



# -Value Shipments Policy Regarding the Application of Customs Duties

WTO Working Group on Micro, Small and  
Medium-sized Enterprises

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# Revenue Collection at the Border

Goods and Services Tax (GST)

Harmonized Sales Tax (HST)

Provincial Sales Tax (PST)

Customs Duty

Excise Tax and Excise Duties

Provincial Tobacco Taxes

**Canada Border Services Agency (CBSA)**

Assesses customs duties and taxes owed to the Government of Canada

**Department of Finance Canada (FIN)**

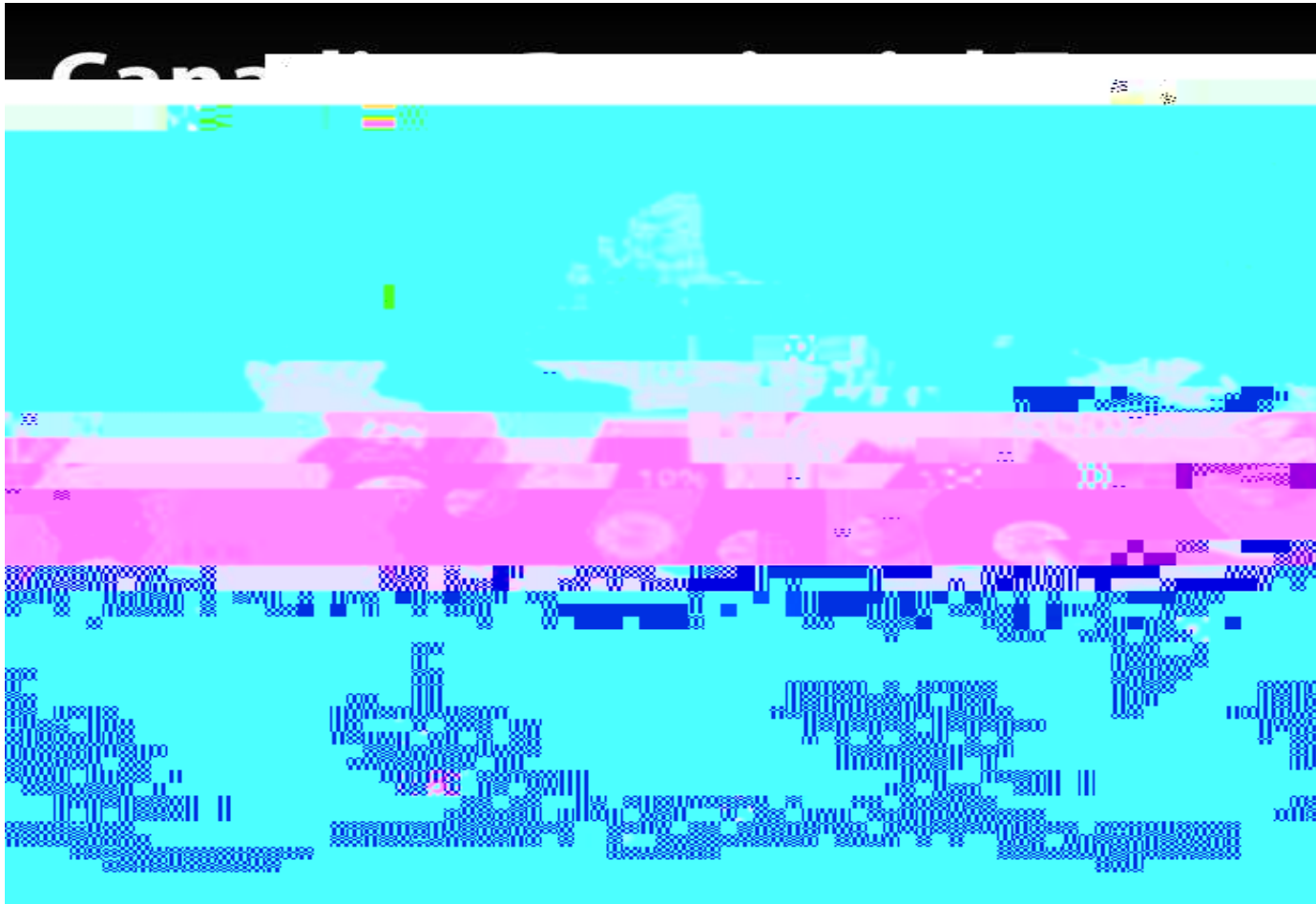
Sets revenue policy concerning the remission of customs duties, sales and excise taxes

