

Federal Court



Cour fédérale

Date: 20260513

Docket: T-3813-25

Citation: 2026 FC 622

Ottawa, Ontario, May 13, 2026

PRESENT: Mr. Justice Pentney

BETWEEN:

ALY KHAN PIRA

Applicant

and

ATTORNEY GENERAL OF CANADA

Respondent

REASONS AND JUDGMENT – DELIVERED FROM THE BENCH

[1] This is an application for judicial review of a decision of the Canada Revenue Agency (CRA) finding the Applicant not eligible for the Canada Emergency Recovery Benefit (CERB).

[2] The Applicant is a real estate agent who applied for and received the CERB for five periods in 2020. Although he sold some properties during this time, he says his business was reduced due to COVID-19. The Respondent found the Applicant not eligible for the periods

applied for because he had not provided closing contracts for some of his sales, and so the Second Reviewer could not determine how to allocate the income earned.

[3] The Applicant submits that the decision is unreasonable and procedurally unfair. For the reasons explained below, I find the decision to be unreasonable and it is not necessary to deal with the procedural fairness issue.

[4] During a phone call with the Applicant and his accountant, the Second Reviewer made it clear that he needed to provide contracts showing when his various real estate deals closed, so that the income could be attributed to the right periods. Knowing how much money the Applicant made was a key factor, because one of the conditions of entitlement to the CERB was that he not earn more than \$1,000 during the benefit period.

[5] The Applicant expressed concerns about providing this information because of the need to protect his clients' privacy. The Second Reviewer then indicated that he could provide other documents, but "if [the Second Reviewer] could not clearly see when his income was earned then [the Second Reviewer] would deny."

[6] The Applicant provided several documents to the Second Reviewer, including some real estate agreements, his Royal LePage Realty tax worksheet, and bank statements that were annotated by his accountant, showing deposits of the commission from various sales into his account.

[7] The Second Reviewer found the Applicant to be ineligible for the CERB “due to insufficient documents”. The Second Reviewer’s notes, which form part of the decision, indicate that without the contracts showing when the various real estate deals had closed – and thus when the Applicant actually “earned” the income – it was not possible to determine how to allocate the earnings.

[8] The problem with this line of reasoning is that there is absolutely no mention or discussion of the detailed Royal LePage tax worksheet or annotated bank account records the Applicant had provided. While admittedly he did not provide the actual contracts of sale showing when all of the real estate deals actually closed, he did provide other documentation reflecting precisely when he received the commission. The annotated bank statements indicate clearly which deposit corresponded to which real estate transaction, including each of the transactions specifically mentioned by the Second Reviewer as having insufficient documentation to support the timing of the earnings. The Royal LePage tax worksheet also indicates the dates of the earnings and aligns with the dates of the deposits, give or take a few days.

[9] The failure to discuss this essential documentation makes the decision unintelligible. Perhaps the Second Reviewer found the bank statements and tax worksheet to be insufficient; perhaps there were concerns about the authenticity of these documents; perhaps they were simply overlooked. There is no way of knowing, because the Second Reviewer’s notes are silent on this question.

[10] During the hearing it was argued that the Second Reviewer may have been concerned about whether the Applicant had experienced a reduction in his working hours during the benefit period, and this would explain why the Reviewer could not allocate when the income was earned. Perhaps that is the case, but once again, it is not explained in the Second Reviewer's notes. There is no indication that this was a concern that was mentioned to the Applicant, and so he had no opportunity to address it by providing evidence of the impact of COVID-19 on his business.

[11] The Second Reviewer had explained that documents were required to support when the Applicant's income was earned and had requested specific documents to support this. If the Applicant's documents were found to be insufficient because he did not provide the specific documents requested by the Second Reviewer, but instead submitted other documents providing the same information, in my view it was incumbent on the Second Reviewer to explain why the information he provided was not sufficient.

[12] It is not necessary to say more. The decision is unreasonable. It will be quashed and sent back for redetermination by a different official.

[13] No costs are awarded.

[14] There is one final administrative matter. The style of cause is amended, with immediate effect, to name the Attorney General as Respondent.

JUDGMENT in T-3813-25

THIS COURT'S JUDGMENT is that:

1. The application for judicial review is granted.
2. The Second Review decision is quashed and the matter is sent back for reconsideration by a different official.
3. The style of cause is amended, with immediate effect, to name the Attorney General as Respondent.
4. No costs are awarded.

"William F. Pentney"
Judge

FEDERAL COURT
SOLICITORS OF RECORD

DOCKET: T-3813-25

STYLE OF CAUSE: ALY KHAN PIRA v THE ATTORNEY GENERAL OF CANADA

PLACE OF HEARING: BY VIDEOCONFERENCE

DATE OF HEARING: MAY 12, 2026

REASONS AND JUDGMENT: PENTNEY J.

DATED: MAY 13, 2026

APPEARANCES:

Aly Khan Pira	ON HIS OWN BEHALF
Noémie Martel	FOR THE RESPONDENT

SOLICITORS OF RECORD:

Attorney General of Canada Ottawa, Ontario	FOR THE RESPONDENT
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