



Ottawa, January 12, 2011

# MEMORANDUM D8-2-16

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## In Brief

### COURIER IMPORTS REMISSION

1. This memorandum has been revised to include the Canada Border Services Agency (CBSA) title. It has also been amended to explain how Other Government Department (OGD) goods will utilize the Order.
2. The process associated with the report and release of consist sheet consolidation, which was previously contained in Memorandum D17-1-2 *Reporting and Accounting for Low Value Commercial Goods (Under CAN\$1,600) and Goods Eligible for Release Under the Courier Imports Remission Order*, has been added to the memorandum.
3. The *Courier Imports Remission Order Regulations*, which were part of the Memorandum D8-2-16, have been removed. They can now be found at the Justice Canada Web site at [www.justice.gc.ca](http://www.justice.gc.ca).





Ottawa, January 12, 2011

# MEMORANDUM D8-2-16

## COURIER IMPORTS REMISSION

This memorandum outlines the conditions under which a remission order may be granted on certain goods imported into Canada by courier services.

### GUIDELINES AND GENERAL INFORMATION

1. With certain exceptions as set out in paragraph 4, the *Courier Imports Remission Order* applies to both casual (non-commercial) and commercial importations of goods transported into Canada by courier services.
2. In this Order, “courier” means all common commercial carriers, regardless of mode of transport, including freight forwarders and deconsolidators.
3. When it has been determined that the value for duty of goods being imported by courier does not exceed CAN\$20 per shipment, these goods are exempt from the goods and services tax (GST) and the harmonized sales tax (HST) under Section 7 of Schedule VII of the *Excise Tax Act* and are granted remission of all customs duties, excise taxes, and provincial sales tax (PST).

### Exceptions

4. This Order does not apply to certain types of goods or certain types of commercial transactions. The exceptions, specified in sections 2 and 3 of the Order are as follows:
  - (a) remission is not granted under this Order in respect of alcoholic beverages, cigars, cigarettes, and manufactured tobacco, regardless of value;
  - (b) this Order cannot be used in conjunction with tariff item No. 9816.00.00 of the *Customs Tariff* which provides an exemption from duties and taxes on gifts valued at CAN\$60 or less;
  - (c) remission is not granted under this Order in respect of books, newspapers, magazines, periodicals, and other similar publications shipped from suppliers abroad who are required to register with the Canada Revenue Agency, but are not so registered; and
  - (d) this Order does not apply to commercial transactions in which goods are ordered by a Canadian consumer from a Canadian intermediary who, in turn, causes the goods to be shipped directly from the foreign supplier to the Canadian purchaser.

**Note:** Duties and taxes are collected in all such instances whether the Canadian intermediary is a retailer who arranges for direct shipment from the foreign supplier to the Canadian customer, or is an agent or employee of the foreign supplier. Usually, in this type of transaction, the Canadian supplier, agent, or employee carries no inventory from which to fill orders.

5. For example, a foreign vendor employs an agent on a commission basis to sell a product. The agent takes an order valued at CAN\$20 from the Canadian consumer and submits the order to the foreign supplier. The supplier fills the order by shipping the product directly to the Canadian consumer’s address. The export declaration shows a value of CAN\$20 for the goods. In this case, the Order does not apply because of the type of the commercial transaction, and the goods are subject to all applicable duties and taxes.
6. On the condition that they are not covered under sections 2 or 3 of the Order, shipments with a value not exceeding CAN\$20 that contain goods that are controlled by an Other Government Department (OGD), can claim the benefit of the Order, and their duties and taxes can be remitted. However, the Canada Border Services Agency (CBSA) requires that a separate Release on Minimum Document (RMD) interim accounting or a final accounting (including the required permits, licenses or certificates for each shipment if required) be presented to affect the release of the individual shipments. The Order’s remission OIC number, 85-2955, shall appear on Form B3 *Canada Customs Coding Form* to remit any duties and taxes.

### Other Considerations

7. In order for courier shipments valued at CAN\$20 or less to receive the benefit of the *Courier Imports Remission Order*, or the benefit of non-taxable status under Section 7 of Schedule VII of the *Excise Tax Act*, the total shipment must be subject to a single transaction. It is not acceptable to divide an order into several packages so that each individual shipment has a value of under CAN\$20.
8. Where the value for duty of the shipment exceeds CAN\$20, the entire value of the goods is subject to the regular provisions of the *Customs Tariff*.

## Consist Sheet Reporting & Release Process

9. Goods that have a value for duty not exceeding CAN\$20 and are eligible for report and release under the *Courier Imports Remission Order (CIRO)* may be documented on a consist sheet. However, certain types of goods and certain types of commercial transactions are excluded.

10. To be eligible to participate in this reporting/release process, a carrier must have the appropriate carrier bond security filed with the CBSA. Information concerning the security required may be found under “Bonding Requirements” in Memorandum D3-1-1. The amount of security required varies by mode of transport. For more specific information, refer to the following Memoranda: D3-2-2, *Air Cargo – Import and In-Transit Movements*; D3-4-2, *Highway Cargo – Import Movements*; D3-5-2, *Marine Cargo – Import Movements*; and D3-6-6, *Rail Cargo – Import Movements*.

