can benefit from the relief measures offered under the program.

Where a voluntary disclosure application concerns the goods and services tax and harmonized sales tax (GST/HST) provided for under the *Excise Tax Act* (R.S.C. 1985, c. E-15), Revenu Québec applies the Voluntary Disclosures Program administered by the Canada Revenue Agency (CRA). For more information, refer to the current version of GST/HST Memorandum 16-5, *Voluntary Disclosures Program*, which is available on the CRA website.

### PRINCIPLES AND OBJECTIVES OF THE PROGRAM

1. Revenu Québec's mission is to ensure that all taxpayers pay their fair share toward the funding of public services and to maintain tax fairness for all. Revenu Québec considers spontaneous compliance with fiscal legislation to be a cornerstone of the tax system. That is why it encourages any person that has failed to meet one or more fiscal obligations to make use of the voluntary disclosure program to correct their tax situation by reporting and paying in full any unpaid amounts.
2. In addition to having to pay the applicable duties and interest, failure to meet one's fiscal obligations (in the form of an omission, a false statement or an incomplete statement in a return) can lead to one or more penalties being imposed or to legal proceedings being instituted.
3. The Minister is not required to grant relief in respect of all applications made under the voluntary disclosure program. Each application will be reviewed and decided on its own merits. In exercising discretion, the Minister is guided by principles requiring that decisions be made in accordance with the duty to act fairly and in a manner that promotes compliance with the applicable fiscal legislation. This bulletin provides general guidelines on some of the relevant considerations in the exercise of this discretion.

4. If Revenu Québec accepts the person's voluntary disclosure application, the person will have to pay the unpaid duties in full, in addition to the penalties provided under the program (if applicable) and all or part of the applicable interest.

5. Revenu Québec reserves the right to audit or verify any information provided in a voluntary disclosure application, whether it is accepted under the program or not. If Revenu Québec finds that the person made a false representation of the facts through carelessness or voluntary omission or committed fraud, a reassessment can be issued at any time for any taxation year or period to which the false representation relates, not just those years or periods included in the voluntary disclosure application. Furthermore, any relief that may have been granted under the program will be cancelled as a result of the false representation, and any agreements between the parties will be declared null and void. Since most taxpayers comply with their tax obligations, it is important that the relief provided under the voluntary disclosure program be fair and that it not reward those taxpayers that have failed to meet their tax obligations. In other words, it is important to ensure that taxpayers that have availed themselves of the program are treated more severely than the majority of taxpayers, who meet their obligations, but less severely than those that remain deliberately non-compliant. The relief provided for under Revenu Québec's program is therefore proportional to the severity of the omission.

#### **SITUATIONS IN WHICH THE PROGRAM DOES NOT APPLY**

6. While the voluntary disclosure program generally applies in any situation where a penalty could be imposed, it cannot be used as a means to avoid statutory filing deadlines, and it does not apply in situations that, in the opinion of Revenu Québec, go against the object and spirit of the program. For example, the program does not apply in the following situations:

- (a) Situations involving only the filing of an original or amended income tax return for a taxation year, where less than a year has elapsed between the statutory filing deadline and the date the voluntary disclosure application is received. For example, a voluntary disclosure application concerning only the filing of an original income tax return in which there is a balance due for 2015, the statutory filing deadline for which is April 30, 2016, cannot be accepted until May 1, 2017.

However, if the disclosure concerns a series of returns and, for at least one of them, the statutory filing deadline has been elapsed for more than a year on the date the application is received, then the entire series of returns can be accepted in order to ensure a complete view of the tax situation to be rectified.

- (b) Situations involving the QST and other taxes or duties provided for under Québec legislation concerning a return, where less than one full reporting period has elapsed since the deadline for filing the return. For example, a voluntary disclosure application concerning only the monthly QST return whose statutory filing deadline is January 31, 2018, cannot be accepted until March 1, 2018.

