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Tax-filing rates of newly landed immigrants in Canada: Trends and insights



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Abstract

This study provides insights into the tax-filing behaviour of newly landed immigrants and their families over time in Canada, using the Longitudinal Immigration Database. Tax-filing rates were compared across seven cohorts of permanent residents based on their landing year, ranging from 1993 to 2019. Results indicate a significant improvement in filing rates from the mid-1990s to the late 1990s for individuals as well as families, but the rates have remained fairly stable since then. Descriptive and multivariate analyses reveal differences in filing rates for individuals and couples across several landing characteristics within and between cohorts. Refugees were usually the most likely immigration class to file income tax returns upon landing, while immigrants admitted through the Federal Skilled Worker Program were usually the least likely class to file. Immigrants with graduate degrees at landing were usually less likely to file taxes upon landing, compared with immigrants with lower educational attainment.

Keywords: immigration; tax filing; government transfers; Canada child benefit

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Introduction

There is considerable policy interest in engaging hard-to-reach populations in Canada and integrating them into the tax system so they can receive the benefits put in place to support them. The Office of the Auditor General of Canada (2022) noted that “a clear and complete picture of the people who were not receiving benefits for which they were potentially eligible” has been lacking. In addition, its report stated that “estimates overstated the take-up of benefits because they did not always account for people who had not filed tax returns, which are required to access most benefits.” This study takes an important step toward addressing this knowledge gap by examining the tax-filing behaviour of a hard-to-reach population group—newly landed immigrants.

Newly landed immigrants may not file taxes right away because it takes time to fully settle in a new country. Providing them with a financial support structure helps ensure that they become contributing members of society, especially at a time when Canada is relying on immigration to address labour supply issues (Statistics Canada, 2022a). For example, one of the most accessible benefits available to families with young children is the Canada child benefit (CCB), which is a tax-free payment that was introduced in 2016. The CCB is available to all families with children younger than 18 years, as long as parents or guardians file income tax returns.¹ Estimates of the number of CCB recipients can be obtained from tax records. The number of eligible recipients who should have received the benefit but did not is unknown.

One obvious strategy is to identify tax filers among a purposefully selected group of potentially eligible beneficiaries (i.e., families with children younger than 18 years).

Prior to the complex task of establishing the pool of eligible beneficiaries, a comprehensive understanding of the general tax-filing behaviour of immigrants is needed at the individual and family levels. At the **individual level**, this study will answer the following research questions:

1. What percentage of newly landed immigrants file an income tax return in the year of landing or the year after?
2. What percentage of newly landed immigrants do not appear on tax files for at least 5 years since landing and 10 years since landing?
3. How do the percentages in questions 1 and 2 vary across cohorts of immigrants?
4. How do the percentages in questions 1 to 3 vary across landing characteristics?

At the **family level**:

5. What percentage of newly landed immigrant couples, with children younger than 18, had **both** spouses filing income tax returns in the year of landing or the year after?
6. How does the percentage in question 5 vary across cohorts of immigrants?
7. How do the percentages in questions 5 and 6 compare with immigrant couples with no children younger than 18?
8. How do the answers to questions 5 to 7 vary across landing characteristics of the principal applicant in these families?

1. Some programs have been implemented recently so that eligible recipients get their first CCB payment immediately, without having to file taxes. To continue receiving the benefit, they must file an income tax return. In the case of eligible couples, both spouses must file income tax returns to continue receiving the benefit. The CCB has certain eligibility criteria, and the actual amount received by the beneficiary depends on factors such as the number of children younger than 18, their ages and family income.

Establishing a pool of beneficiaries is not a straightforward process by any means. Some immigrants may move back to their country of origin or get jobs outside Canada, so emigration of immigrants poses a significant challenge. Moreover, international migration has become increasingly fluid, and the line between temporary and permanent migration has become blurred (Qiu, Hou, and Crossman, 2021). This raises the question of whether to include immigrants who leave Canada as part of the target population of beneficiaries. The transitory nature of international migration makes it difficult to accurately identify emigrants. In the absence of a direct data source on immigrants exiting Canada, studies rely on indirect estimation methods—much of which treat emigration as a permanent move, based on the disappearance of immigrants from the tax system for, e.g., t consecutive years (Qiu, Hou, and Crossman 2021).

Data and samples

This study combines data from the Longitudinal Immigration Database (IMDB) and the T1 personal master file (T1PMF). The IMDB is an immigrant landing file containing a record of all immigrants who landed in Canada from 1980 onward (Evra and Prokopenko, 2022). The T1PMF is a dataset consisting of the T1 individual income tax return records of Canadian tax filers who submitted their returns before an assessment date.² Absence from the T1PMF does not necessarily mean that an individual is absent from the tax system entirely; there are instances where some individuals who receive taxable benefits or employment income are not captured in the T1PMF. They may be captured by other tax records, such as the T4 if they are employed, or other tax files (Qiu, Hou, and Crossman, 2021).

The sample used in this study was based on seven landing cohorts of permanent residents in the IMDB, aged 25 to 64, who landed from 1993 to 2019.³ The immigrant cohorts were pooled based on landing year, and the sample sizes were as follows: 507,800 from 1993 to 1996, 477,200 from 1997 to 2000, 568,300 from 2001 to 2004, 607,700 from 2005 to 2008, 647,800 from 2009 to 2012, 694,300 from 2013 to 2016 and 619,600 from 2017 to 2019. If an immigrant landed in year t , then they were considered a tax filer if they were found on the T1PMF in year t or year $t + 1$. Because it can take some time to identify social insurance numbers (SINs) in the IMDB for newly landed immigrants, tax-filing rates for the 2017-to-2019 landing cohort might be slightly underestimated.

Filing rates were disaggregated by various landing characteristics, including sex, age, education at landing, immigration class, official language skills, destination province or territory, and source region of the immigrant. Seven broad immigration classes were considered: the Federal Skilled Worker Program (FSWP), provincial programs, the Canadian Experience Class (CEC), other economic classes (economic classes other than the FSWP, provincial programs and the CEC), the family class, refugees and all other classes. At the family level, the sample was restricted to couples who landed together, as identified by the IMDB case ID. The landing characteristics of the principal applicant were used to produce disaggregated tax-filing rates. If spouses landed together in year t , they were considered to have filed if both were found on the T1PMF in year t or year $t + 1$.

