



Ottawa, January 12, 2011

MEMORANDUM D17-1-2

In Brief

REPORTING AND ACCOUNTING FOR LOW VALUE COMMERCIAL GOODS (UNDER CAN\$1,600)

1. The process associated with the report and release of Consist sheet consolidations, which was previously contained in this memorandum, has been transferred to Memorandum D8-2-16, *Courier Imports*.
2. The process regarding the release of low value commercial goods has been updated to reflect the information in Memorandum D17-1-4, *Release of Commercial Goods*.





Ottawa, January 12, 2011

MEMORANDUM D17-1-2

REPORTING AND ACCOUNTING FOR LOW VALUE COMMERCIAL GOODS (UNDER CAN\$1,600)

This memorandum outlines the documentation requirements for the cargo reporting, release, and accounting of commercial shipments valued at less than CAN\$1,600.

Legislation

The Regulations governing the guidelines and general information contained in this memorandum are presented in the *Accounting for Imported Goods and Payment of Duties Regulations*, which can be found at the Justice Canada Web site at www.justice.gc.ca.

GUIDELINES AND GENERAL INFORMATION

1. Section 12 of the *Customs Act* requires that all goods be reported to the Canada Border Services Agency (CBSA) as explained in Memorandum D3-1-1, *Policy Respecting the Importation and Transportation of Goods*.

2. Low value commercial goods valued at less than CAN\$1,600 may be released by the CBSA on presentation of any of the following:

(a) a Form B3, *Canada Customs Coding Form*, type C or D, or a bonded warehouse B3 accounting document along with any applicable permits, licences, authorization and certificates (see Memorandum D17-1-5, *Registration, Accounting and Payment for Commercial Goods*); or

(b) a Release on Minimum Documentation (RMD) package, including Pre-Arrival Review System (PARS), as explained in Memorandum D17-1-4, *Release of Commercial Goods*, consisting of:

- (i) two copies of the cargo control document;
- (ii) any applicable permits, licences, authorizations and certificates; and
- (iii) two copies of the commercial invoice, current price list, bill of sale or other acceptable document giving the following information:
 - (1) the vendor's name and address;
 - (2) the consignee's name and address;
 - (3) the purchaser's name and address (if other than consignee);

- (4) the importer's BN;
- (5) the unit of measure and quantity of goods;
- (6) the value of the goods and currency of settlement;
- (7) a detailed description of the goods;
- (8) 10-digit harmonized system (HS) code;
- (9) the country of origin of the goods;
- (10) the number of invoice pages; and
- (11) a transaction number in bar-coded format;

(c) a Cargo Control Document (CCD) or approved Consist Sheet if the shipment qualifies under the *Courier Imports Remission Order (CIRO)*; or

(d) two copies of a Cargo/Release List (CRL) for approved Courier Low Value Shipment (LVS) Program participants (see Memorandum D17-4-0, *Courier Low Value Shipment Program*).

Note: RMD information must be submitted electronically by Electronic Data Interchange (EDI) in accordance with the participants' requirements document, unless otherwise exempted as specified in D17-1-4.

3. Shipments that were originally reported in the Courier LVS Program through a Cargo/Release List (CRL), and subsequently rejected on a paper Y50 by the CBSA, must be re-submitted using a paper RMD.

Accounting for Released Goods

4. Low value commercial goods, valued at less than CAN\$1,600, must be accounted for according to Section 32 of the *Customs Act* and subsection 6(b) of the *Accounting for Imported Goods and Payment of Duties Regulations*. For details regarding the accounting requirements and procedures, refer to these Regulations and Memorandum D17-1-10, *Coding of Customs Accounting Documents*.

5. When claiming the benefits of the Canada-Israel Free Trade Agreement, Canada-Chile Free Trade Agreement, United States Tariff, Mexico Tariff, or Mexico-United States Tariff treatment, importers and brokers should refer to the policy guidelines in Memorandum D11-4-2, *Proof of Origin*, and Memorandum D11-4-14, *Certification of Origin*.

REFERENCES

<p>ISSUING OFFICE –</p> <p>Commercial Border Programs Division Border Programs Directorate Programs Branch</p>	<p>HEADQUARTERS FILE –</p> <p>7632-1</p>
<p>LEGISLATIVE REFERENCES –</p> <p><i>Customs Act</i> <i>Accounting for Imported Goods and Payment of Duties Regulations</i></p>	<p>OTHER REFERENCES –</p> <p>D3-1-1, D3-2-2, D3-4-2, D3-5-2, D3-6-6, D11-4-2, D11-4-14, D13 series, D17-1-5, D17-1-10, D17-1-4, D17-4-0</p>
<p>SUPERSEDED MEMORANDA “D” –</p> <p>D17-1-2, October 9, 2008</p>	

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