However, if the disclosure concerns a series of returns and, for at least one of them, more than one full reporting period has elapsed on the date the application is received, then the

entire series of returns can be accepted in order to ensure a complete view of the tax situation to be rectified.

- (c) Situations concerning only the late filing of returns that are not used to establish duties payable, but rather simply to provide prescribed information. For example, the late filing of the *Partnership Information Return* (TP-600-V) or the *Déclaration de revenus et de renseignements des sociétés sans but lucratif* (form CO-17.SP) is not eligible for the program.
- (d) Situations concerning returns for which there are no duties payable or for which the person is entitled to a refund. Such returns will be processed in the regular manner.
- (e) Situations involving late, amended or revoked elections.
- (f) Situations where it is reasonable to conclude that the voluntary disclosure application is being made to implement a retroactive tax planning strategy, to modify a tax planning strategy retroactively or to obtain a future tax benefit.
- (g) Situations involving aggressive tax planning (ATP), retroactive or otherwise, or involving the filing of a mandatory or preventive disclosure concerning ATP (for example, in the case of a sham transaction or the application of the general anti-avoidance rule).
- (h) Situations that consist solely in a request for relief under Revenu Québec's tax fairness measures, pursuant to the following interpretation bulletins: *Waiver or Cancellation of Interest, Penalties or Charges* (LAF. 94.1-1), *Tax Fairness: Refunds Applied For After December 31, 2004* (IMP. 1051-2) and *Late, Amended or Revoked Election* (IMP. 1056.4-1).
- (i) Situations that Revenu Québec considers to be contrary to public interest.

7. If an application is considered ineligible, it will be closed and the information and documents will be forwarded to the appropriate department of Revenu Québec (for example, the audit department). In such a case, the person (and, if applicable, their representative) will be informed in writing.

## **SITUATIONS IN WHICH THE PROGRAM APPLIES**

8. A person may be eligible for the voluntary disclosure program in the following situations:
- The person failed to fulfil their tax obligations under the applicable legislation.
  - The person failed to file information returns involving additional duties payable.
  - The person claimed ineligible expenses on a tax return.
  - The person claimed a refund or rebate to which they were not entitled.
  - The person failed to declare the transfer of an immovable by filing an application for registration in the land register of the deed evidencing the transfer and to file a notice of

disclosure of the transfer of the immovable with the municipality in whose territory the immovable is located by the 90-day deadline provided for in the *Act respecting duties on transfers of immovables* (CQLR, c. D-15.1).

## **CATEGORIES OF THE VOLUNTARY DISCLOSURE PROGRAM**

9. Since most taxpayers do meet their tax obligations, Revenu Québec considers that the relief provided under the program should be proportional to the type of non-compliance. There are therefore four categories under the program:

- (a) Category 1 – General Program;
- (b) Category 2 – Limited Program;
- (c) Category 3 – Wash Transactions (QST); and
- (d) Category 4 – Duties on the Transfer of an Immovable.

10. The determination of whether an application should be processed under category 1, 2, 3 or 4 will be made on a case-by-case basis, using the factors set out in paragraphs 12 to 18 of this bulletin.

11. Details of the relief provided for the various categories are described in paragraphs 19 to 24 below.

### **Category 1 – General Program**

12. The general program provides relief for applications disclosing non-compliance with fiscal legislation without any element of intentional conduct on the part of the person or a closely related party.

More specifically, the general program does not apply in situations covered by categories 2 (see paragraphs 13 to 16), 3 (see paragraph 17) or 4 (see paragraph 18).

### **Category 2 – Limited Program**

13. The limited program provides limited relief for applications that disclose non-compliance with fiscal legislation where there is an element of intentional conduct on the part of the person or a closely related party.