-
2. This study also examined the impact of late filers—tax filers who are not included in the T1PMF but are counted on the T1 historical personal master file. As expected, the filing rates do increase by around 2 percentage points, on average, but there was no material difference in the tax-filing patterns and trends themselves. Furthermore, this study is related to the immediate tax-filing behaviour of immigrants upon landing, which is captured by the T1PMF. See Messacar (2017) for an overview on delayed tax filing.
 3. Temporary residents may also be eligible for benefits, but such a topic warrants a separate analysis because it introduces additional complications.

Tax-filing rates among newly landed immigrants have improved since the mid-1990s

On average, there has been a general improvement in tax-filing rates among newly landed immigrants since the mid-1990s. Around 89% of immigrants from the 2017-to-2019 landing cohort filed an income tax return in the year of landing or the year after (Table 1). This is markedly higher than the rate observed for the 1993-to-1996 landing cohort (83%) and marginally higher than the rates observed for most of the subsequent cohorts. However, there is considerable variation in filing rates across landing characteristics. Men were more likely to file than women in the early 1990s. For instance, 85% of men from the 1993-to-1996 landing cohort filed an income tax return, compared with 81% of women. This gap in filing rates started narrowing in the 2000s. The filing rates for women (89%) and men (89%) from the 2017-to-2019 cohort were identical. Individuals aged 25 to 49, who accounted for the vast majority of newly landed immigrants, were more likely to file than those aged 50 to 64, regardless of landing cohort.

Refugees were among the most likely to file an income tax return, while federal skilled workers were among the least likely

One of the biggest sources of disparities in tax-filing rates within and across cohorts was immigration class (Chart 1). Of all the immigration classes considered in this study, refugees usually had the highest filing rates upon landing. The percentage of refugees, regardless of whether they were sponsored privately or by the government, who filed an income tax return in the year of landing or the year after was close to 95% or higher across cohorts.⁴ So, a sizable segment of that group is well represented in the tax system and can potentially start receiving the benefits put in place to support them.

Newly landed immigrants who were usually the least likely to file an income tax return upon landing were those admitted through the FSWP, regardless of landing year.⁵ Filing rates for this group ranged from 82% to 85% in the 1990s and early 2000s but have dropped to 80% or lower since then. The filing rate for the 2017-to-2019 cohort was 77%, which was significantly lower than for provincial programs (90%), the CEC (93%), other economic classes (97%), the family class (89%), refugees (96%) and all other classes (94%). This difference in rates could be related to certain classes being less likely than others to have their SINs identified in tax files (Qiu, Hou, and Crossman, 2021).⁶ The differences in filing rates might also be attributed to varying access to settlement services aimed at integrating newly landed immigrants into Canada. Notably, refugees were the immigration class most likely to use settlement services, including the Resettlement Assistance Program available to them exclusively (Statistics Canada, 2022b).

The FSWP does not apply to Quebec because it has its own immigration programs. Skilled workers intending to live in Quebec are admitted through the skilled worker program implemented by the Quebec government. The tax-filing rate for Quebec's skilled worker program was 91% among the 2017-to-2019 cohort.

4. From 2013 to 2019, refugees made up around 10% of all newly landed immigrants aged 25 to 64, and around one-quarter of these individuals came from Syria. The marked increase in filing rates for Syria from 2013 onward can be almost entirely explained by the compositional increase in refugees, who usually have the highest filing rates among all immigration classes.
5. From 2017 to 2019, immigrants who were admitted through the FSWP made up around 16% of all newly landed immigrants aged 25 to 64, making it the third-largest immigration class after provincial programs (29%) and the family class (27%).
6. Even when the sample is restricted to individuals with SINs, federal skilled workers were still significantly less likely to file compared with other immigration classes. The Blinder–Oaxaca decomposition method was used to assess whether the difference in filing rates between the FSWP and the remaining classes could be explained by other landing characteristics, but the model did not explain any significant portion of the differences.

Immigration class also turns out to be an important factor in explaining discrepancies in filing rates across some other dimensions, such as the official language skills of the immigrant. For instance, “French only” speakers consistently had the highest filing rates, compared with those who spoke only English, both English and French, and neither English nor French. But this can be partly explained by the fact that the “French only” category had proportionately fewer immigrants from the FSWP and more from Quebec’s skilled worker program.

Quebec had the highest tax-filing rate among the three most popular destinations for immigrants who landed from 2017 to 2019

