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F I L E D	FEDERAL COURT COUR FÉDÉRALE
	August 12, 2024 12 août 2024
	Rudi Hwang
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Court File No.

FEDERAL COURT

BETWEEN:

BAOZHONG LI

Applicant

-and-

THE MINISTER OF NATIONAL REVENUE (CANADA REVENUE AGENCY)

Respondent

-and-

ATTORNEY GENERAL OF CANADA

Respondent

APPLICATION UNDER Section 18.1 of the *Federal Courts Act*, R.S. C., 1985, C. F-7

NOTICE OF APPLICATION

TO THE RESPONDENT:

A PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the applicant. The relief claimed by the applicant appears below.

THIS APPLICATION will be heard by the Court at a time and place to be fixed by the Judicial Administrator. Unless the Court orders otherwise, the place of hearing will be as requested by the applicant. The applicant requests that this application be heard at Federal Court, 180 Queen Street West, Toronto Ontario OR virtually on line if possible.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application, you or a solicitor acting for you must file a notice of appearance in Form 305 prescribed by the *Federal Courts Rules* and serve it on the applicant's solicitor or, if the applicant is self-represented, on the applicant, WITHIN 10 DAYS after being served with this notice of application.

Copies of the *Federal Courts Rules*, information concerning the local offices of the Court and other necessary information may be obtained on request to the Administrator of this Court at Ottawa (telephone 613-992-4238) or at any local office.

IF YOU FAIL TO OPPOSE THIS APPLICATION, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU.

Aug. 12, 2024

Issued by:

Address of local office:

FEDERAL COURT OF CANADA
180 Queen Street West
Suite 200
Toronto, Ontario
M5V 3L6

TO:

THE MINISTER OF NATIONAL REVENUE
c/o Canada Revenue Agency
Sudbury tax centre
Post Office Box 20000, Station A
Sudbury ON P3A 5C1

AND TO:

THE ATTORNEY GENERAL OF CANADA
Ontario Regional Office
Department of Justice Canada
120 Adelaide Street West
Suite #400
Toronto, Ontario M5H 1T1

Application

This is an application for judicial review in respect of a decision of the Canada Revenue Agency (The “CRA”) on behalf of the minister of National Revenue (the “Minister”) dated Jul. 25, 2024 (the “Decision”), which the Applicant received through CRA my account via email notice from CRA on the same day. In the Decision, the CRA denied the eligibility of the Applicant for Canada Recovery Benefit (CRB), because of “\$5000 not met”-general template, without telling the Applicant the specified reason. The Applicant is not fully clear about the case,, which accounts for procedural unfairness. Furthermore, the Applicant would demonstrate the CRA’s decision is wrong by *reduction ad absurdum*. A wrong decision would account for unreasonableness.

THE APPLICANT MAKES THIS APPLICATIO FOR:

1: An Order granting the application, setting aside the decision of the CRA the Applicant is ineligible for CRB.;

2: An Order referring the matter back to the CRA to a different officer who is familiar to Attribution Rule of income tax law, for redetermination.

3: The Applicant’s cost of the within application.

THE GROUNDS FOR THE APPLICATION ARE:

1. The Applicant is licensed real estate broker, who is capable of being a realtor, a property manager, a property appraiser.
2. Since 2018, the Applicant started to *manage* a rental property, of which the Applicant is a co-owner. The official lesser is the Applicant’s wife in the Agreement of purchase and sale (for lease). The net income from the management of this rental property was combined into the Applicant’s individual income and filed as tax return.
3. Since 2019 till Apr.2021, the Applicant playing the role of a property *appraiser*, fought for high property assessment of another property, of which the Application is a co-owner, with municipal property assessment corporation (MPAC) through

- assessment review board (ARB) and successfully reduced the assessment, consequently, the property tax decreased a lot. Similarly the net income from the appraisal was combined into the Applicant's individual income and filed as tax returns.
4. The Applicant got payment for CRB for 2020-09-27 till 2021-10-09.
 5. The CRA initiate a review on CRB eligibility since 2023-03-27 and requested proof of Earnings over \$5000.
 6. The Applicant submitted documents online on 2023-05-08 explaining the businesses: Gilbert Li property management and Gilbert Li property appraisal, the net income for those businesses calculated based on Attribution Rule for 2018, 2019, 2020 tax years, and the 12 months before the Applicant applied for CRB.
 7. The first reviewer's decision was issued on 2023-06-19 with denial.
 8. The Applicant submitted on 2023-06-26 request for 2nd review.
 9. The Applicant knew the case was closed when the Applicant made a call to CRA on 2024-06-25 and CRA agent told the Applicant that Rental income is investment income and you can't pay yourself for the work you've done on your own properties.
 10. On 2024-07-11, the Applicant called CRA and the agent reopened the case and an agent-the 2nd reviewer, called the Applicant the same day.
 11. The 2nd reviewer's decision of denial was received on 2024-07-25.
 12. In making the Decision, the CRA erred by:
 - a) Violating **attribution rule** when splitting rental income.
 - b) Procedure unfairness – conclusion without material facts
 - c) Non-Professionalism in conducting accounting work.
 - d) Un-logic reasoning.
 13. It is just and appropriate that the hearing of this application for judicial review be expedited.
 14. The applicant pleads and relies on the following: **Attribution Rule** of *income tax. Canada Recovery Benefits Act* (S.C. 2020, c. 12, s. 2) and sections 18.1 of the *Federal Courts Act*; the further and other grounds set out in the affidavit and memorandum to be filed in support of this application.

This Application will be supported by the following material:

- 1: all submission to CRA
- 2: the affidavit or memorandum of the Applicant to be filed

All of the foregoing is respectfully submitted the Court.

Aug. 12, 2024

A handwritten signature in black ink, appearing to read 'Baozhong Li'. The signature is written in a cursive style with a large initial 'B'.

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