

Federal Court



Cour fédérale

Date: 20260113

Docket: T-2030-24

Citation: 2026 FC 41

Ottawa, Ontario, January 13, 2026

PRESENT: Madam Justice Gagné

BETWEEN:

JACOB LAX

Applicant

and

CANADA REVENUE AGENCY

Respondent

JUDGMENT AND REASONS

I. Overview

[1] The Applicant had applied for the Canada Recovery Benefit [CRB] for a period starting in September 2020 and ending March 2021, amounting to \$26,000 in benefits (\$13,000 according to the Respondent). In 2024, the Canada Revenue Agency [CRA] later found that the Applicant, a self-employed consultant, was ineligible for the CRB because he had not earned the

minimum income required. In bringing this case before the Court, the Applicant is seeking to present evidence that he did, in fact, meet the income threshold. The CRA refutes that claim.

II. Facts

[2] Between July 2022 and July 2024, the Applicant's CRB application underwent two reviews to verify his eligibility under the CRB program. The Applicant was selected for a first review and was advised, by letter dated January 13, 2023, that he was ineligible for the CRB as he had not met the minimum income requirement of \$5,000. A second review was undertaken, and a new officer [the Officer] contacted the Applicant by phone on June 18, 2024, to ask questions regarding the Applicant's business. During this call, the Applicant was unable to provide more information or answer the questions posed to him. The CRA Officer then gave the Applicant a 2-week window to address his concerns. Not only did the Applicant not address the concerns, but he did not attempt to call the Officer back to do so.

III. Decision Under Review

[3] This Application for Judicial Review [ALJR] is in response to the second review undertaken. Following the Applicant not returning the CRA's calls, the second reviewer issued the final decision to the Applicant by letter dated July 12, 2024. This second review confirmed that the Applicant had not met the \$5,000 minimum criteria and was thus ineligible for the program.

[4] In coming to this conclusion, the Applicant was ordered to pay back the totality of the CRB benefits received.

IV. Issues

[5] While there are several different articulations of the issues between the Applicant and Respondent, the real issue raised by this ALJR is whether the Officer made a reviewable error in finding that the Applicant did not meet the \$5,000 criteria.

V. Standard of Review

[6] The standard of review for CRB decisions is reasonableness (*Hayat v Canada (Attorney General)*, 2022 FC 131 at para 14, *Sanaguida v Canada (Attorney General)*, 2022 FC 523 at para 11, *Cozak v Canada (Attorney General)*, 2023 FC 1571 at para 21). A reasonable decision is coherent, rational, and justified, particularly with respect to the facts and law that constrain the decision maker (*Canada (Minister of Citizenship and Immigration) v Vavilov*, 2019 SCC 65 at para 85).

VI. Analysis

[7] The Applicant submits that he earned more than the minimum \$5,000 threshold, and the Officer thus made a reviewable error. To support this claim, the Applicant submits his income tax declarations for the qualifying period. The Applicant suggests that, because the income tax declarations were never contested or reversed by the Respondent, they constitute proof of his earnings. As a result, the Applicant states he is thus entitled to a series of orders from this Court.

[8] The Applicant is seeking the annulment of the July 12, 2024, decision, a declaration that he qualified for all CRB benefits, and that he is not obliged to reimburse the amount owing set out in his affidavit.

[9] With respect, I disagree with the Applicant.

[10] In coming to its conclusion that the Applicant did not meet the \$5,000 criteria, the CRA Officer found that the Applicant:

- Did not provide any supporting documents, such as bank statements or cheques, that could corroborate the amounts he allegedly earned, as seen on the invoices he submitted;
- Did not have a history of reporting business income prior to 2019; and,
- Could not confirm he was working at the outbreak of the COVID-19 pandemic, despite being given the opportunity to call the CRA Officer back and provide additional evidence.

[11] The CRA Officer asked for more information to confirm the invoices submitted and provided the Applicant with ample time to do so. Further, the Officer was entitled to request additional documents and exercised his or her judgment based on the circumstances of the case, by determining that the documents submitted were not sufficient to demonstrate that the Applicant met the \$5,000 requirement.

[12] In my view, the decision was reasonable. The argument that the income tax declarations of the Applicant constitute proof of income has not been accepted by this Court in the context of COVID-19 related benefits.

[13] The Canadian tax system is based on the principles of self-reporting, and Notices of Assessment do not prove that applicants earned the income they reported in filing their income tax return (*Aryan v Canada (Attorney General)*, 2022 FC 139 at para 35; *Lapointe v Canada (Attorney General)*, 2024 FC 172 at para 22; *Moncada v Canada (Attorney General)*, 2024 FC 117 at para 35; and *Rehman v Canada (Attorney General)*, 2023 FC 1534 at para 30).

[14] As this was the principal argument led by the Applicant, this finding alone is dispositive of the matter.

VII. Conclusion

[15] Having reviewed the record before the Officer and having considered the parties' submissions at the hearing, I have not been persuaded that the Officer committed a reviewable error.

[16] For the above reasons, this application for judicial review is dismissed.

JUDGMENT IN T-2030-24

THIS COURT'S JUDGMENT is that:

1. The Application for Judicial Review is dismissed.
2. Costs in the amount of \$500 are granted to the Respondent.

"Jocelyne Gagné"
Judge

FEDERAL COURT

SOLICITORS OF RECORD

DOCKET: T-2030-24

STYLE OF CAUSE: JACOB LAX V CANADA REVENUE AGENCY

PLACE OF HEARING: MONTRÉAL, QUÉBEC

DATE OF HEARING: NOVEMBER 10, 2025

JUDGMENT AND REASONS: GAGNÉ J.

DATED: JANUARY 13, 2026

APPEARANCES:

Audi Gozlan FOR THE APPLICANT

Emmanuelle Rochon FOR THE RESPONDENT

SOLICITORS OF RECORD:

LS Avocat FOR THE APPLICANT
Montréal, Québec

Attorney General of Canada FOR THE RESPONDENT
Montréal, Québec