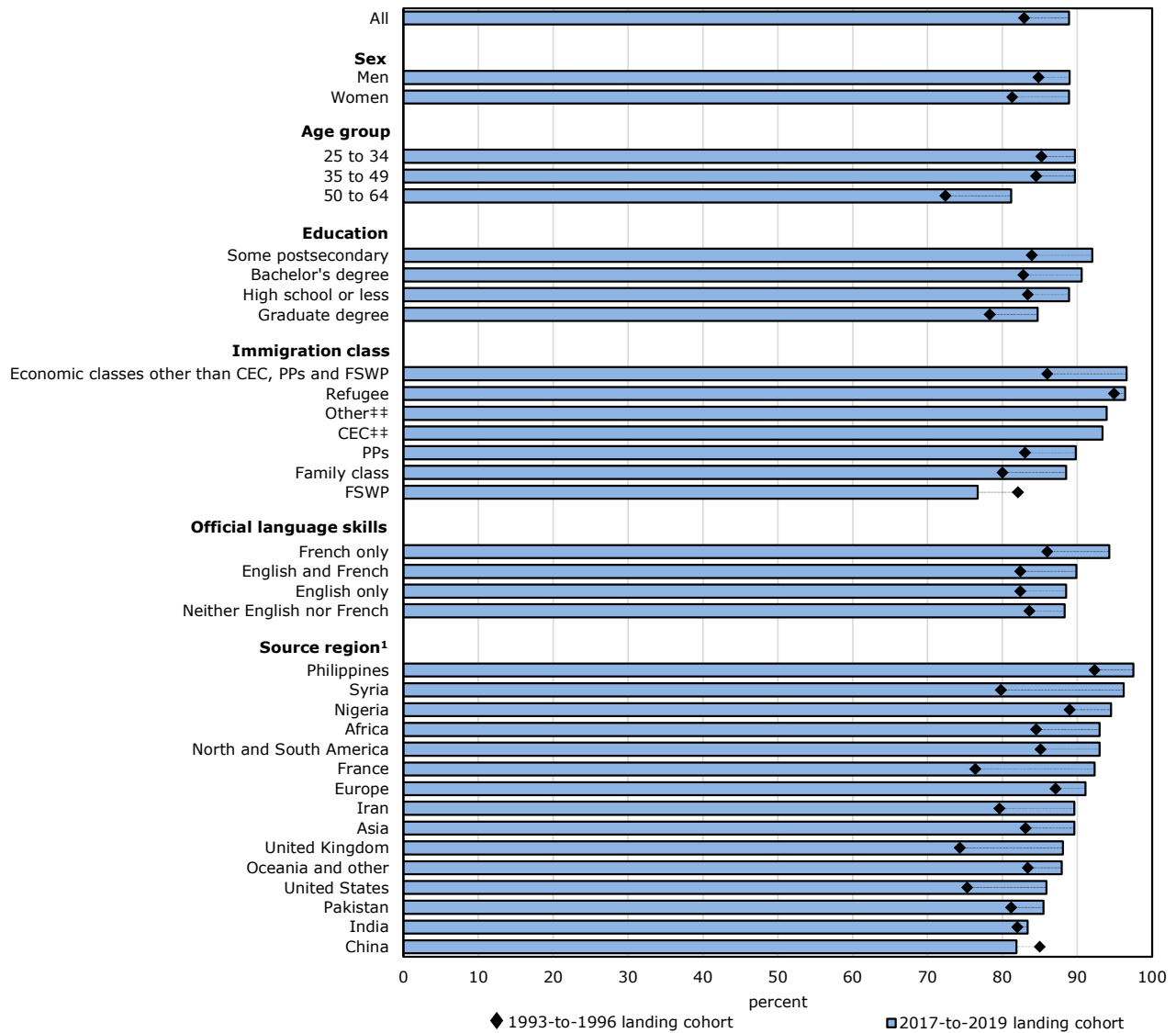
About 14% of immigrants aged 25 to 64 who landed from 2017 to 2019 indicated Quebec as their destination province or territory. This compares with 15% for British Columbia and 43% for Ontario. Destination province or territory reflects only the intended place of residence at landing and does not necessarily mean that the individual remained there after landing.⁷

Among the 2017-to-2019 landing cohort, the filing rate was 90% for those who indicated Quebec as their destination province or territory, compared with 89% in British Columbia and 87% in Ontario, which was the lowest rate observed among all destination provinces or territories.⁸ The difference in filing rates between Ontario and Quebec narrows when controlling for landing characteristics, with immigration class explaining most of the difference.

7. Of those immigrants from the 2017-to-2019 landing cohort who filed an income tax return, the destination province or territory matched the actual province or territory of residence in 92% of cases.

8. Newfoundland and Labrador (95%) had the highest filing rate for the 2017-to-2019 landing cohort but accounted for less than 1% of immigrants. Nearly half of the difference in filing rates between Newfoundland and Labrador and Ontario can be explained by immigration class.

Chart 1
Immigrants aged 25 to 64 who filed an income tax return in the year of landing or the year after, by landing cohort and selected characteristics at landing



** The Canadian Experience Class (CEC) was introduced in 2009. The "other" category includes immigration classes other than the Federal Skilled Worker Program (FSWP), provincial programs (PPs), the CEC, other economic classes, the family class and refugees.
 1. Source region was derived from the country of citizenship variable. These regions are based on the top 10 countries from which most permanent residents came from 2017 to 2019.
Notes: The 2017-to-2019 filing rates might be underestimated since it takes time to identify social insurance numbers in the immigrant landing file. For source region, Africa excludes Nigeria; North and South America excludes the United States; Asia excludes India, the Philippines, China, Pakistan, Syria and Iran; and Europe excludes France and the United Kingdom.
Sources: Statistics Canada, Longitudinal Immigration Database and T1 personal master file, 1993 to 2020.

Highly educated immigrants and federal skilled workers were among the groups least likely to file an income tax return for extended periods

Roughly 8% of immigrants who landed from 2009 to 2012 did not file an income tax return for at least five years after they landed (Table 1). This is an improvement from the 1993-to-1996 cohort, which had a long-term non-filing rate of 12%.

Differences in long-term non-filing rates were most notable by educational attainment and immigration class. About 13% of immigrants with graduate degrees who landed from 2009 to 2012 did not file an income tax return for at least five years since landing. This is down by roughly 4 percentage points, compared with those who landed from 1993 to 1996. The rate was similar for federal skilled workers. Since highly skilled individuals could potentially have employment opportunities outside Canada, it is possible that they moved out of the country. This could help explain why proportionately more of them did not file taxes for extended periods. However, without integrating any reliable data sources on emigration, this is difficult to say with any degree of certainty.

Immigrants who did not file a tax return within at least five years since landing were unlikely to file in the next five years. For instance, among the 2005-to-2008 landing cohort who did not file an income tax return within at least five years since landing, about 95% did not file in the next five years either. Even if late filers are accounted for, these long-term non-filing rates persist. These rates should be interpreted only as an upper bound for the percentage of immigrants who might have left Canada because some non-filers can still potentially be found in other tax records.

Most of the differences in tax-filing rates across landing characteristics of newly landed immigrants remain, even after controlling for other factors

All else equal, most of the observed differences in filing rates across landing characteristics remain in multivariate analyses. Because the focus is on explaining non-filing rates, Table 2 presents the average partial effects from a logistic regression model with a binary dependent variable set equal to 1 if the individual did not file a tax return in the year of landing or the year after, and 0 otherwise. The same set of covariates is used as in Table 1. Official language skills and source region are likely to be correlated, so two sets of results are reported for the model with controls—one that excludes source regions and one that excludes official language skills.

The cohort effects for the 1997-to-2000 and 2001-to-2004 cohorts change signs, shifting from the baseline model (positive) to the models with controls (negative), and they remain significant. Contrary to the descriptive results, the multivariate results suggest that, all else equal, these cohorts were actually more likely to file a tax return relative to the 2017-to-2019 cohort (albeit by 1 percentage point at most). This finding can be mostly explained by the decrease over time in the share of immigrants who are federal skilled workers, a group that has a relatively low propensity to file.

