

J&T

SHIPPING TO CANADA



From The UK

Shipping to Canada

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- Importer of Record and CARM
- Non-Resident Importer (NRI) Program
- Commercial Invoice
- Canadian Tariff Classification
- Country of Origin
- Value for Duty
- Import Duty and Fees
- Export Declaration
- Canada Free Trade / CUK-TCA
- Shipping and Logistics

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Importer of Record and CARM

Context

1. Importers and owners are required to account for goods imported into Canada. Customs brokers may account for the goods on an importer's or owner's behalf, declaring their client or themselves as the importer of record. A person authorized may account for goods in lieu of the importer or owner and become the importer of record under the Courier Low-Value Shipment Program.
2. The CBSA recognizes customs brokers and persons authorized as authorized agents.
3. To transact business with the CBSA, commercial entities must have a business number (BN) with an import/export account number (RM). Those together identify the importer of record.

Business Registration and CARM

<https://www.cbsa-asfc.gc.ca/services/carm-gcra/import-export-importation-exportation-eng.html> 

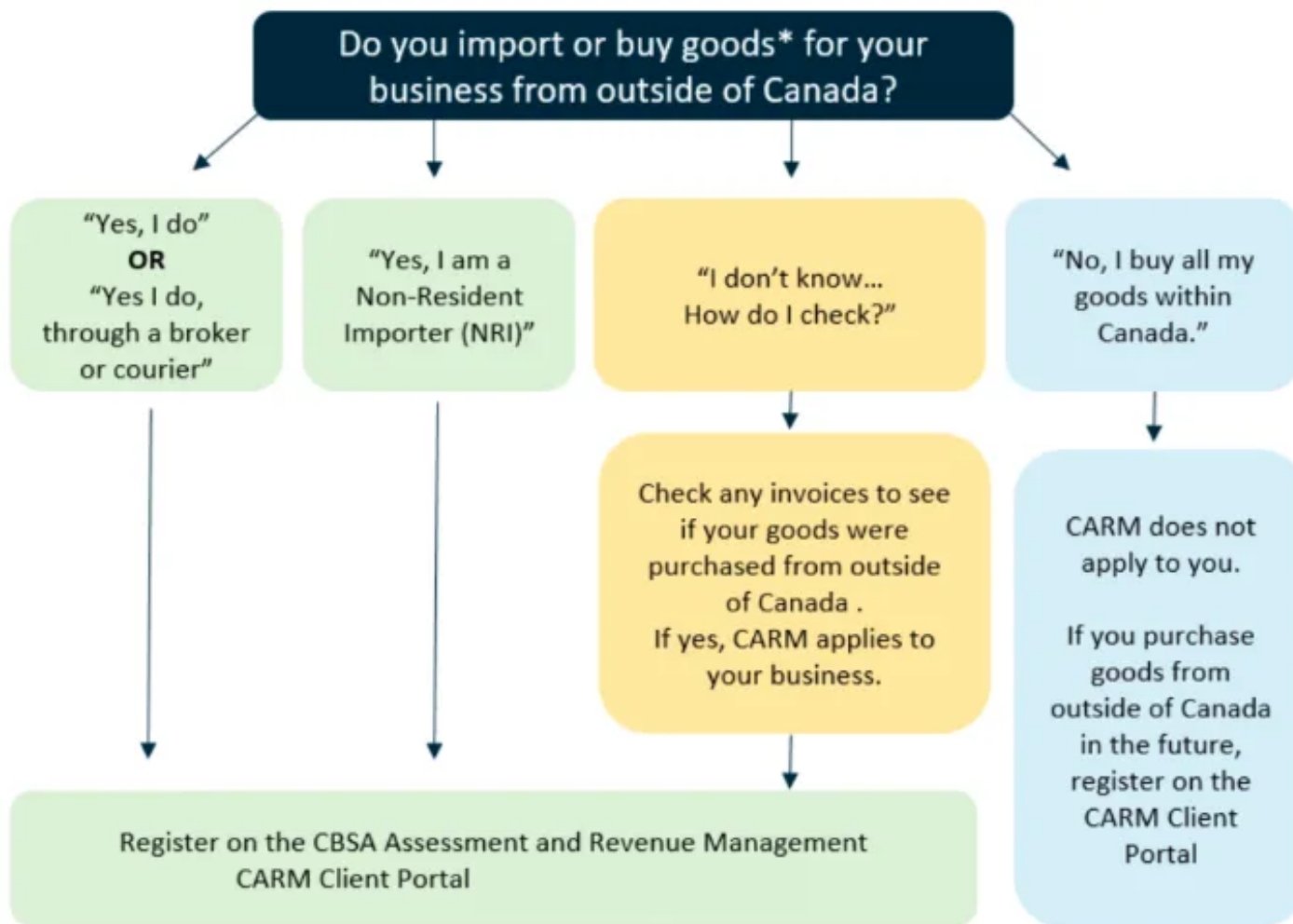
Canadian Business Number

Business Number (9 digits)	Identifier as importer or exporter	Unique number (usually 0001)
123456789	RM	1234



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CBSA Assessment and Revenue Management



*Goods include anything that your business uses to make other goods for sale, operating your business (laptops for employees, samples, etc.) or re-selling for profit.

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Non-Resident Importer/ NRI

The NRI program allows UK businesses to get a Canadian Business Number (BN). This is the most common way for foreign companies to import goods to Canada.

This program allows British companies to effectively operate as a Canadian company.

Become a non-resident importer and act as your own distributor to Canada.