14. In determining whether a voluntary disclosure application should be processed under the limited program, the following factors may be considered:

- efforts were made to avoid detection through the use of offshore vehicles or other means;
- the application was filed after an official Revenu Québec or CRA statement regarding its intended specific focus of compliance (for example, the launch of a compliance project or campaign) or following broad-based Revenu Québec correspondence (for example, a letter issued to taxpayers working in a particular sector about a compliance issue);

- the dollar amounts involved;
- the number of years of non-compliance;
- the sophistication of the taxpayer.

For example, a person who opened an offshore bank account in 2010 and has been transferring undeclared business income earned in Québec to that account since that time would not normally qualify under the general program.

**15.** Generally, applications by corporations with gross revenue in excess of \$250 million in at least two of their last five taxation years, and any related entities, will be considered under the limited program.

**16.** The existence of a single factor will not necessarily mean that a person is eligible only for the limited program. For example, a sophisticated taxpayer can still correct a reasonable error under the general program.

### **Category 3 – Wash Transactions (QST)**

**17.** This category applies to situations where a registered supplier did not remit an amount of net tax because it did not duly charge and collect the tax on a taxable supply in respect of which the recipient would have been entitled to a full input tax refund (ITR) if they had paid the tax. Wash transactions can also occur when the wrong member of a closely related group or of a group of associated persons (all of which only carry on commercial activities) collects and reports the tax or claims an input tax refund.

### **Category 4 – Duties on the Transfer of an Immovable**

**18.** This category concerns situations involving the imposition of special duties payable in respect of the transfer of an immovable which was not declared in an application for registration in the land register or in a notice of disclosure filed with the municipality in whose territory the immovable is located by the 90-day deadline provided for in the *Act respecting duties on transfers of immovables*.

## **RELIEF PROVIDED UNDER THE VOLUNTARY DISCLOSURE PROGRAM**

**19.** If a voluntary disclosure application is submitted in accordance with the terms set out in this bulletin, is eligible under the voluntary disclosure program and meets the conditions in paragraphs 43 to 56, the person may be able to benefit from the relief provided under the applicable category (see paragraphs 9 to 18).

**20.** If it comes to light in the future that the voluntary disclosure application does not meet the conditions set out in paragraphs 43 to 56 of this bulletin, even if one or more notices of assessment arising from the disclosure have been issued, the relief provided will be cancelled and any agreements between the parties will be declared null and void. The information and documents submitted as part of the application will be forwarded to the appropriate department of Revenu Québec (for example, the audit department).

## Category 1 – General Program

21. If a voluntary disclosure application is submitted in accordance with the terms set out in this bulletin and is accepted by Revenu Québec under the general program (see paragraph 12):

- The person will not be referred for penal proceeding or be charged penalties with respect to the disclosed facts and elements.
- Revenu Québec will charge interest according to the following terms:
  - (a) For the purpose of calculating interest, the prescribed years or periods will be based on the coming into effect of the disclosure.
  - (b) For non-prescribed years and periods, the applicable interest will be charged in full.
  - (c) For prescribed years and periods, the six calendar years (if applicable) preceding the calendar year in which the disclosure comes into effect (see paragraph 36), 50% of the interest payable on the additional duties will be charged.

## Category 2 – Limited Program

22. If a voluntary disclosure application is submitted in accordance with the terms set out in this bulletin and is accepted by Revenu Québec under the limited program (see paragraphs 13 to 16):

- The person will not be referred for penal proceeding with respect to the disclosed facts and elements or be charged penalties for gross negligence. Generally speaking, “intention” penalties will not be applied under the limited program. However, other penalties, such as the penalty for repeated failure to file an income tax return (section 59.2.2 of the *Tax Administration Act* [CQLR, c. A-6.002]), may be applied.
- Revenu Québec will charge interest according to the following terms:
  - (a) For the purpose of calculating interest, the prescribed years or periods will be based on the coming into effect of the disclosure.
  - (b) For non-prescribed years and periods, the applicable interest will be charged in full.
  - (c) For prescribed years and periods, the 10 calendar years (if applicable) preceding the calendar year in which the disclosure comes into effect (see paragraph 36), 50% of the interest payable on the additional duties will be charged.

