

SHIPPING BASICS AND LOGISTICS

IMPORT DUTY





+ other import fees

- Value added tax
- Federal and provincial sales tax
- Customs brokerage /Entry preparation
- Customs bond
- Customs Fee (e.i. merchandise processing fee)
- Carrier disbursement / Handling fees
- Strorage and inland transit



Disclaimer: The information provided in this presentation is intended for general informational purposes only. We encourage independent research directly with regulators and to seek professional advice as necessary.

Import Duty is primarily determined by three main factors

- HS Code / tariff classification
- Country of Origin
- = % Duty

Import Duty

% Duty (x) Value for Duty = Resulting Duty Assessment

* Note that duty is sometimes based on volume, weight or other measurements rather than value

Useful Links For Example: Cotton Pyjamas

HS Code Classification: 6207.11.00

Country of Origin: China

Rate of Duty: 17%

HS codes Value including shipping: \$1000

Duty Cost:

Declaring a Value \$1000 (x) 17% = \$170



Heading/ Subheading		Article description	Rates of Duty			
				2		
			General	Special	1	
*8462 8462.11.00		Machine-tools (including presses) for working metal by forging, hammering or die forging (excluding rolling mills); machine-tools (including presses, slitting lines and cut-to-length lines) for working metal by bending, folding, straightening, flattening, shearing, punching, notching or nibbling (excluding draw-benches); presses for working metal or metal carbides, not specified above: Hot forming machines for forging, die forging (including presses) and hot hammers: Closed die forging machines	4.4%	Frue (A, AU, BL, CA, CL, CO, S, E, IL, JO, JP KR, MA, MX,	30%	
	10 30 35 55	Used or rebuilt		OM, P, PA, PE, SG)		

Duty is sometimes based on volume, weight or other measurements rather than value

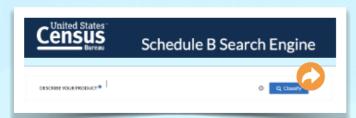


nical transfer pr	l transfer presses			Rates of Duty				
			1		2			
Subheading			General	Special				
[0712		Dried vegetables, whole, cut, sliced, broken, or in powder, but not further prepared: Mushrooms, wood ears (Auricularia spp.), jelly fungi (Tremella spp.) and truffles:]						
"0712.34		Shitake (Lentinus edodes):						
0712.34.10	00	Air dried or sun dried.	1.3¢/kg	Free (A*, AU,	22¢/kg +45%			
0722.54.20	"	All director surrous		BH, CA, CL,	224/16 143/1			
			1.07	CO, D, E, IL,				
				JO, KR, MA,				
				MX, OM,				
0712.34.20	00	Other	1.04/1/4	P, PA, PE, SG)	224/40			
0/12.34.20	100	Other	1.9¢/kg +2.6%	Free (A+, AU,	22¢/kg +45%".			
			+2.6%	BH, CA, CL,	T4570 .			
				CO, D, E, IL,				
				JO, KR, MA,				
				MX, OM, P,				
	\perp			PA, PE, SG)				

International Resources for Finding an HS Code



US Census Bureau Find a HS Code





















Taiwan



Canada Export Development Corp



Vietnam



Chile



Malaysia









CUSTOMS TARIFF - SCHEDULE

Tariff Item	Description of Goods	Unit of Meas.	MFN Tariff	Applicable Preferential Tariffs
62.07	Men's or boys' singlets and other vests, underpants, briefs, nightshirts, pyjamas, bathrobes, dressing gowns and similar articles.		<u>:</u>	
	-Underpants and briefs:			
6207.11.00 0	0Of cotton	NMB	/0	DCT, UST, MXT, CIAT, T, CRT, IT, NT, SLT,
	LDCT, UST, MXT, CIAT,			T, COLT, JT, PAT, NT, KRT, CEUT, UAT,

CT, CRT, IT, NT, SLT, PT, COLT, JT, PAT, HNT, KRT, CEUT, UAT, CPTPT, UKT: Free



CPTPT, UKT: Free

Country of Origin

Heading/		Rates of Duty			
Subheading	Article description		1	2	
		General	Special		
"8462 8462.11.00 10 30 35 55	Machine-tools (including presses) for working metal by forging, hammering or die forging (excluding rolling mills); machine-tools (including presses, slitting lines and cut-to-length lines) for working metal by bending, folding, straightening, flattening, shearing, punching, notching or nibbling (excluding draw-benches); presses for working metal or metal carbides, not specified above: Hot forming machines for forging, die forging (including presses) and hot hammers: Closed die forging machines. Used or rebuilt. Other: Headers and upsetters, including cold headers. Mechanical transfer presses. Other.	4.4%	Free (A, AU, BH, CA, CL, CO, D, E, IL, JO, JP KR, MA, MX, OM, P, PA, PE, SG)	30%	Goods that qualify as originating via a free trade agreement can import duty free. Qualifying goods via the African Growth and Opportunity Act (AGOA) and the Caribbean Basin Trade Partnership Act (CBTPA) can qualify for duty-free import.

from goods ship versus their country of origin



Notes on Free Trade

- From Where Goods Ship From ≠ To Their Country of Origin.
- Country of Origin Refers to where goods were manufactured or created

Rules of Origin (ROO)

- Rules of Origin are unique to each trade agreement
- Trade agreements have general rules of origin
 - As well as unique rules for certain categories such as textile and automotive
- Most modern trade agreement allow simpler certification statements versus having a separate certificate of origin.



Duty Free Import

- ✓ Rate of Duty for HS Tariff classification is 0%
- ✓ Qualifying Origin Goods via a Free Trade Agreement
- ✓ Personal effects, Carnets
- Low Value Duty Free Threshold/ De minimis





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