The requirements include record keeping, posting of a surety bond to benefit from customs release prior to payment of import fees, and reporting.

Note that different methods for determining the value for duty may be necessary for NRI imports.

Visit CBSA website

.... or contact a  [Canadian customs broker](#) or an accounting firm for more information.



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Commercial Invoice / Invoice for Customs

The Most Fundamental of All Documents Necessary for Import!

Necessary data elements include:

- Seller and Consignee full name, address, phone and email
- Detailed description of each item being shipped
- Net and gross weights (net weight excludes packaging)
- Unit and total value(specify currency)
- Shipping Terms and terms of payment
- Date of shipment
- Reference or order number
- Import license (if applicable)
- Freight charges and insurance (C.I.F. Value)

The image shows a sample of a Canada Customs Invoice (Form 1). The form is bilingual, with English and French versions. It includes fields for:

- 1. Importer (name and address)
- 2. Date of invoice
- 3. Other reference (invoice number, etc.)
- 4. Consignee (name and address)
- 5. Particulars (name and address of other parties)
- 6. Country of origin
- 7. Description of goods
- 8. Quantity and units
- 9. Net weight
- 10. Gross weight
- 11. Value (CIF)
- 12. Currency
- 13. Country of origin
- 14. Date of shipment
- 15. Reference or order number
- 16. Freight charges and insurance
- 17. Total value
- 18. Import license (if applicable)
- 19. Signature and stamp

Invoice can be via a Canadian Commercial Invoice (CCI) or Commercial invoice that includes necessary data.



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UK and Canadian HS codes

The main difference between HS codes in the UK and Canada lies in the additional digits. The first six digits are harmonized globally

- The Harmonized schedule Canadian Customs Tariff
- In the UK Integrated Online Tariff

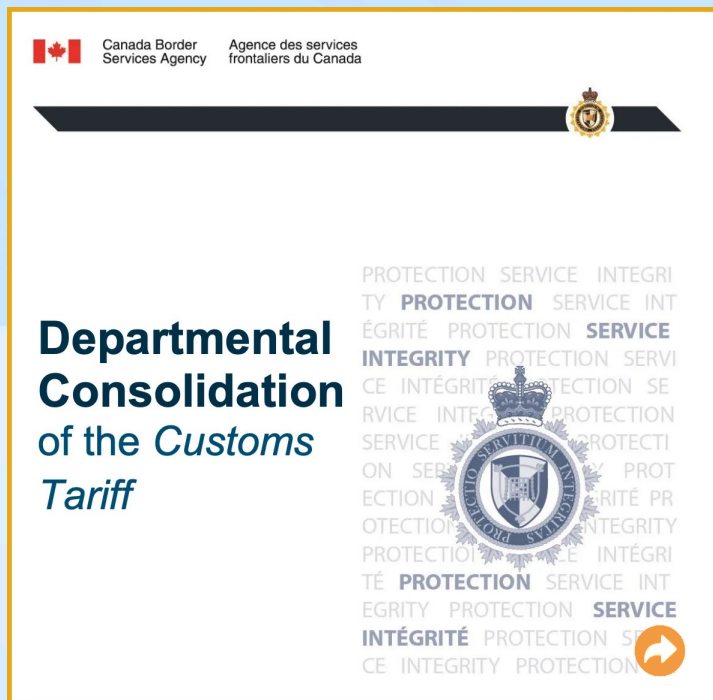


See link to Canada and UK resources for HS lookup:  [Jet's blog on HS Codes](#)