In addition, for prescribed years and periods more than 10 calendar years before the calendar year in which the disclosure comes into effect, 50% of the interest payable on the additional duties will be charged as of the 10th calendar year preceding the calendar year in which the disclosure comes into effect (see paragraph 36).

### **Category 3 – Wash Transactions (QST)**

**23.** If a voluntary disclosure application is submitted in accordance with the terms set out in this bulletin and meets the conditions for the relief provided in respect of wash transactions (see paragraph 17), Revenu Québec will:

- (a) assess the tax the supplier did not collect or the ITRs that were unduly claimed;
- (b) waive the penalties and interest that would otherwise be payable under the applicable tax legislation.

In order for the relief to be granted, the amounts due must be paid in full before the notices of assessments are issued.

### **Category 4 – Duties on the Transfer of an Immovable**

**24.** If a voluntary disclosure application concerning transfer duties is submitted in accordance with the terms set out in this bulletin, Revenu Québec may waive part of the special duties, up to one sixth (1/6) of the applicable duties, related to the transfer of an immovable after March 17, 2016, provided for in Part III.7.0.1 of the *Taxation Act* (CQLR, c. I-3).

### **Waiver of the right to objection and appeal**

**25.** To benefit from the relief provided under the various categories of the voluntary disclosure program, the person must waive their right to objection and appeal in respect of the facts disclosed, as well as the duties, penalties and interest arising from the adjustments made under the voluntary disclosure program.

**26.** However, this waiver will not prevent the person from filing a notice of objection in circumstances where the assessment includes a calculation error or relates to a characterization issue (such as income versus capital gain treatment) or an issue other than the matter disclosed in the voluntary disclosure application.

### **Signature of a transaction**

**27.** The parties may enter into a transaction (within the meaning of articles 2631 et seq. of the *Civil Code of Québec*) in situations where, for example, the disclosure concerns one or more taxation years or one or more periods that exceed the normal assessment period, where it is especially difficult to identify the relevant legal provisions, periods at issue or duties payable, or where there are impediments to the availability of the documentary evidence. As part of the transaction, the person will waive all rights to opposition or appeal in respect of the elements covered by the transaction.

## **PROCEDURE FOR MAKING A VOLUNTARY DISCLOSURE APPLICATION**

### **Pre-disclosure discussion**

**28.** Persons who are unsure if they want to proceed with an application are given an opportunity to participate in preliminary discussions about their situation on an anonymous basis to get insight

into the voluntary disclosure program process, a better understanding of the risks involved in remaining non-compliant, and the relief available under the program. These discussions with an employee of the Direction principale des divulgations volontaires et du recouvrement international (DPDRI) are for the benefit of the person: they are informal, non-binding, and may occur before the identity of the person is revealed. They do not, however, constitute acceptance into the program and have no impact on Revenu Québec's ability to audit, penalize, or refer a case for penal proceeding.

### **Filing the disclosure application**

**29.** For a voluntary disclosure application to be considered under the voluntary disclosure program, form LM-15-V, *Voluntary Disclosure*, must be duly completed—i.e., all the required information must be provided when the form is sent to the DPDRI, whose contact information is given on the form. Form LM-15-V can be printed from the Revenu Québec website at [revenuquebec.ca](http://revenuquebec.ca).

**30.** Form LM-15-V must be accompanied by the person's returns for each taxation year or reporting period establishing the additional duties payable as a result of the disclosure, as well as by the relevant schedules, forms, work sheets and any other pertinent documents.

**31.** If the disclosure concerns the special duties payable in respect of the transfer of an immovable, a copy of both the notice of disclosure that should have been filed with the municipality and the deed of transfer must be included with form LM-15-V.

