

# Carolyn Dare Wilfred

Box 17684 • Sumner • Christchurch • New Zealand  
E-mail: carolyn@lafamia.com

January 20, 2010

## BY FEDEX

Minister of National Revenue  
Ottawa, Canada  
K1A 0A6

## ALSO BY E-MAIL AND FAX

Blackburn.j@parl.gc.ca  
Fax: 613-952-6608

**Attention: Jean-Pierre Blackburn, P.C., M.P.**  
**Re: Your Correspondence to Me of December 10, 2009**

Dear Sir;

I truly appreciate your personal attention to my tax situation, as this relates to my husband's human rights challenge. As a Canadian, I was especially encouraged to hear your affirmation: "...*applying the law and its administrative policies fairly and consistently are primary objectives of the CRA.*"

It was most refreshing to hear that the *rule of law* is alive and well in Canada. However, I have not seen much evidence of this *rule of law* in my treatment at the hands of the Canadian Government.

Your recitation of the facts, while accurate as stated, merely scratches the surface. If you were to delve deeper you would inevitably be led to the same conclusion as me; that there is a factual connection between the harsh and unusual measures taken by CRA against me - and my husband's outstanding unresolved claims against Canada regarding his UN Human Petition No 1638/2007 currently before the Commission.

Please let me explain further.

I was one of more than 100 taxpayers who employed the "Barbados Strategy" (a tax product endorsed by both the well-respected accounting firm of BDO Dunwoody LLP and the well-respected law firm of Fraser Milner LLP) to avoid capital gains taxes. All these taxpayers (myself included) had their lawful use of the Barbados Strategy audited by CRA, and capital gains taxes were eventually reassessed due to the law being changed after the fact (which is the subject of the existing appeals).

Only about five taxpayers did not attempt to settle their reassessments with CRA and chose instead to fight the CRA in court (and ultimately losing in October of 2009 in the test case of Antle v. The Queen, which is currently under appeal).

The balance of those taxpayers (myself included) filed settlement proposals with the CRA respecting their reassessments before the test case was determined.

All the settlement proposals were substantially identical; the settlement proposals stated as a fact that use of the Barbados Strategy was deemed to be null and void ab initio; i.e. as if the transactions never happened.

Every one of the proposals of the other taxpayers has been accepted by CRA. All were, in both form and substance, similar to my proposal. Yet only my proposal was refused.

**Why?**

*"The CRA usually cannot take action to collect an amount against which an objection has been filed."*  
(your letter to me of December 10, 2009)

**Except in my case. Why??**

1. The CRA again treated me differently than every other taxpayer who employed the Barbados Strategy. In doing so, it violated not only its own general policy, but also violated a policy (you will discover if you investigate deeper) CRA specifically established respecting the taxpayers who utilized the Barbados Strategy - suspending collection of taxes against those taxpayers, pending completion of either the settlement proposals or the test case, including appeals of the test case.

Why are the CRA's primary objectives of fairness and consistency *not* being applied to me? Why has the Canadian Government chosen to ignore its own general policy and a specific policy to go after me?

2. The enforcement order was granted to collect taxes on my reassessment which is based on a sale of my shares of Serad Holdings Ltd. for almost \$40 million; a sale that CRA in its own reasons for my reassessment stated that it did not occur (as further confirmed by the court in Antle v. The Queen) and which I agreed (as stated in my proposal) did not occur. CRA knew as facts that the sale did not happen and that I did not receive the almost \$40 million from the sale of my shares of Serad Holdings Ltd. when it sought the enforcement order.

Yet, with full knowledge of these facts (which were not included in the affidavit in support of the enforcement order) an enforcement order was obtained to collect the taxes on the sale of my shares of Serad Holdings Ltd. (that did not occur) based on my receipt of almost \$40 million (which I did not receive!) Further, the order was sought and obtained on an *ex parte* basis (being without any notice to me or my legal counsel), thereby ensuring that the Justice when granting the enforcement order would not have knowledge of the fact that my reassessment was based on a sale which did not occur and the receipt of money I did not receive.

