



# Memorandum D8-2-16

Ottawa, August 12, 2020

## Courier Imports Remission

### In Brief

1. This memorandum was revised to update the exceptions of the [Courier Imports Remission Order](#) (CIRO) to reflect the changes resulting from the Canada – United States – Mexico Agreement (CUSMA).
2. Processes associated with capturing the CIRO data on the Cargo / Release List (CRL) process has been modified and are linked to the Courier Low Value Shipment (CLVS) Program, which is contained in [Memorandum D17-4-0, Courier Low Value Shipment Program](#).

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. As defined in the [Courier Imports Remission Order](#) (CIRO) “**courier**” means “a commercial carrier that is engaged in scheduled international transportation of shipments of goods other than goods imported by mail”. In this Order, “courier” thus includes all common commercial carriers, regardless of mode of transport, including freight forwarders.
2. With certain exceptions as set out in paragraphs 5 and 6 below, the [CIRO](#) applies to goods transported into Canada by a courier that satisfies the requirements set out in paragraphs 3 and 4 below.
3. In respect of imported goods, other than goods imported from Mexico or the United States, that are transported into Canada by courier: when the value for duty does not exceed CAD\$20 per shipment, these goods are non-taxable under the Goods and Services Tax/Harmonized Sales Tax (GST/HST) under Schedule VII to the [Excise Tax Act](#) and are granted remission of all customs duties, excise taxes, and provincial sales taxes (PST).
4. In respect of goods imported from Mexico or the United States that are transported into Canada by courier:
  - (a) remission is granted of the customs duties, if the goods have a value for duty of CAD\$150 or less; and
  - (b) these goods are non-taxable under the GST/HST under Schedule VII to the [Excise Tax Act](#) and remission is granted of the customs duties, excise taxes and PST, if the goods have a value for duty of CAD\$40 or less.

### Exceptions

5. With the exception of a publication or book classified under tariff item No. 9812.00.00 in the List of Tariff Provisions set out in the schedule to the [Customs Tariff](#), this Order does not apply to certain types of goods. These exceptions, specified in sections 2 and 3 of the Order are as follows:

- (a) Alcoholic beverages, cannabis products, cigars, cigarettes, and manufactured tobacco;

(b) Goods classified under tariff item no. 9816.00.00 in the List of Tariff Provisions set out in the schedule to the [Customs Tariff](#) and goods for which the Value for Duty is reduced by the application of section 85 of the [Customs Tariff](#); and;

(c) Books, newspapers, magazines, periodicals, and other similar publications where the supplier is required to register under Subdivision d of Division V of Part IX of the [Excise Tax Act](#) and is not so registered (merchandises).

6. In addition, this Order does not apply to certain transactions such as:

- a) Imported goods that are purchased from a retailer in Canada and shipped to the purchaser directly from a place situated out of Canada;
- b) Imported goods that are purchased or ordered through or from an address, a post office box or a telephone number in Canada; or
- c) Goods that are imported by a person other than the person in Canada who ordered or purchased the goods.

**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.

For example, a foreign vendor employs an agent on a commission basis to sell a product. The agent takes an order valued at CAD\$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 CAD\$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.

7. Shipments eligible for the [CIRO](#) that contain goods that are controlled, prohibited or regulated by another Government Department (OGD), can claim the benefit of the Order, and their customs 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 Order In Council (OIC) number 85-2955 shall appear on Form [B3-3 Canada Customs Coding Form](#) for eligible goods where there is a remission of duties and taxes (valued at CAD\$0 to \$20 or CAD\$0 to \$40, depending on the country the goods from which the goods are shipped). Tariff Code number 0017 is used in place of the OIC number for eligible goods valued at CAD\$40.01 to \$150; the OIC number is not to be entered on the documentation for this category.

## Other Considerations

8. In order for courier shipments to receive the benefit of the [CIRO](#), or the benefit of non-taxable status under Schedule VII to the [Excise Tax Act](#), the total shipment must be subject to a single transaction. It is not acceptable to divide a shipment into several packages so that individual shipments have a value for duty below the thresholds prescribed in the [CIRO](#).

9. Where the value for duty of the shipment exceeds the thresholds outlined in [CIRO](#), customs duties are applicable to the entire value of the shipment in accordance with the [Customs Tariff](#).

## Cargo / Release List Reporting & Release Process for CIRO Shipments in the CLVS Program.

10. Goods qualifying for [CIRO](#) are eligible for report and release under the CLVS program by qualified participants who may document the goods on a consolidated Cargo / Release list (CRL).