The baseline model for education suggests that, on average, immigrants with graduate degrees at landing were around 7 percentage points less likely to file, compared with immigrants with bachelor's degrees. This partial effect decreases to 4 percentage points at most, even after controlling for other factors. Similarly, immigrants admitted through the FSWP were about 9 percentage points less likely to file, compared with those admitted through provincial programs, and this difference persists after controlling for other landing characteristics.

Contrary to the descriptive results indicating that Ontario had the lowest filing rates, the differences between Ontario and Prince Edward Island, Nova Scotia, New Brunswick and Quebec are reduced or gone entirely after controlling for other landing characteristics (reversal of the signs on the average partial effects or they become insignificant).

Although descriptive statistics indicated a general improvement in filing rates over time, the improvements are not uniform across immigration classes. The multivariate models from Table 2 were estimated separately by immigration class to discern whether filing rates have improved across immigration classes after controlling for other factors. Results suggest that, except for the FSWP, filing rates started improving after the 1993-to-1996 landing cohort and have remained fairly stable.

Tax-filing rates of newly landed immigrant couples have improved since the mid-1990s, but differences exist across landing characteristics

Filing rates for couples were generally lower than those for individuals because both spouses need to file income tax returns to be considered a tax-filing family. Around 84% of immigrant couples who landed from 2017 to 2019 filed income tax returns in the year of landing or the year after (Table 3).⁹ This is a 7 percentage point improvement over the 1993-to-1996 cohort. However, filing rates for individuals and couples increased in the late 1990s and have remained fairly stable, so the extent of the improvements in filing rates is less pronounced when comparing most of the subsequent cohorts.

For couples to access the CCB, they generally need to have children younger than 18 years, and both spouses need to file income tax returns. Immigrant couples with children younger than 18 were more likely to file income tax returns across landing cohorts prior to 2009, compared with other immigrant couples, but this gap in filing rates narrowed in subsequent cohorts. Around 85% of immigrant couples with children younger than 18 from the 2017-to-2019 cohort filed income tax returns in the year of landing or the year after. This means that 15% did not file and, therefore, may not have accessed the CCB (Chart 2).¹⁰ However, this percentage should be viewed only as an upper bound for the percentage of couples who potentially should have received the CCB but did not. While some of these potentially eligible couples do not appear in the T1PMF, they might have accessed the benefit through other means or retroactively, by filing late.

The filing patterns found for individual immigrants were largely prevalent among couples as well. Couples with a refugee as the principal applicant had filing rates exceeding 95% across most of the cohorts, making them the most likely immigration class to file. Couples where the principal applicant was a federal skilled worker had filing rates closer to 75% in the four most recent cohorts, making them the least likely class to file.¹¹

All else equal, some of the differences in filing rates of couples across landing characteristics, such as education and immigration class of the principal applicant, remained in the multivariate analyses. Table 4 reports average partial effects, similar to Table 2, except the unit of analysis is the family, with the dependent variable set equal to 1 if at least one spouse did not file taxes in the year of landing or the year after, and 0 otherwise. All else considered, the models show that immigrant couples with children younger than 18 were about 5 percentage points more likely to file income tax returns than other couples. Couples where the principal applicant had a graduate degree were 8 percentage points less likely to file, compared with bachelor's degree holders, and the average partial effect drops to as low as 5 percentage points when controlling for other factors. FSWP couples were 9 percentage points less likely to file, compared with couples admitted through provincial programs, and this did not change when controlling for other landing characteristics. Although the baseline models indicate that couples from the family class and "other" classes were less likely to file, compared with couples from provincial programs, the differences vanish when controlling for other landing characteristics, particularly age. This entirely explains the difference in filing rates between the family class (which tends to be overrepresented among older couples) and provincial programs. However, the family class and "other" classes did not account for a sizable share of immigrant couples in any of the cohorts because these immigration classes tended to be the two least common classes, accounting for less than 10% of immigrant couples from 1993 to 2019.

9. Unlike individuals, the long-term (e.g., 5-year or 10-year) non-filing rates for couples cannot be computed because families and their dynamics (e.g., separations or divorces) cannot be accurately tracked over extended periods.

