

NEW CPP AND OAS PENALTIES FOR MISREPRESENTATION

By: Rita Chrolavicius, Staff Lawyer

MISREPRESENTATION

New administrative penalties under the *Canada Pension Plan Act*¹ and the *Old Age Security Act*² came into force on April 1, 2010. Penalties of up to \$10,000.00 can be imposed for each act which constitutes a misrepresentation made to Service Canada. Should an individual knowingly provide false or misleading information, or omit/leave out information, this may constitute misrepresentation and the person may be subject to a penalty. A penalty can also be imposed on a person who does not return a benefit payment that the person receives and ought to have known that they were not entitled to. In addition, interest will accrue on any unpaid penalties.

VOLUNTARY DISCLOSURE

Service Canada has a disclosure policy that permits a person to come forward and correct inaccurate or incomplete information previously provided to Service Canada. This may also include disclosing information that was not previously disclosed. Making a voluntary disclosure may benefit the person because they may be exempt from penalty or prosecution. The disclosure must be given before an investigation has been started. The disclosure must also be complete and accurate.

The Canada Pension Plan/Old Age Security contact information line is 1-800-277-9914 or (TTY: 1-800-255-4786).

¹ RSC, 1985, c C-8.

² RSC, 1985, c O-9.