



Ottawa, September 10, 2013

MEMORANDUM D17-1-2

IN BRIEF

Reporting and Accounting for Low Value Commercial Goods (Not Exceeding CAD\$2,500)

On January 8, 2013, the low value shipment (LVS) threshold was increased to a value for duty not exceeding CAD\$2,500





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Reporting and Accounting for Low Value Commercial Goods (Not Exceeding CAD\$2,500)

This memorandum outlines the documentation requirements for the cargo reporting, release, and accounting of commercial shipments with a value for duty not exceeding CAD\$2,500.

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 with a value for duty not exceeding CAD\$2,500 may be released by the CBSA on presentation of any of the following:

(a) a Form B3-3, *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, or Pre-Arrival Review System (PARS), as explained in Memorandum D17-1-4, *Release of Commercial Goods*, consisting of:

- (i) a cargo control document (CCD) – two copies for paper releases;
- (ii) any applicable permits, licences, authorizations and certificates; and
- (iii) a commercial invoice, Canada customs 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) 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 Electronic Commerce Client Requirements Document (ECCRD) Chapter 16: Accelerated Commercial Release Operations Support System (ACROSS), unless otherwise exempted as specified in Memorandum 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 with a value for duty not exceeding CAD\$2,500, 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 a Free Trade Agreement, importers and brokers should refer to the policy guidelines in Memoranda D11-4-2, *Proof of Origin*, and 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></p> <p><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, D8-2-16, 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, January 12, 2011</p>	

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

