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Student files get audited every year. If it happens that your application form is among them, the information you have supplied will be checked for truthfulness and completeness. Penalties apply if your application contains false or inaccurate information. For example, your access to funds may be limited or denied.

You may be required to present some documents. These include receipts for textbooks and tuition, rent receipts, as well as child care receipts. You may be required to present copies of income tax returns, T4 slips, and bank statements. Other documents to supply are a divorce or separation agreement and letters from an employer confirming your income. In addition, you may be required to supply any other documentation that will make it easier to verify the information presented in your application.

It is a good idea to create a file and keep the documentation supplied with your [Ontario student loan application](#) in it. A working copy of it should be kept as well. You may have to present and refer back to these documents if your loan application gets audited. Or you may need to refer to them during the academic year.

What happens if you fail to present the required documentation within the specified timeframe? You may see your college loan revoked, and financial assistance may be discontinued. It is also an offence to knowingly present false and misleading information. This applies to other documents as well, and you should be aware of the consequences. You may have to repay your student loan immediately. Second, you may face criminal prosecution.

Some three million returns get audited every year, and millions of students receive brown envelopes with a request or demand for information. While you now know what to do if you are audited (submit the required information), there are some things to do at to avoid getting audited. What if you have low income and a lavish lifestyle? Many tax payers are unaware that there is a procedure called net worth assessment. Such assessments are conducted by the Canada Revenue Agency if it is suspected that you work illegally and claim low income. If you annoy someone who know that you work illegally, the Canada Revenue Agency will be after you. Claiming eighty percent of your home expenses and ninety percent of your car expenses for business use is likely to trigger an audit. When it comes to these expenses, it is important to be reasonable and may pay to keep a log book. This one is a gross mistake, namely the cheating habit. If you were caught submitting false information before, you may be audited more often. Forgotten T slips are another potential problem. If you do not report income from a T slip and fail to do it twice in 2 years, you can face substantial penalties. Choosing between [personal loan application](#) and [consolidation loan application](#).

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