11. Carriers wishing to use the consist sheet reporting must submit a copy of the proposed consist sheet format for approval to the address in paragraph 20. A sample format can be found in the Appendix.

12. The consist sheet must be typed and contain the following information:

- (a) the carrier’s name;
- (b) destination office;
- (c) the carrier’s control number for the goods;
- (d) the exporter’s name and address (originator);
- (e) the importer’s name and address (consignee);
- (f) the number of packages;
- (g) a description of the goods;
- (h) the weight;
- (i) the value of the goods in Canadian dollars. The Memoranda D13 series contains information regarding valuation methods;
- (j) the country of origin of the goods; and
- (k) the total number of shipments.

13. Should the CBSA find that a carrier is abusing its consist sheet reporting privileges, the authorization to report in this manner may be revoked.

14. Before or upon the shipment’s arrival, the carrier presents the CBSA with two copies of the consist sheet listing all shipments for which release is being requested.

15. The border services officer will review the list and highlight any shipment to be examined. A border services officer will examine these selected shipments and decide either to release the shipments or to have any of them removed from the consist sheet. The officer will then release-stamps one copy of the list and return it to the carrier as proof of release by the CBSA. The second copy is retained by the CBSA.

16. Any shipment removed from the consist sheet is subject to individual manifesting and to the requirements for release under regular processing, as per Memorandum D17-1-5 *Registration, Accounting and Payment for Commercial Goods*.

17. Once goods are released, the carrier is responsible for providing the importer all release information and supporting documentation for each shipment.

18. According to the *Accounting for Imported Goods and Payment of Duties Regulations*, goods that apply to the *Courier Imports Remission Order (CIRO)* can be released without any requirement to account under Section 32 of the *Customs Act*.

19. As the consist sheet is considered to be a combined release and accounting document, the carrier must keep it on file for a period of six years.

20. Any correspondence concerning this memorandum should be directed to:

Courier LVS Program Unit  
 Commercial Border Programs Division  
 Border Programs Directorate  
 Canada Border Services Agency  
 150 Isabella Street, 4th Floor  
 Ottawa ON K1A 0L8

## APPENDIX

## CONSIST SHEET

Carrier's Name: \_\_\_\_\_

Destination Office: Windsor

Package ID #	Exporter's Name and Address	Importer's Name and Address	No. of Packages	Description	Weight	Value	Country of Origin
005001	ABC Inc. 200 Big St. NY, NY 12345	Jane Smith 141 Main St. Ottawa ON A9B 2C3	1	Documents	10 gr.	\$1.00	U.S.

Total Number of Shipments: \_\_\_\_\_

## Consist Sheet Completion Instructions

The following information must be shown on the Consist Sheet:

1. Carrier's Name – Indicate the name of the carrier reporting the goods.
2. Destination Office – The CBSA website at [www.cbsa.gc.ca](http://www.cbsa.gc.ca) contains a directory of CBSA offices. Where the destination has more than one sufferance warehouse for the applicable mode of transport (for example, Toronto), the name of the receiving CBSA office must be followed by the name, abbreviation, or code of the intended warehouse of clearance (for example, Toronto-498).
3. Package ID # – Indicate the carrier's individual control number for each shipment.
4. Exporter's Name and Address – Indicate the name and address of the person or firm shipping the goods.
5. Importer's Name and Address – Indicate the name and address of the person or firm in Canada to whom the goods are being shipped.
6. No. of Packages – Indicate the quantity of goods being reported.
7. Description – Give an accurate, concise description of the goods in common trade terms.
8. Weight – Indicate the weight of the shipment in metric or imperial measure. The unit of measure must be noted.
9. Value – Indicate the value of the goods in Canadian funds, using the appropriate valuation method. For example, goods that are sent to an importer without charge still have an essential value.
10. Country of Origin – Indicate the country where the goods originated.
11. Total Number of Shipments – The total number of shipments on the Consist Sheet for which release is being requested.

**REFERENCES**

<p><b>ISSUING OFFICE –</b></p> <p>Commercial Border Programs Division Border Programs Directorate</p>	<p><b>HEADQUARTERS FILE –</b></p> <p>7962</p>
<p><b>LEGISLATIVE REFERENCES –</b></p> <p><i>Financial Administration Act</i>, section 17 Order in Council P.C. 1985-2955 Order in Council P.C. 1986-1401 Order in Council P.C. 1992-1431 <i>Courier Imports Remission Order</i></p>	<p><b>OTHER REFERENCES –</b></p> <p>D8-2-2, D17-4-0</p>
<p><b>SUPERSEDED MEMORANDA “D” –</b></p> <p>D8-2-16, February 9, 2001</p>	

Services provided by the Canada Border Services Agency  
are available in both official languages.