**Canada Revenue Agency (CRA)**

Responsible for intake of government revenue



# Canada's Tax structure



Source: Dandelion Web Design

# Low-Value Threshold and De Minimis



CAD\$3,300 Low-Value Threshold

Renewed De Minimis for Courier Remission Import Order (CIRO) only



# Courier Imports Remission Order (CIRO)

CAD\$0 to \$20 (other than those imported from the

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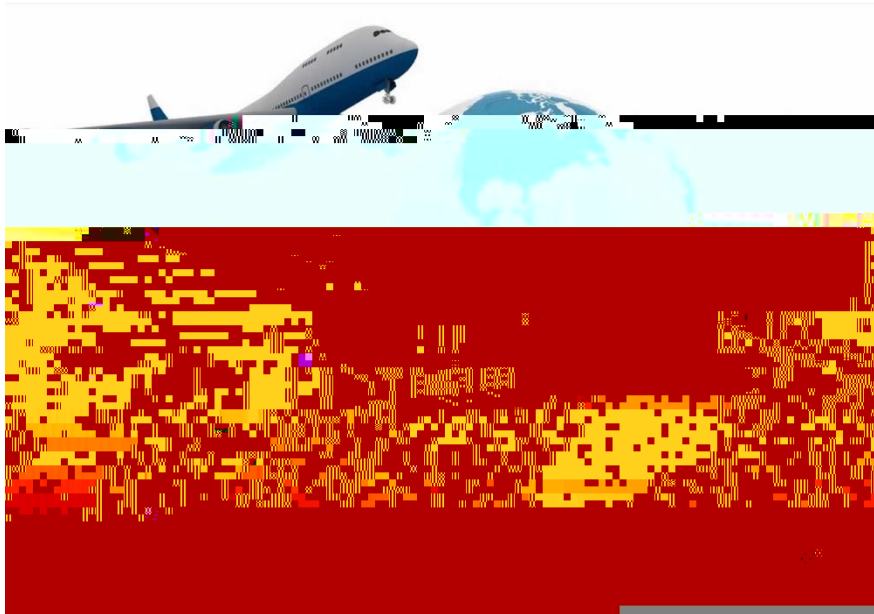
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- The PIRO grants remission of customs duties and taxes on goods imported by mail from any country and having a value for duty

# Courier Low Value Shipment (CLVS) Program



## Eligibility Requirements

- Imported by authorized courier
- Goods valued at CAD\$3,300 or less
- Goods are not controlled, prohibited or regulated
- Available in Air and Highway modes of importation

## Program Benefits

- Streamlined and simplified customs processing of express shipments
- Reduced advance data set
- Immediate



# Generic Harmonized System (GHS)

- Simplified tariff classification process for qualified postal and courier imports.
- Option to apply one of three generic Most-Favoured-Nation (MFN) tariff rates based on “special classification provisions” found in Chapter 98 of Canada’s *Customs Tariff*.
- The use of GHS is optional and may be used in lieu of more detailed classification and the rates found under regular tariff provisions.
- Minimal impact on tariff revenues, no impact on sales tax revenues, and facilitates the processing of low-value casual shipments.

## GHS Tariff Structure

Tariff Item	MFN Tariff	Preferential Tariff Treatment
9825.10.00	20%	e.g. UST/MT/ CT - Free
9825.20.00	8%	e.g. UST/MT/ CT - Free
9825.30.00	0%	e.g. UST/MT/ CT - Free






# Exclusions – Ineligible Goods

Ineligible goods include the following:


- Alcoholic beverages; tobacco products; goods subject to any additional customs duty, such as excise tax.
- Goods that require before release, any certificate, license, permit or other document and any information that prohibits, controls or regulates the importation of goods.
- GST/HST exempt commodities (e.g., drugs and biological, medical & assistive devices; basic groceries; agriculture and fishing).

**Important:** Full details of eligibility can be found in *Customs Tariff*, [Chapter 98](#).

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- *De minimis* thresholds for duties and taxes
    - [Courier Imports Remission Order \(SI/85-182\)](#)
    - [Postal Imports Remission Order \(SI/85-181\)](#)
  - CLVS Program
    - [Memorandum D17-4-0, Courier Low Value Shipment Program](#)
  - GHS Classification
    - *Customs*



# Questions ?



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