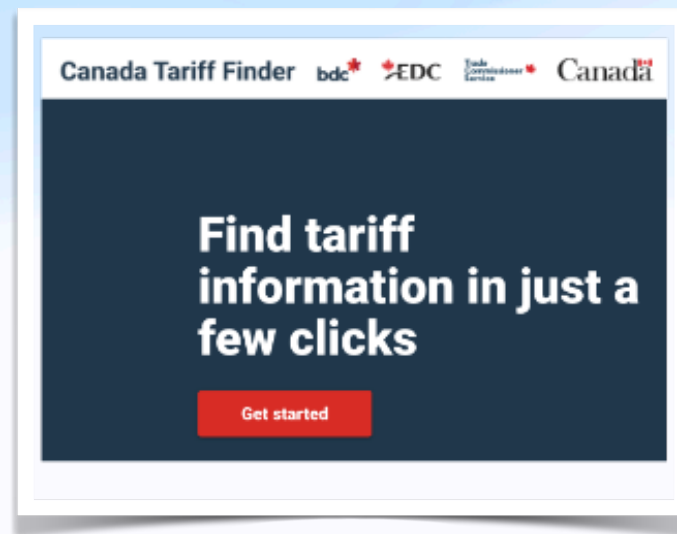
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HS Codes

An additional online resource to consider is the Canada Export Development Corporation's Tariff Finder Tool



Visit  [Jet's blog on HS Codes](#)



Canada Export Development Corp

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HS Codes

Generic Harmonized System (GHS) to Canada

Canada has a tariff classification process for qualified postal and courier imports. The system may be used in lieu of a more detailed classification. This a great benefit for e-commerce imports.

This gives the option to apply one of three generic Most-Favoured-Nation (MFN) tariff rates. Assessment on “special classification provisions” found in Chapter 98 of Canada’s Customs Tariff.

GHS Tariff Structure		
Tariff Item	MFN Tariff	Preferential Tariff Treatment
9825.10.00	20%	e.g. UST/MT/ CT - Free
9825.20.00	8%	e.g. UST/MT/ CT - Free
9825.30.00	0%	e.g. UST/MT/ CT - Free

Source: CBSA Sept 2021 presentation

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HS Codes Export versus Import

Advance Ruling

Importers to Canada can request an advance ruling to verify the correct tariff classification. Request can be made directly to Canadian customs/ CBSA.

 [Jet's blog on HS Codes](#)

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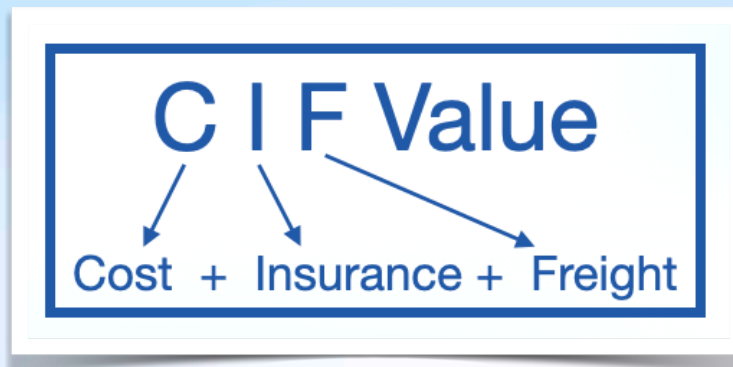
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Valuation / Value For Duty

Transaction Value

In the majority of the cases, the correct value to declare at export and import is the “transaction value.” The transaction value is the price paid - or payable - for the goods.