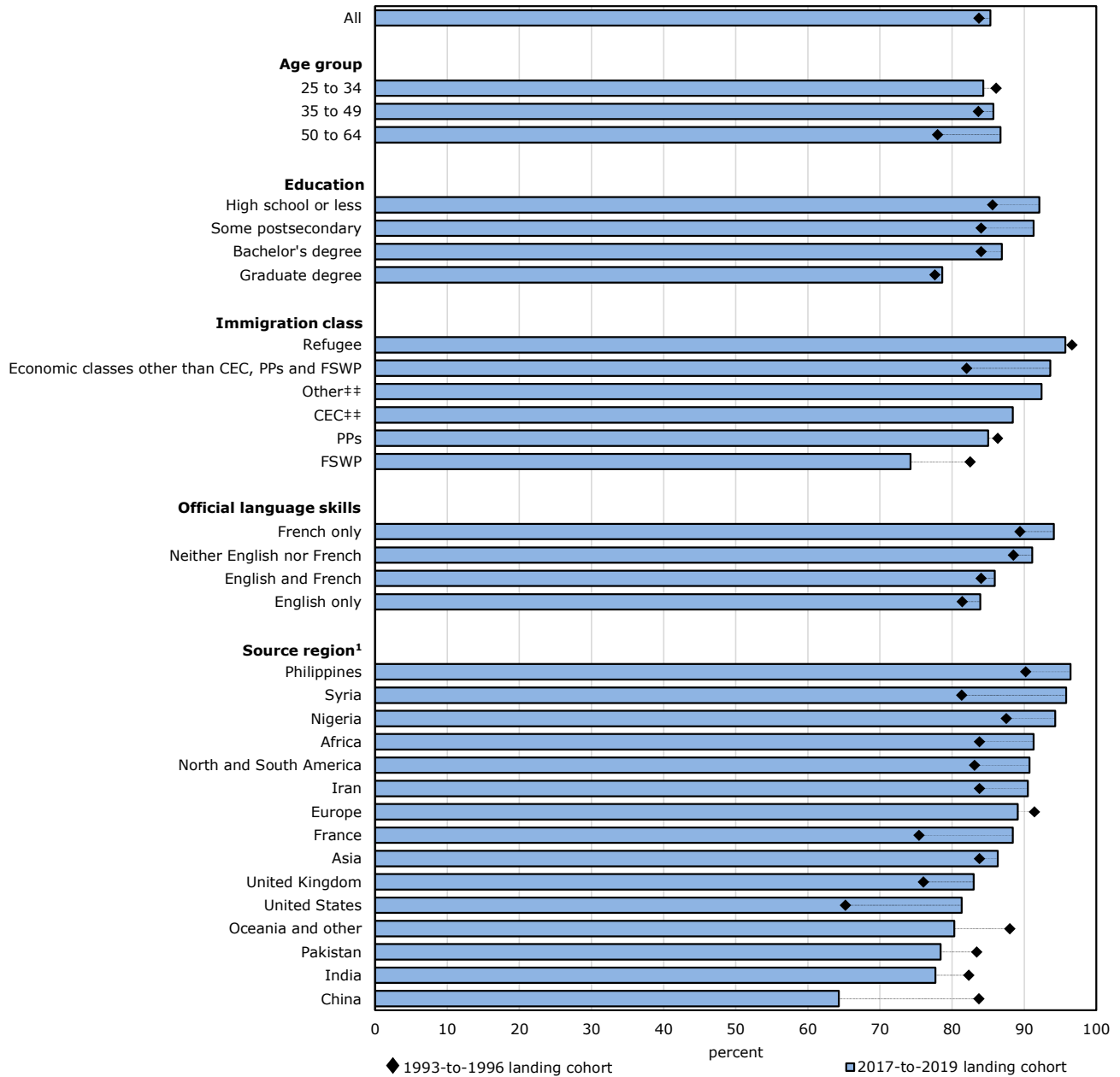
10. Approximately 144,800 immigrant couples where both spouses were aged 25 to 64 landed from 2017 to 2019. About 78,300 of these couples had children younger than 18.

11. From 2017 to 2019, the top four immigration classes for couples were provincial programs (41%), the FSWP (23%), the CEC (12%) and refugees (11%).

Contrary to the descriptive results indicating that couples destined for Ontario (82%) had among the lowest filing rates of all the provinces or territories, controlling for other landing characteristics results in the difference in rates between Ontario and Prince Edward Island, Nova Scotia, New Brunswick and Quebec narrowing or becoming statistically insignificant.¹² Differences in filing rates across the source regions of principal applicants largely persisted in the multivariate analyses, with the only notable exception being the United Kingdom. Principal applicants from this country had a higher filing rate than those from the United States, according to the descriptive results, but the difference disappears all else considered.

12. The descriptive results from Table 3 indicated that Newfoundland and Labrador (92%) had the highest filing rate among all destination provinces or territories but accounted for less than 1% of all immigrant couples who had landed from 2017 to 2019. More than half of the difference in the filing rates between Newfoundland and Labrador and the territories, and Ontario (which had the second-lowest rate), is explained by immigration class.

Chart 2
Permanent resident couples with children younger than 18 where both spouses were aged 25 to 64 at landing and filed income tax returns in the year of landing or the year after, by landing cohort and selected characteristics of the principal applicant at landing



** The Canadian Experience Class (CEC) was introduced in 2009. The "other" category includes immigration classes other than the Federal Skilled Worker Program (FSWP), provincial programs (PPs), the CEC, other economic classes, the family class and refugees. Filing rates for the family class could not be reported because there was an insufficient number of observations (represented less than 1% of couples with children younger than 18).

1. Source region was derived from the country of citizenship variable. These regions are based on the top 10 countries from which most permanent residents came from 2017 to 2019.

Notes: The 2017-to-2019 filing rates might be underestimated since it takes time to identify social insurance numbers in the immigrant landing file. For source region, Africa excludes Nigeria; North and South America excludes the United States; Asia excludes India, the Philippines, China, Pakistan, Syria and Iran; and Europe excludes France and the United Kingdom.

Sources: Statistics Canada, Longitudinal Immigration Database and T1 personal master file, 1993 to 2020.

Concluding remarks

This study offers some insights into the tax-filing behaviour of newly landed immigrants, which might help inform the effectiveness of using tax filing as a method of measuring benefit take-up for hard-to-reach populations. It provided an overview of the tax-filing trends of newly landed immigrants aged 25 to 64 who landed from 1993 to 2019. Filing rates generally improved during the 1990s and have since remained fairly stable. Close to 90% of immigrants who arrived in Canada from 2017 to 2019 filed an income tax return in the year of landing or the year after. This rate was 83% among immigrants who arrived from 1993 to 1996. However, filing rates varied to a great extent across landing characteristics.

Immigration class was one of the most important predictors in explaining differences in filing rates. Refugees usually had the highest filing rates, while federal skilled workers had the lowest rates. Federal skilled workers and immigrants with graduate degrees were also among the groups least likely to file an income tax return for extended periods since landing.

Immigrant couples with children younger than 18 years were more likely than other immigrant couples to file income tax returns across landing cohorts prior to 2009, but the gap in filing rates narrowed in subsequent years. Around 85% of immigrant couples with children younger than 18 from the 2017-to-2019 cohort filed income tax returns in the year of landing or the year after. Regardless of the presence of young children, differences in filing rates persisted across education levels and, to a greater extent, immigration classes.

This study comes with a set of limitations, which may underestimate or overestimate the pool of potential beneficiaries who are newly landed immigrants. Tracking family dynamics upon landing, such as births or reunification with a non-immigrant spouse, poses a challenge. International emigration of immigrants, which might vary across immigration classes, cannot be measured with any degree of certainty, also posing a challenge. Future analyses will need to account for these limitations and might benefit from integrating complementary data sources, such as the Census of Population, to assess the relative importance of some of these more complex scenarios.