11. The courier must be an approved CLVS Program participant – please see [Memorandum D17-4-0, Courier Low Value Shipment Program](#), for requirements.

12. Prior to the shipments' arrival, the CLVS Program participant must present the CRL to the CBSA; it must list all of the shipments for which release under the [CIRO](#) is being requested. In order to claim the [CIRO](#) or the benefit of non-taxable status under Schedule VII to the [Excise Tax Act](#), the additional separation of the [CIRO](#)

categories on the Cargo / Release List is required as follows:

- **Category A:** CLVS CIRO shipments with a value for duty of CAD\$0 - \$20 (other than those imported from the United States or Mexico);
- **Category B:** CLVS CIRO shipments with a value for duty of CAD\$0 - \$40 (imported from the United States or Mexico);
- **Category C:** CLVS CIRO shipments with a value for duty of CAD\$40.01 - \$150 (imported from the United States or Mexico);
- **Category D:** CLVS shipments where duties and taxes are applicable (imported from all countries).

13. Shipments removed from the CRL are subject to individual manifesting and to the requirements for release under regular processing, as per [Memorandum D17-1-4, Release of Commercial Goods](#).

14. Once goods are released, the CLVS Program participant is responsible for providing the importer all release information and supporting documentation for each shipment within two (2) business days.

15. In accordance with the [Accounting for Imported Goods and Payment of Duties Regulations](#), and subject to the OGD accounting requirements described in paragraph 7, goods that are eligible for the [CIRO](#) can be released without any requirement to account under Section 32 of the [Customs Act](#). Imported goods transported by courier with a value for duty exceeding CAD\$20 from any country other than the United States or Mexico, or exceeding CAD\$40 from the United States or Mexico will continue to require accounting, as per the current CLVS Program procedures.

16. Additional steps are required to those outlined in Memorandum D17-1-10, [Coding of Customs Accounting Documents](#) for processing (taxable) [CIRO](#) shipments utilizing Consolidated Accounting Documents. Refer to Appendix J, Form B3, Type F - Coding Instructions for Consolidated Accounting Documents of Memorandum D17-1-10 for additional information.

17. As per the memorandum, consolidated accounting may be separated by (c) Special Authority Shipments. Imported goods transported by courier from the United States or Mexico, having a value for duty of CAD\$40.01 to \$150, and eligible under the [CIRO](#) (free of customs duties but tax applicable) must be accounted for and any applicable taxes shall be paid. The following additional information is considered essential for such goods:

- in Field 13, the United States or Mexican place of export from which the goods were transported;
- in Field 22, a description of goods that ensures the eligibility of the goods vis-à-vis Section 3 “Application” and the definition of “goods” found in the [CIRO](#), according to the nature of the goods;
- in Field 28, the Tariff Code number 0017; and
- in Field 37, a value for duty of the goods of CAD\$40.01 to \$150.

Note: Field 26, OIC field is to be left blank, for Category C, CLVS [CIRO](#) shipments CAD\$40.01 - \$150 (imported from the United States or Mexico).

18. As the CRL is considered to be a combined report and release document, the CLVS Program participant must keep it on file for a period of six years.

## Additional Information

For more information, within Canada call the Border Information Service at 1-800-461-9999. From outside Canada call 204-983-3500 or 506-636-5064. Long distance charges will apply. Agents are available Monday to Friday (08:00 – 16:00 local time / except holidays). TTY is also available within Canada: 1-866-335-3237.

<b>References</b>
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<b>Issuing Office</b>	Commercial Program Directorate
<b>Headquarters File</b>	7962
<b>Legislative References</b>	<a href="#"><i>Customs Act</i></a> <a href="#"><i>Excise Tax Act</i></a> <a href="#"><i>Financial Administration Act</i></a> <a href="#"><i>Customs Tariff</i></a> <a href="#"><i>Accounting for Imported Goods and Payment of Duties Regulations</i></a> <a href="#"><i>Courier Imports Remission Order</i></a> Order in Council P.C. 1985-2955, as amended Order in Council P.C. 1986-1401 Order in Council P.C. 1992-1431
<b>Other References</b>	<a href="#">D3 series</a> , <a href="#">D17-4-0</a> , <a href="#">D17-1-4</a> Form <a href="#">B3-3</a>
<b>Superseded Memorandum D</b>	D8-2-16 dated September 7, 2016