3. The enforcement order was granted based on an affidavit that relied substantially on my husband's personal circumstances (as provided in his referenced UN human rights case against Canada) stated in Section A, subparagraphs n and o of the CRA affidavit attached to the CRA Jeopardy Order as follows:

*n) On April 15, 2005, Ms. Wilfred's husband, Harmon Wilfred, irrevocably renounced his United States citizenship. Mr. Wilfred currently lives in New Zealand, however, the New Zealand Removal Review Board denied him residency on August 15, 2005. After filing an appeal with the New Zealand High Court, Mr. Wilfred was denied again and his case was dismissed in September, 2006. As a result of this decision, on October 25, 2006, Mr. Wilfred wrote a letter to the Swiss Embassy in Wellington, New Zealand, and made an application to immigrate to Switzerland in order to obtain residency there. The status of this request is unknown.*

*o) On May 11, 2007, Mr. Wilfred filed an unprecedented Claim for Political Asylum in New Zealand under the United Nations Human Rights Committee. However, as of August 2008 Immigration New Zealand has advised that Mr. Wilfred should anticipate his deportation to the US.*

My husband's referenced letter of application for Swiss residency on October 25, 2006 as well as the subsequent reply from the Swiss Department of Justice dated November 28, 2006 denying residency and providing a legal opinion for my husband to apply to New Zealand as a political refugee were both included in the UN case and have been posted openly from those dates on my husband's documentary evidence web site at [www.luminadiem.com](http://www.luminadiem.com) Case History Section 34.

Therefore CRA's statement in Para o) that *"the status of the request is unknown"* is not credible, and thereby the belief stated in paragraph t) that *"Ms, Wilfred may try to sell the Serad shares in order to finance her move to Switzerland"* is entirely unjustified.

In fact, my husband has not been deported and his New Zealand citizenship application has since been accepted for processing by the New Zealand Internal Affairs Ministry under the exception of the 1977 New Zealand Citizenship Act, Section 9(1) d that he would otherwise be stateless; reinforced by a legal opinion presented by the UNHCR.

"Fighting City Hall" is difficult. Without money, it is nigh on impossible... Having seized all of my Canadian assets and funds, the Government has not simply cut off my livelihood...it has also cut off my access to funds to hire a lawyer to seek to have the enforcement order overturned, to challenge CRA (and my reassessment which is wrong) and to resolve my husband's outstanding claims against Canada regarding Petition No 1638/2007, currently before the UN Human Rights Commission.

**Have I been targeted???**

Yes, I believe so; and I am convinced the facts set out above support the conclusion that there is a clear and absolute connection between the harsh and unusual measures taken by CRA against me - and my husband's long standing unresolved claims against Canada regarding Petition No 1638/2007 currently before the UN Human Rights Commission.

**What do I want?**

**I Want Consistency and Fair treatment. The same as every Canadian expects and should receive from our Government.**

CRA refused my proposal. Instead CRA wants to enforce collection of my reassessment now under appeal, taxing me on a sale of the entirety of my shares of Serad Holdings Ltd. for almost \$40 million: a sale that did not occur on the receipt of funds I did not receive; rather than on the sale that actually occurred - the sale of 25% of my shares of Serad Holdings Ltd. for \$5 million dollars correctly reflected. This would provide "*consistency and fairness*".

Attached is a copy of my declined proposal for tax settlement dated May 21, 2009. I would sincerely appreciate your careful consideration of the *facts* of my case, as further detailed in this letter, together with the *immediate* revocation of the enforcement order, as we work together in good faith and *without prejudice* toward a final settlement.

I am hopeful that you will personally ensure that I am treated in a consistent and fair manner by CRA according to the *rule of law*, demonstrating "*integrity and impartiality while performing their duties*", rather than simply punting me back into the system that has failed me to date and further allowing CRA to continue to prejudice my case by citing issues related to my husband's ongoing UN human rights case against Canada.

Should you require any further information, I would be pleased to provide same.

Respectfully,



Carolyn Dare Wilfred

cc Office of the Right Honourable  
Stephen Harper, Prime Minister of Canada

cc BY FAX to: Jill Medhurst-Tivadar  
Department of Justice

cc Richard W. DeVries

cc: Guneet Chaudhary, Jurisconsultus

cc: UN Human Rights Commission, TB Petition Unit  
Special Rapateur, Case No 1638/2007