**32.** From the supporting documents, Revenu Québec must be able to determine whether the person's situation is eligible (see paragraphs 6 to 8), rectify the person's tax situation and determine whether the four conditions set out in paragraphs 43 to 56 have been met. If the person received help from an advisor concerning the subject of the voluntary disclosure application, the advisor's name must generally be included in the application.

**33.** Payment of the estimated duties must be sent with form LM-15-V. In situations where it is particularly difficult to estimate the amount of the duties, the person must estimate them to the best of their ability and enclose payment in that amount. For more information about payment, see paragraphs 54 to 56.

**34.** All voluntary disclosure applications are subject to the powers of audit and inquiry provided for under the *Tax Administration Act*. Full cooperation from both the person and their representative is essential. Both must exercise due diligence and provide the necessary information and documents so that the application can be processed.

### **Effective date of a disclosure**

**35.** Upon receiving a disclosure application, Revenu Québec issues a reference number. The number is for administrative purposes only. It does not mean that Revenu Québec has confirmed that the application is eligible or that it meets the terms and conditions of the program.

**36.** A voluntary disclosure shall take effect on the date on which Revenu Québec receives a duly completed and signed voluntary disclosure application (see paragraphs 29 to 33).



**37.** If the disclosure meets the four conditions for validity (see paragraphs 43 to 56), the person will benefit as of that date from protection against legal proceedings in respect of the disclosure and, if applicable, relief of penalties concerning the amounts included in the disclosure.

**38.** If the disclosure does not meet the four conditions for eligibility for relief, the application will not be accepted under the voluntary disclosure program. As a result, there will be no effective date of the disclosure.

**39.** Where necessary, the person may have 90 days from the effective date of the disclosure to submit the additional information and/or documents Revenu Québec requests in order to complete the application.

**40.** If the person is unable to provide the required information or documents by the 90-day deadline (see paragraph 39) because of the complexity of the application or other exceptional circumstances, the DPDRI can extend the deadline. The person or their representative must apply for an extension in writing before the deadline. The requested information must then be submitted before the extended deadline.

**41.** If the additional information and/or documents are not received by the deadline, Revenu Québec can proceed with enforcement action, under which the applicable penalties and interest will be charged, and, where applicable, institute penal proceedings.

**42.** Generally, Revenu Québec cannot determine whether a disclosure application is acceptable—e.g., whether it meets the conditions of the program that allow a person to benefit from the relief granted under the applicable category (see paragraphs 9 to 18)—until it has been processed. The person (and, if applicable, their representative) must ensure that the disclosure application meets the terms and conditions of the program. The documents and facts supporting the application remain subject to Revenu Québec's powers of audit and inquiry.

## **CONDITIONS FOR BENEFITTING FROM THE PROGRAM**

**43.** In order for a person to benefit from the relief measures offered under the voluntary disclosure program, four conditions must be met. The disclosure application must be:

- (a) spontaneous;
- (b) complete;
- (c) verifiable; and
- (d) paid.

### **Spontaneous**

**44.** Subject to the exceptions in paragraph 46, a disclosure application is not considered spontaneous where, further to an examination of the facts, the DPDRI finds that:

- the person was aware of, or had knowledge of, a control measure (see paragraph 45) set to be conducted with respect to the information being disclosed to Revenu Québec;

- control measure (see paragraph 45) relating to the subject matter of the voluntary disclosure application has been initiated against the person, or a person or an entity associated with, or related to, the person (this includes, but is not restricted to, corporations, shareholders, spouses and partners), or against a third party, where the purpose and impact of the control measure against the third party is sufficiently related to the facts and elements disclosed in the application; or
- Revenu Québec has already received information regarding the specific person's (or a related person's) potential involvement in tax non-compliance (for example, a leak of offshore banking or other information that names the person).

