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Chapter 9, Finance-Enforcing Provincial Sales Tax Legislation, 2022 Report Volume 2

Recommendation and Status at Time of Audit (Indicate whether new or outstanding)	Page	Current Status (implemented, partially implemented, not implemented)	Actions Taken to Implement Since PA Report	Planned Actions for Implementation	Timeline for Implementation
<p>New:</p> <p>1. We recommend the Ministry of Finance annually analyze key trends of non-compliance (e.g., tax gaps, tax collected but not reported) with provincial sales tax legislation to help it select and prioritize its enforcement activities.</p>	<p>85</p>	<p>Partially Implemented</p>	<p>A Compliance Governance Framework has been established to support the development and implementation of targeted compliance actions based on trend analysis. The framework drives division planning and decision-making related to tax compliance in a manner that balances operational, risk management, and reporting processes.</p> <p>A comprehensive review of the effectiveness of all compliance activities and workload selection was completed. Findings from this review were used to enhance several existing initiatives as well as create new initiatives and inform major enhancements to <i>The Revenue and Financial Services Act</i>.</p> <p>A new Business Intelligence & Selection team was created to systematically conduct analyses to address key risks and trends related to non-compliance. This team uses 17 scoring factors to analyze risks.</p> <p>A multi-disciplinary Non-Compliance Response Team was created to address the highest risk and most egregious cases of tax client non-compliance.</p> <p>A Revenue Enforcement Strategy was implemented to focus on improving compliance with tax legislation through targeted inspections and</p>	<p>The ministry will continue to use its Compliance Governance Framework to further refine its processes and analysis methods.</p>	<p>Fiscal 2025-26</p>

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			investigations of high-risk businesses and individuals, focusing on those who willingly do not comply with PST legislation or are involved in distributing contraband tobacco.		

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<p>New: 2. We recommend the Ministry of Finance set out expected timeframes for:</p> <ul style="list-style-type: none"> • Supervisory review and approval of provincial sales tax audits and education/outreach activities • Communicating provincial sales tax audit and education/outreach activity results to taxpayers. 	88	Implemented	Both audit and education/outreach activities have integrated timelines for supervisory review and communication to taxpayers into standard processes. These processes are tracked through case management and approvals.	NA	NA
<p>New: 3. We recommend the Ministry of Finance clearly document its key judgments when selecting taxpayers for provincial sales tax audits.</p>	91	Implemented	The new Business Intelligence & Selection team uses a risk-based approach for audit selection and key judgements are well documented.	NA	NA

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<p>New: 4. We recommend the Ministry of Finance track key information in its revenue IT system regarding communication of provincial sales tax audit results (i.e., when billing letters are actually sent and by who).</p>	92	Implemented	Elements of an audit case are tracked and reported within the enterprise revenue IT system, including some taxpayer communications, audit worksheets and reports, backup information and case approvals.	NA	NA
<p>New: 5. We recommend the Ministry of Finance clearly document support for the level of risk assigned to provincial sales tax collection cases.</p>	94	Implemented	A scoring process was implemented within the tax administration system in October 2024, which assigns a level of risk to each collection case.	NA	NA
<p>New: 6. We recommend the Ministry of Finance explain differences between planned and actual provincial sales tax enforcement results, and future actions needed, in its reports to senior management.</p>	97	Partially Implemented	<p>Where planned and actual PST enforcement results differ, changes to processes have been initiated.</p> <p>The new Business Intelligence and Selection team is currently building infrastructure and processes to systematically assess compliance outcomes for selected tax clients in order to determine the efficacy of current selection scoring and inform any needed adjustments.</p> <p>A Non-Compliance Response Team was created and is working to find new ways to gain compliance</p>	Part of the governance framework will include developing a tax compliance reporting framework. This includes re-evaluating the targets and performance measures reported	Fiscal 2025-26

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			<p>from the most egregious non-compliant taxpayers.</p> <p>Division plans are reviewed regularly, with updates being completed at mid-year and year-end to report results.</p>	<p>to senior management and the public.</p>	

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Chapter 17, Finance-Monitoring the Fuel Tax Exemption Program, 2022 Report Volume 2

Recommendation and Status at Time of Audit (Indicate whether new or outstanding)	Page	Current Status (implemented, partially implemented, not implemented)	Actions Taken to Implement Since PA Report	Planned Actions for Implementation	Timeline for Implementation
<p>Outstanding: We recommended the Ministry of Finance annually give the Legislative Assembly the following additional information on key tax expenditure programs:</p> <ul style="list-style-type: none"> ➤ Measurable program objectives (what the tax expenditure is designed to achieve) ➤ Key assumptions used to estimate tax expenditures ➤ Actual value of tax expenditures based on available information <p><i>(2016 Report – Volume 1, p. 81, Recommendation 5; Public Accounts Committee agreement September 21, 2017)</i></p> <p>Status—Implemented for key assumptions and actual value. Intent of recommendation for measurable program objectives covered by Recommendation 1 in Section 3.2.</p>	<p>195</p>	<p>Implemented (as per pg. 186, Ch.18, 2024 Report, Vol.2)</p>	<p>NA</p>	<p>NA</p>	<p>NA</p>