Table 1
Tax-filing rates and long-term non-filing rates of permanent residents aged 25 to 64 at landing, by landing year

	Filed an income tax return in the year of landing or the year after							Did not file an income tax return within at least 5 years since landing					Did not file an income tax return within at least 10 years since landing			
	1993 to 1996	1997 to 2000	2001 to 2004	2005 to 2008	2009 to 2012	2013 to 2016	2017 to 2019	1993 to 1996	1997 to 2000	2001 to 2004	2005 to 2008	2009 to 2012	1993 to 1996	1997 to 2000	2001 to 2004	2005 to 2008
	percent															
Demographic characteristics at landing																
All	82.9	86.3	86.4	85.1	86.7	90.4	88.9	11.7	9.6	8.9	9.5	7.8	10.5	9.0	8.4	9.1
Sex																
Women	81.3	85.1	86.3	85.5	87.0	90.6	88.9	12.4	10.1	8.8	9.1	7.4	10.9	9.3	8.2	8.6
Men	84.8	87.4	86.5	84.6	86.4	90.1	89.0	10.9	9.1	9.1	10.0	8.2	10.1	8.6	8.7	9.6
Age group																
25 to 34	85.2	86.9	86.2	85.7	88.3	91.8	89.7	10.4	9.6	9.5	9.7	7.0	9.7	9.1	9.1	9.3
35 to 49	84.5	86.8	87.2	85.0	85.8	89.9	89.7	10.8	9.2	8.1	9.3	8.2	9.9	8.6	7.7	8.9
50 to 64	72.4	80.9	83.9	82.9	82.6	85.2	81.2	18.0	11.5	9.0	9.6	9.8	14.4	9.6	7.8	8.8
Education																
High school or less	83.4	87.5	89.9	89.8	89.4	92.0	88.9	10.8	7.9	6.0	5.8	6.1	9.2	7.1	5.4	5.3
Some postsecondary	83.9	87.2	89.0	89.1	89.9	92.7	92.0	11.2	8.7	6.7	6.4	5.7	10.2	8.0	6.1	6.0
Bachelor's degree	82.8	87.0	86.1	84.9	87.2	90.9	90.6	12.1	9.1	9.2	9.4	7.3	11.2	8.6	8.8	9.0
Graduate degree	78.3	80.5	79.8	75.4	78.6	85.7	84.7	16.7	15.5	14.5	17.5	13.3	15.8	14.9	14.0	17.0
Immigration class																
Federal Skilled Worker Program	82.1	84.5	82.9	75.5	76.4	80.7	76.7	13.4	11.7	11.8	16.4	13.5	12.6	11.2	11.4	15.9
Provincial programs	83.0	87.9	89.1	88.4	88.9	90.9	89.8	12.7	8.8	7.6	7.6	7.1	12.0	8.4	7.3	7.3
Canadian Experience Class ¹	..	..	..	..	92.2	93.9	93.4	..	..	..	..	4.3	..	..	..	..
Other economic classes	86.0	85.2	89.7	91.4	92.2	96.1	96.6	9.3	10.1	6.4	5.4	4.6	8.4	9.4	6.0	5.2
Family class	80.0	85.0	86.9	88.9	88.8	90.3	88.5	12.7	9.2	7.8	6.3	10.8	6.3	8.1	6.9	5.6
Refugee	94.9	96.0	96.2	96.3	96.4	97.3	96.4	2.5	2.1	2.0	1.8	2.1	2.0	1.7	1.7	1.6
Other	x	95.3	92.2	94.1	94.7	96.0	93.9	x	2.6	3.4	2.5	2.1	x	2.3	2.5	1.8
Destination province or territory²																
Newfoundland and Labrador	85.6	87.5	85.5	87.9	89.8	93.5	94.5	..	..	..	..	5.5	..	..	..	6.3
Prince Edward Island	87.2	87.7	86.8	87.5	86.7	88.2	88.1	..	..	..	..	8.7	..	..	..	7.0
Nova Scotia	81.0	84.8	82.2	83.1	83.7	89.8	89.5	..	..	..	..	9.5	..	..	..	8.7
New Brunswick	81.6	85.4	84.8	86.3	86.3	89.7	89.8	..	..	..	..	7.8	..	..	..	7.5
Quebec	85.1	89.7	89.7	88.7	87.5	89.7	90.2	..	..	..	..	8.0	..	..	..	7.0
Ontario	82.6	85.9	85.2	83.2	84.5	88.7	87.2	..	..	..	..	8.7	..	..	..	10.1
Manitoba	87.5	91.0	92.3	93.1	93.5	94.0	92.3	..	..	..	..	4.1	..	..	..	4.2
Saskatchewan	86.7	90.4	89.9	92.1	94.6	94.5	88.8	..	..	..	..	3.2	..	..	..	4.9
Alberta	84.3	89.0	89.9	89.3	89.9	93.1	91.8	..	..	..	..	5.9	..	..	..	6.4
British Columbia	81.6	83.5	84.5	82.1	84.7	89.7	89.1	..	..	..	..	9.0	..	..	..	11.1
Territories	79.2	82.3	88.6	91.7	96.1	95.0	92.8	..	..	..	..	x	..	..	..	x
Official language skills																
English only	82.4	84.8	84.7	83.8	86.7	90.6	88.5	12.6	10.9	10.1	10.5	7.7	11.4	10.2	9.5	10.0
French only	86.0	89.6	90.5	91.5	92.1	93.7	94.3	9.2	7.1	6.3	5.2	4.9	8.4	6.6	5.9	4.9
English and French	82.4	87.5	87.3	85.3	84.3	87.6	89.9	12.1	8.4	8.6	9.8	10.0	11.1	7.9	8.2	9.5
Neither English nor French	83.6	88.5	88.4	87.3	86.7	89.4	88.3	10.4	7.7	7.5	7.4	7.5	9.0	7.1	7.1	7.0
Source region³																
India	82.0	85.5	82.6	78.7	83.1	89.1	83.4	12.0	10.5	12.6	15.4	11.0	10.5	9.9	12.3	15.2
Philippines	92.3	94.9	95.6	96.6	96.9	98.1	97.5	5.2	3.5	2.7	1.9	1.6	4.5	3.1	2.5	1.7
China	85.0	86.2	84.6	80.0	83.3	84.7	81.9	10.9	11.2	11.0	13.2	9.2	10.2	10.9	10.7	12.7
Nigeria	89.0	90.4	85.7	86.7	88.0	92.1	94.5	5.9	5.9	7.7	7.3	5.9	5.5	5.3	7.1	6.7
Pakistan	81.2	85.8	86.0	85.0	84.4	85.0	85.5	10.7	8.4	8.4	8.2	7.5	8.9	7.8	7.9	7.7
United States	75.3	79.3	80.4	80.4	81.9	85.5	85.9	18.6	14.2	12.6	12.6	11.5	16.7	12.2	10.9	10.9
Syria	79.8	85.7	85.0	82.3	77.5	97.3	96.2	11.2	7.4	7.8	8.9	10.3	9.7	6.7	7.2	7.9
France	76.4	84.4	84.7	86.6	88.3	92.0	92.3	18.6	12.1	11.7	9.7	8.0	17.8	11.4	11.2	9.1
United Kingdom	74.3	73.7	84.2	82.8	81.5	87.9	88.1	20.0	20.2	10.4	10.7	11.3	18.8	18.9	9.5	9.9
Iran	79.6	88.5	87.9	86.6	84.6	83.2	89.6	10.9	5.9	5.7	6.0	7.5	8.6	5.2	5.1	5.5
Asia (excluding India, the Philippines, China, Pakistan, Syria and Iran)	83.1	84.6	85.5	83.5	83.9	88.6	89.6	11.2	10.7	8.9	10.4	9.6	9.8	10.0	8.4	10.0
Africa (excluding Nigeria)	84.5	88.1	88.6	88.2	85.9	90.5	93.0	9.3	7.3	7.2	7.1	8.3	8.0	6.7	6.7	6.7
North and South America (excluding the United States)	85.1	87.4	88.2	90.0	89.7	92.5	93.0	9.2	7.8	6.9	5.6	5.6	7.7	6.9	6.2	5.1
Europe (excluding France and the United Kingdom)	87.1	90.7	88.7	87.3	88.1	91.5	91.1	8.0	5.9	7.5	8.2	7.3	7.0	5.3	7.0	7.6
Oceania and other	83.4	87.3	84.8	85.4	84.3	89.1	87.9	11.6	8.7	9.8	9.8	9.9	10.5	8.1	9.3	9.0