**45.** For purposes of the voluntary disclosure program, a “control measure” may include, but is not limited to:

- an audit, examination, investigation or other enforcement action by Revenu Québec or any other authority or administration, such as, but not limited to, a law enforcement agency, securities commission, or federal or provincial authorities;
- requests, demands or requirements relating to unfiled returns, unremitted taxes or instalments, or unmade source deductions (although these actions may only pertain to one specific year or reporting period, the procedure will be considered to be a control measure, for purposes of the program, for all taxation years);
- requests, demands or requirements issued with reference to other tax affairs of the person, partners of the person, trusts in which the person is a settlor, trustee or beneficiary, or corporations associated with or related to the person; and/or
- direct contact by a Revenu Québec employee for any reason relating to non-compliance (e.g., unfiled returns, audit, collection issues).

**46.** Not all control measure initiated by Revenu Québec may be cause for a voluntary disclosure application to be denied. For example:

- A recent audit of a person was related to a QST issue. The same person is submitting a voluntary disclosure application for an amount of source deductions (payroll) that was withheld but not remitted to Revenu Québec as required by law. There may be no correlation between these two taxation issues and as such, the control measure on the QST account may not be cause to deny the application.

## **Complete**

**47.** A disclosure is complete where the person discloses, for all the fiscal laws, taxation years and periods in which the person's tax situation does not comply with the fiscal laws administered by Revenu Québec, all the instances (including any non-arm's length transactions and circumstances) where the person failed to meet their fiscal obligations. For example, in a case involving amounts invested or accrued in a foreign country, the disclosure must result in the taxation of all unreported

amounts for all the years in question. Likewise, foreign investments may be subject to income tax unless their tax-exempt status can be proven.

**48.** The person must calculate their income and the duties he owes. If the books, records or supporting documents no longer exist, the person should make all reasonable efforts to estimate their income and the duties he owes for the years or periods in question in order for the application to be considered complete.

**49.** A voluntary disclosure application will not be considered complete if:

- the person has failed to fulfill other obligations with Revenu Québec under the applicable fiscal legislation;
- a person controlled by the person making the disclosure application has failed to fulfill its obligations with Revenu Québec under the applicable fiscal legislation;
- the person making the disclosure application is controlled by a person that has failed to fulfill its obligations with Revenu Québec under the applicable fiscal legislation;
- the person making the disclosure application is controlled by a person that also controls a person that has failed to fulfill its obligations with Revenu Québec under the applicable fiscal legislation.

To be considered to have fulfilled all their obligations with Revenu Québec, the person must meet both the following conditions before the voluntary disclosure application processing is completed:

- the person has filed all the returns and reports required under the fiscal laws administered by Revenu Québec;
- the person has no outstanding debt or, if he does, recovery of the debt has been legally suspended or a payment agreement has been reached and the person is not in default in that regard.

If, at any point during the processing of the disclosure application, the person fails or refuses to disclose facts, amounts or other details concerning the person's situation, or discloses inaccurate information, the application will not be considered complete but rather an attempt by the person to avoid fulfilling their tax obligations.

### **Verifiable**

**50.** A disclosure application is verifiable when the person provides Revenu Québec with all the available information, records, books and documents required to determine the accuracy of the facts submitted and the estimated duties. Revenu Québec will issue a notice of assessment for each year or period in which the person failed to meet the person's fiscal obligations.

**51.** There may be exceptional circumstances where the person cannot submit all the required information or documentation with their voluntary disclosure application. In these circumstances, Revenu Québec may allow the person a reasonable period of time to submit the information in

order to complete the application. Normally this period of time is no more than 90 days from the effective date of the disclosure (see paragraphs 35 to 41).

**52.** If the required information and documents are not received by the deadline, the disclosure application will be considered unverifiable. The application will be denied, and the information and documents submitted with it will be forwarded to the appropriate department of Revenu Québec (for example, the audit department).