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<p>Outstanding: We recommended the Ministry of Finance set out how it plans to measure the success of each component of its fuel tax exemption program. <i>(2016 Report – Volume 1, p. 74, Recommendation 1; Public Accounts Committee agreement September 21, 2017)</i></p> <p>Status—Partially Implemented</p>	196	<p>Implemented (as per pg. 186, Ch.18, 2024 Report, Vol.2)</p>	NA	NA	NA
<p>Outstanding: We recommended the Ministry of Finance require staff to sufficiently document tax expenditure program reviews to support the result of its reviews. <i>(2016 Report – Volume 1, p. 79, Recommendation 4; Public Accounts Committee agreement September 21, 2017)</i></p> <p>Status—Not Implemented</p>	196	<p>Implemented (as per pg. 185, Ch.18, 2024 Report, Vol.2)</p>	NA	NA	NA
<p>Outstanding: We recommended the Ministry of Finance periodically publish the achievements of its key tax expenditure programs. <i>(2016 Report – Volume 1, p. 81, Recommendation 6; Public Accounts Committee agreement September 21, 2017)</i></p> <p>Status—Partially Implemented</p>	196	<p>Implemented (as per pg. 185, Ch.18, 2024 Report, Vol.2)</p>	NA	NA	NA

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Chapter 18, Finance-Monitoring the Fuel Tax Exemption Program, 2024 Report Volume 2

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<p>Outstanding: We recommended the Ministry of Finance require staff to sufficiently document tax expenditure program reviews to support the result of its reviews. <i>(2016 Report – Volume 1, p. 79, Recommendation 4; Public Accounts Committee agreement September 21, 2017)</i></p> <p>Status—Implemented</p>	<p>185</p>	<p>Implemented</p>	<p>NA</p>	<p>NA</p>	<p>NA</p>
<p>Outstanding: We recommended the Ministry of Finance periodically publish the achievements of its key tax expenditure programs. <i>(2016 Report – Volume 1, p. 81, Recommendation 6; Public Accounts Committee agreement September 21, 2017)</i></p> <p>Status—Implemented</p>	<p>185</p>	<p>Implemented</p>	<p>NA</p>	<p>NA</p>	<p>NA</p>
<p>Outstanding: We recommended the Ministry of Finance set out how it plans to measure the success of each component of its fuel tax exemption program. <i>(2016 Report – Volume 1, p. 74, Recommendation 1; Public Accounts Committee agreement September 21, 2017)</i></p> <p>Status—Implemented</p>	<p>186</p>	<p>Implemented</p>	<p>NA</p>	<p>NA</p>	<p>NA</p>

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Chapter 9, Modernizing Government Budgeting and Reporting, 2022 Report Volume 1

Recommendation and Status at Time of Audit (Indicate whether new or outstanding)	Page	Current Status (implemented, partially implemented, not implemented)	Actions Taken to Implement Since PA Report	Planned Actions for Implementation	Timeline for Implementation
<p>Outstanding: We recommended the Government of Saskatchewan formally require interim public financial reporting on the Summary Budget. <i>(2019 Report –Volume 1, p. 374, Recommendation 1; Public Accounts Committee agreement February 26, 2020)</i></p> <p>Status—Implemented</p>	<p>144</p>	<p>Implemented</p>	<p>NA</p>	<p>NA</p>	<p>NA</p>

Recommendation and Status at Time of Audit (Indicate whether new or outstanding)	Page	Current Status (implemented, partially implemented, not implemented)	Actions Taken to Implement Since PA Report	Planned Actions for Implementation	Timeline for Implementation
<p>Outstanding: We recommended the Government of Saskatchewan seek changes to legislation that would require it to provide the Legislative Assembly with a Summary Budget (i.e., budget reflecting the activities of the entire Government) and consider providing a multi-year Summary Budget. <i>(2013 Special Report – The Need to Change – Modernizing Government Budgeting and Reporting in Saskatchewan, p. 16, Recommendation 2; Public Accounts Committee agreement June 17, 2015)</i></p> <p>Status—Not Implemented</p>	144	Implemented	Treasury Board approved a policy in 2019 to require the preparation of a Summary Budget. A Summary Budget has been presented to the Legislative Assembly since 2014-15 and a multi-year forecast has been prepared since 2015-16. Legislative amendments are not necessary.	No further actions are planned.	NA
<p>Outstanding: We recommended the Government of Saskatchewan seek changes to The Financial Administration Act, 1993 to require the use of Canadian public sector standards established by the Canadian Public Sector Accounting Board in preparation of the Summary Financial Statements. <i>(2013 Special Report – The Need to Change – Modernizing Government Budgeting and Reporting in Saskatchewan, p. 32, Recommendation 10; Public Accounts Committee agreement June 17, 2015)</i></p> <p>Status—Not Implemented</p>	145	Implemented	Treasury board approved a policy in 2019 to require the Summary Financial Statements (SFS) to be prepared in accordance with Canadian public sector standards established by the Canadian Public Sector Accounting Board (PSAB). The SFS are prepared in accordance with PSAB standards and have received a clean audit opinion since their publication in 1992. Legislative amendments are not necessary.	No further actions are planned.	NA