

Federal Court



Cour fédérale

**Date: 20250129**

**Docket: T-289-24**

**Citation: 2025 FC 187**

**Vancouver, British Columbia, January 29, 2025**

**PRESENT: Mr. Justice Sébastien Grammond**

**BETWEEN:**

**CASEY JAMES**

**Applicant**

**and**

**ATTORNEY GENERAL OF CANADA**

**Respondent**

**JUDGMENT AND REASONS**

**(Delivered orally from the bench in Vancouver, British Columbia, on January 29, 2025)**

[1] Ms. James, you are seeking judicial review of the Canada Revenue Agency's [CRA] decision finding you ineligible to the Canada Recovery Benefits [CRB]. The CRA made that decision because it found that you did not earn at least \$5,000 in net self-employment income in 2020, which is one of the conditions to be eligible.

[2] On judicial review, my role is not to decide your CRB application afresh nor to substitute myself for the CRA. Rather, my role is to assess whether the CRA's decision was reasonably based on the law it had to apply and the information you provided them at that time.

[3] When it made its decision, the CRA had your income tax return for the year 2020. It showed gross business income of \$8,361, but due to various expenses, the net income was nil. According to subsection 3(2) of the *Canada Recovery Benefits Act*, SC 2020, c 12, s 2, self-employment income is "the revenue from the self-employment less expenses incurred to earn that revenue." In other words, what counts for the purposes of the CRB is the net income, not the gross income.

[4] Therefore, the CRA's decision was reasonable, because it was based on the law and on the information the CRA had at that time. The CRA reasonably looked at the net income you had declared on your income tax return.

[5] Subsequent to the CRA's decision, you amended your 2020 income tax return to remove the deduction for certain expenses, which would bring your net income slightly above the \$5,000 threshold. You say that claiming deductions is voluntary.

[6] I have no doubt that you acted in good faith, that the system is complex and, as you mentioned, that it was a "learning curve" for you. Nevertheless, the Court's role is to apply the law, not to grant exemptions from the law. So, unfortunately, I cannot accept your submission.

[7] First, judicial review is based on the information that the CRA had when it made the decision. My role is to look at whether the decision was reasonable when it was made. On judicial review, one cannot bring new information or documents to the Court to make the decision appear unreasonable in retrospect.

[8] Second, even if you had amended your income tax return earlier, that would not have changed the outcome. This Court has dealt before with the situation of people who amend their income tax returns to waive deductions in order to try to meet the \$5,000 threshold. This Court has repeatedly decided that this is not effective. See, for example: *Lavigne v Canada (Attorney General)*, 2023 FC 1182 at paragraphs 37, 53–58; *Cozak v Canada (Attorney General)*, 2023 FC 1571 at paragraphs 22–23; *Singh v Canada (Attorney General)*, 2024 FC 51 at paragraphs 35–36. Rather, the *Canada Recovery Benefits Act* requires the CRA to consider a person’s net income and that means that the deduction of expenses for this purpose is mandatory, not voluntary.

[9] For these reasons, and even though I appreciate that the CRA’s decision places you in a difficult situation, I must dismiss your application for judicial review. I will not order you to pay costs.

**JUDGMENT in T-289-24**

**THIS COURT’S JUDGMENT is that**

1. The application for judicial review is dismissed.
2. There is no award as to costs.

“Sébastien Grammond”

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Judge

**FEDERAL COURT**  
**SOLICITORS OF RECORD**

**DOCKET:** T-289-24

**STYLE OF CAUSE:** CASEY JAMES v THE ATTORNEY GENERAL OF CANADA

**PLACE OF HEARING:** VANCOUVER, BRITISH COLUMBIA

**DATE OF HEARING:** JANUARY 29, 2025

**JUDGMENT AND REASONS:** GRAMMOND J.

**DATED:** JANUARY 29, 2025

**APPEARANCES:**

Casey James, representing herself

FOR THE APPLICANT

Steven Stechly

FOR THE RESPONDENT

**SOLICITORS OF RECORD:**

Attorney General of Canada  
Vancouver, British Columbia

FOR THE RESPONDENT