**53.** However, if Revenu Québec is satisfied that the person has provided all available information and legitimately cannot locate or obtain certain documents or has made reasonable efforts to estimate income and duties related to years or periods for which documentation is unavailable, the application may be considered to be verifiable, and other methods may be used to determine the amount of the adjustments for the years or periods for which documentation is unavailable. The same is true where it is impossible to prove the origin or prior taxation of amounts invested or accumulated in a foreign country due to the absence of documentary evidence.

### **Paid**

**54.** A person making a voluntary disclosure application cannot benefit from the relief measures granted under the program unless the related tax debt is paid. The payment must be submitted along with form LM-15-V. In situations where it is particularly difficult to determine the amount of the duties payable, the person must estimate them to the best of their ability and include payment of that amount with their voluntary application disclosure.

**55.** If Revenu Québec determines that other amounts are due while processing the disclosure application, it can require them to be paid by the deadline given to the person. Likewise, any balance due shown on the notice of assessment issued further to the voluntary disclosure must be paid by the deadline given on the notice of assessment.

**56.** However, where the situation so requires, Revenu Québec and the person may enter into a payment agreement taking into account all the amounts due to Revenu Québec as at the date of the agreement, not only the fiscal debt resulting from the voluntary disclosure. The person will have to provide evidence of income, expenses, assets, and liabilities supporting their inability to make payment in full. In some cases, the payment arrangement will need to be supported by adequate security. Failure to respect the payment agreement or a fiscal obligation that becomes payable during the term of the agreement may result in the cancellation of the relief granted under the program.

### **DENIAL OF AN APPLICATION**

**57.** Regardless of processing status, Revenu Québec will notify the person (and their representative, if applicable) in writing that the disclosure application has been denied if it does not meet the terms set forth in this bulletin concerning the filing of a disclosure application, the eligibility of a disclosure application, the conditions in paragraphs 43 to 56 or the deadlines for producing the required information and documents or for paying the amounts due.

**58.** In the event that a voluntary disclosure application is denied, the information and documents submitted as part of the application will be forwarded to the appropriate department of Revenu Québec (for example, the audit department). Revenu Québec may determine or redetermine the amount of the duties, interest and penalties payable by the person for the taxation years and periods in question and issue the person a notice of assessment in that regard. Revenu Québec may also institute penal proceedings.

**59.** Likewise, if, while reviewing the file of a person that has benefitted from relief under the program, Revenu Québec finds that one or more of the conditions set out in paragraphs 43 to 56 are not met, it will notify the person (and their representative, if applicable) in writing that the person is no longer entitled to the relief. Any agreements entered into by the parties will be rendered null and void, and the information and documents submitted as part of the application will be forwarded to the appropriate department of Revenu Québec (for example, the audit department).

### **REQUEST FOR ADMINISTRATIVE REVIEW**

**60.** There is no right of objection under the law for a person to dispute a discretionary decision that denied relief or allowed only partial relief. However, if the person believes that the Minister has not exercised discretion in a fair and reasonable manner, the person may request in writing that the DPDRI review and reconsider the original decision. The person will have to set out the reasons why they believe the decision was ill-founded and provide documents to support their assertions. They may also make additional representations.

A request for administrative review cannot be used to correct the person's failure to provide, by the deadline, information or documents required by Revenu Québec to support the voluntary disclosure application.

**61.** The DPDRI will appoint a mandatary who did not participate in the original review or the decision making process to carry out the second review.

### **SECOND APPLICATION BY THE SAME PERSON**

**62.** Revenu Québec expects the person to remain compliant after being granted relief under the voluntary disclosure program. A person is generally entitled to relief under the program only once. Revenu Québec will normally only consider a second application from the same person if the circumstances surrounding the second application are both beyond the person's control and related to a different matter than the first application.

**63.** The person must specify in form LM-15-V that they are making a second voluntary disclosure application. In addition to the circumstances justifying the second application, the person must provide all the details of the first disclosure.

**64.** If an attempted second application is made for the same issue that was previously denied as incomplete due to information not being received by the stipulated date, then the second application will be denied.