

Frequently Asked Questions and Answers:
Tax Test Case Appeals

1. I didn't receive a package. Should I have?

Packages were only mailed out to those individuals that received a payment from the Health and Welfare Trust (HWT) in 2011 related to the termination of group life benefits and/or termination of survivor benefits.

If you think you should have received a package please email us at nortel@kmlaw.ca or call us at 1-866-77-6344.

2. I live in Québec and received a non-Québec package/I don't live in Québec and received a Québec package. What should I do?

If you filed taxes in Québec in 2011 you should have received a package for residents of Québec. If you did not file taxes in Québec, you should have received a non- Québec package.

The difference in the two packages is that Québec residents must complete a different Notice of Objection form to be sent to Revenu Québec in addition to the forms they are mailing to the Canada Revenue Agency (CRA) and Koskie Minsky LLP.

If you believe you received the wrong package please call us immediately at 1-866-777-6344.

3. What should I do if I received the package and my name or my address has changed?

If you have changed your name please advise us in writing and provide us with supporting documentation such as a Marriage Certificate.

If you have had a change in address please complete the Change of Address form available on our website and follow the instructions as to what supporting documents are necessary to include.

If you are a registered pension plan member please note that you must also advise Morneau Shepell of the address change.

The Change of Address form and contact information for Morneau Shepell are available on the "Address Change Information and Notification of Death" tab of our website.

4. What should I do if a package has arrived for an individual who is now deceased?

If you have received a package for someone who has passed away please complete the Notification of Death form which is available on our website under the "Address Change Information and Notification of Death" tab on our website.

If the individual was a registered pension plan member please also ensure that you notify Morneau Shepell.

The Notification of Death form and contact information for Morneau Shepell are available on the “Address Change Information and Notification of Death” tab of our website.

5. I don’t know what category to check off on the Notice of Objection form. Where can I find the information?

The category to check off depends on the nature of the payment you received from the HWT. If you’re unsure about the payment you received from the HWT and what it related to, please email us at nortel@kmlaw.ca or call us at 1-866-77-6344 and we’ll help you ensure you check off the correct box.

What if I belong to more than one Category?

Check all that apply.

6. Do I have to send out more than one Notice of Objection? Can I just send one to the Canada Revenue Agency or to Koskie Minsky LLP?

No. It is important that you send a Notice of Objection to both Koskie Minsky LLP and the CRA.

For those residing in Québec, you will also have to complete a separate Notice of Objection form that must be mailed to Revenu Québec.

Addressed envelopes have been included in your package to facilitate mailing to the appropriate parties.

Please also ensure to keep one copy of the Notice of Objection for your own records.

7. Is there a deadline by which I have to fill out my forms?

*Yes. We ask that you fill out and mail your forms as soon as you receive them. The sooner the Notices of Objection are received, the sooner the Test Case Appeals can advance. The ultimate deadline, however, is **April 30, 2013** for individuals; and for those who carried on a business in 2011, the ultimate deadline is June 15, 2013.*

8. Will I have to appear in court or will my personal information be used in court?

No. Your Notice of Objection will be warehoused by the CRA and Revenu Québec, where applicable. An individual representative for each category has been selected.

9. Will I have to pay any costs or legal fees for the tax appeal?

No. You will not be responsible for any costs or legal fees regardless of the outcome of the Test Case Appeals.

10. If the case is unsuccessful will I be reassessed by the Canada Revenue Agency?

No. The Test Case Appeals will only lead to reassessment if the case(s) is/are successful.

11. Will the Test Case Appeals affect the amount of my compensation claim against the Nortel Estate?

If one or more of the Test Case Appeals are successful, and CRA treats your recoveries out of the Nortel Estate as non-taxable on the basis of these precedents your compensation claim against Nortel will be reduced to remove the “top-up” amount that was incorporated to take into consideration the negative tax consequences of receiving a lump sum payment in connection with terminated life insurance and/or survivor benefits..

Note that the increase will be removed for everyone, whether or not you have served a Notice of Objection to your assessment.

If the Test Case Appeals are not successful, your compensation claim will not change.

12. I've received a request from the CRA to fill out a Form T1013 and authorizing Koskie Minsky LLP or Norman Tobias as my tax representative. What should I do?

If you have received a request from CRA to complete and submit a Form T1013 to authorize CRA to deal with Koskie Minsky LLP as your authorized representative, you do not need to do so, unless your Notice of Objection is otherwise deficient. All Notices of Objection are being held in abeyance pending the outcomes of the test-case appeals, and we do not believe there will be a need for individual advocacy by Koskie Minsky LLP with CRA Appeals Division pending the outcomes of the test case appeals.

13. I've received a letter from CRA advising that I have no right to object. What should I do?

If you have received a letter from CRA advising that there is no right of objection from a nil notification, please ensure that you have fully recovered amounts withheld and remitted on your behalf to CRA in 2011. If less than a full refund has been received, this difference should be an accounting matter to be resolved with CRA. In the event of successful outcomes in the test-case appeals, CRA can be expected to make the necessary adjustments to the amount of guaranteed income supplement, if any, to which you were entitled in 2011. You do not need to take any further steps associated with the test case appeals.

14. I am not a resident of Canada. Can and should I participate?

To preserve entitlement to benefit from favourable outcomes in the test-case appeals, a Notice of Objection should generally be filed. More information is available to non-residents. Please contact Koskie Minsky LLP at nortel@kmlaw.ca and request information for non-residents.