.. not available for a specific reference period

x suppressed to meet the confidentiality requirements of the *Statistics Act*

1. Introduced in 2009.

2. The destination province or territory reflects only the intended province or territory of residence at landing. The actual destination may differ from the intended destination.

3. Source region was derived from the country of citizenship variable. These regions are based on the top 10 countries from which most permanent residents came from 2017 to 2019.

Notes: The 2017-to-2019 filing rates might be underestimated since it takes time to identify social insurance numbers in the immigrant landing file. Long-term non-filing rates for more recent cohorts are not shown since data were available only up to the tax year 2020.

Sources: Statistics Canada, Longitudinal Immigration Database and T1 personal master file, 1993 to 2020.

Table 2
Average partial effects of the likelihood of an individual not filing taxes in the year of landing or the year after, permanent residents aged 25 to 64 at landing

	Baseline	Controls 1	Controls 2
	average partial effects		
Demographic characteristics at landing			
Cohort			
1993 to 1996	0.025 ***	-0.021 ***	-0.031 ***
1997 to 2000	-0.004 **	-0.051 ***	-0.060 ***
2001 to 2004	0.005 ***	-0.042 ***	-0.051 ***
2005 to 2008	0.046 ***	0.000	-0.007 ***
2009 to 2012	0.027 ***	0.001	-0.002
2013 to 2016	-0.016 ***	-0.024 ***	-0.024 ***
2017 to 2019 (ref.)	...	...	...
Sex			
Women	-0.004 ***	-0.007 ***	-0.000
Men (ref.)	...	...	...
Age group			
25 to 34 (ref.)	...	...	...
35 to 49	0.008 ***	0.009 ***	0.012 ***
50 to 64	0.044 ***	0.081 ***	0.086 ***
Education			
High school or less	-0.016 ***	0.002	-0.015 ***
Some postsecondary	-0.019 ***	-0.005 ***	-0.018 ***
Bachelor's degree (ref.)	...	...	...
Graduate degree	0.074 ***	0.055 ***	0.043 ***
Immigration class			
Federal Skilled Worker Program	0.090 ***	0.090 ***	0.089 ***
Provincial programs (ref.)	...	...	...
Canadian Experience Class	-0.040 ***	-0.044 ***	-0.045 ***
Other economic classes	0.049 ***	0.050 ***	0.060 ***
Family class	0.063 ***	0.022 ***	0.018 ***
Refugee	-0.069 ***	-0.071 ***	-0.070 ***
Other	-0.013 ***	-0.026 ***	-0.025 ***
Destination province or territory¹			
Newfoundland and Labrador	-0.090 ***	-0.060 ***	-0.055 ***
Prince Edward Island	-0.037 ***	0.020 ***	0.003
Nova Scotia	-0.030 ***	-0.003	-0.005 †
New Brunswick	-0.039 ***	0.014 ***	0.013 **
Quebec	-0.052 ***	0.040 ***	0.019 ***
Ontario (ref.)	...	...	...
Manitoba	-0.093 ***	-0.049 ***	-0.030 ***
Saskatchewan	-0.084 ***	-0.041 ***	-0.029 ***
Alberta	-0.066 ***	-0.047 ***	-0.037 ***
British Columbia	0.001	0.007 ***	0.001
Territories	-0.089 ***	-0.059 ***	-0.034 **
Official language skills			
English only (ref.)	...	...	...
French only	-0.080 ***	-0.064 ***	...
English and French	-0.036 ***	-0.031 ***	...
Neither English nor French	-0.030 ***	-0.012 ***	...
Source region²			
India	0.021 ***	...	0.029 ***
Philippines	-0.121 ***	...	-0.087 ***
China	0.023 ***	...	0.040 ***
Nigeria	-0.066 ***	...	-0.050 ***
Pakistan	0.005	...	0.009 **
United States (ref.)	...	...	...
Syria	-0.101 ***	...	0.009 †
France	-0.054 ***	...	-0.007 †
United Kingdom	0.037 ***	...	0.067 ***
Iran	-0.021 ***	...	-0.012 ***
Asia (excluding India, the Philippines, China, Pakistan, Syria and Iran)	-0.005	...	0.024 ***
Africa (excluding Nigeria)	-0.046 ***	...	-0.001
North and South America (excluding the United States)	-0.061 ***	...	-0.014 ***
Europe (excluding France and the United Kingdom)	-0.077 ***	...	-0.036 ***
Oceania and other	-0.023 ***	...	0.045 ***

... not applicable

* significantly different from reference category ($p < 0.05$)

** significantly different from reference category ($p < 0.01$)

*** significantly different from reference category ($p < 0.001$)

† significantly different from reference category ($p < 0.10$)

1. The destination province or territory reflects only the intended province or territory of residence at landing. The actual destination may differ from the intended destination.

2. Source region was derived from the country of citizenship variable. These regions are based on the top 10 countries from which most permanent residents came from 2017 to 2019.

Notes: The estimates are based on a logistic regression model where the dependent variable is a binary indicator set equal to 1 if the individual did not file an income tax return in the year of landing or the year after, and 0 otherwise. The average partial effects multiplied by 100 indicate the difference in percentage points in the non-filing rate. A positive partial effect indicates that the particular group was less likely to file relative to the reference group (ref.). The baseline models do not control for the other covariates.

Sources: Statistics Canada, Longitudinal Immigration Database and T1 personal master file, 1993 to 2020.

Table 4
Average partial effects of the likelihood of at least one spouse not filing taxes in the year of landing or the year after, permanent resident couples where both spouses were aged 25 to 64 at landing

	Baseline	Controls 1	Controls 2
average partial effects			
Demographic characteristics at landing			
Cohort			
1993 to 1996	0.069 ***	0.028 ***	0.012 ***
1997 to 2000	0.004 *	-0.036 ***	-0.050 ***
2001 to 2004	-0.002	-0.041 ***	-0.053 ***
2005 to 2008	0.035 ***	-0.004 *	-0.014 ***
2009 to 2012	0.015 ***	-0.006 ***	-0.011 ***
2013 to 2016	-0.028 ***	-0.033 ***	-0.033 ***
2017 to 2019 (ref.)	...	...	...
Couple had a child younger than 18			
No (ref.)	...	...	...
Yes	-0.056 ***	-0.056 ***	-0.052 ***
Age group of principal applicant			
25 to 34 (ref.)	...	...	...
35 to 49	0.009 ***	0.028 ***	0.030 ***
50 to 64	0.087 ***	0.115 ***	0.117 ***
Education of principal applicant			
High school or less	0.001	0.004 **	-0.014 ***
Some postsecondary	-0.015 ***	-0.006 ***	-0.020 ***
Bachelor's degree (ref.)	...	...	...
Graduate degree	0.079 ***	0.063 ***	0.049 ***
Immigration class of principal applicant			
Federal Skilled Worker Program	0.096 ***	0.086 ***	0.087 ***
Provincial programs (ref.)	...	...	...
Canadian Experience Class	-0.028 ***	-0.044 ***	-0.047 ***
Other economic classes	0.061 ***	0.037 ***	0.049 ***
Family class	0.112 ***	0.003 †	0.003
Refugee	-0.079 ***	-0.090 ***	-0.085 ***
Other	0.013 ***	-0.038 ***	-0.036 ***
Destination province or territory of principal applicant¹			
Newfoundland and Labrador	-0.064 ***	-0.031 ***	-0.023 ***
Prince Edward Island	-0.024 ***	0.038 ***	0.017 **
Nova Scotia	-0.024 ***	0.002	-0.001
New Brunswick	-0.039 ***	0.020 ***	0.017 ***
Quebec	-0.065 ***	0.029 ***	0.007 ***
Ontario (ref.)	...	...	...
Manitoba	-0.105 ***	-0.054 ***	-0.032 ***
Saskatchewan	-0.091 ***	-0.042 ***	-0.029 ***
Alberta	-0.072 ***	-0.050 ***	-0.039 ***
British Columbia	0.006 ***	0.006 ***	-0.001
Territories	-0.087 ***	-0.059 ***	-0.031 *
Official language skills of principal applicant			
English only (ref.)	...	...	...
French only	-0.097 ***	-0.075 ***	...
English and French	-0.047 ***	-0.037 ***	...
Neither English nor French	-0.021 ***	-0.011 ***	...
Source region of principal applicant²			
India	-0.062 ***	...	-0.025 ***
Philippines	-0.223 ***	...	-0.155 ***
China	-0.050 ***	...	-0.007 †
Nigeria	-0.173 ***	...	-0.121 ***
Pakistan	-0.090 ***	...	-0.049 ***
United States (ref.)	...	...	...
Syria	-0.213 ***	...	-0.071 ***
France	-0.134 ***	...	-0.054 ***
United Kingdom	-0.032 ***	...	0.009 *
Iran	-0.121 ***	...	-0.082 ***
Asia (excluding India, the Philippines, China, Pakistan, Syria and Iran)	-0.090 ***	...	-0.027 ***
Africa (excluding Nigeria)	-0.145 ***	...	-0.061 ***
North and South America (excluding the United States)	-0.147 ***	...	-0.068 ***
Europe (excluding France and the United Kingdom)	-0.163 ***	...	-0.091 ***
Oceania and other	-0.081 ***	...	-0.010 *

... not applicable

* significantly different from reference category (p < 0.05)

** significantly different from reference category (p < 0.01)

*** significantly different from reference category (p < 0.001)

† significantly different from reference category (p < 0.10)

1. The destination province or territory reflects only the intended province or territory of residence at landing. The actual destination may differ from the intended destination.

2. Source region was derived from the country of citizenship variable. These regions are based on the top 10 countries from which most permanent residents came from 2017 to 2019.

Notes: The estimates are based on a logistic regression model where the dependent variable is a binary indicator set equal to 1 if at least one spouse did not file an income tax return in the year of landing or the year after, and 0 otherwise. The average partial effects multiplied by 100 indicate the difference in percentage points in the non-filing rate. A positive partial effect indicates that the particular group was less likely to file relative to the reference group (ref.). The baseline models do not control for the other covariates.

Sources: Statistics Canada, Longitudinal Immigration Database and T1 personal master file, 1993 to 2020.

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