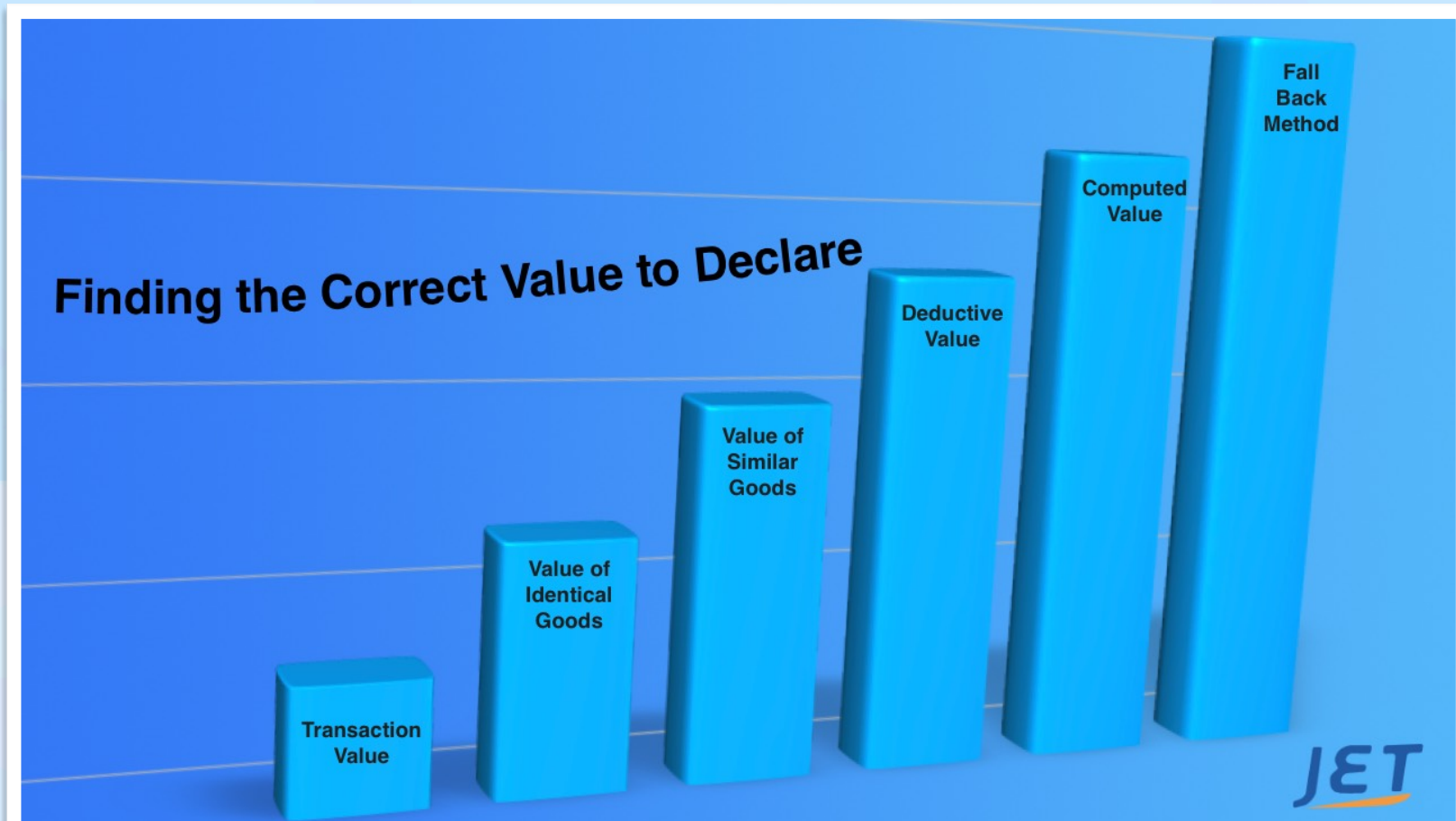
Customs considers the cost shipping and insurance as part of the transaction value (known as CIF value).



Useful information regarding  [declared value and CIF](#)

Shipping to Canada

Establishing a Value for Importing Goods



Useful information  [declaring value for customs](#)



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Country of Origin

Just the purchase and shipping an item from The UK does not grant duty free status to Canada

Shipping from The UK \neq UK origin goods

To benefit from preferential duty free import to Canada, goods must qualify under the rules of origin under the CETA

All Shipments from The UK are subject to:

- Standard import processing
- “Most Favoured Nation” / default rate of duty (unless they qualify as originating)
- Restrictions on specific categories including food, drugs and alcohol

Useful information on  from where goods ship versus their country of origin

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Canada's Import Tariffs / Duty

Import Duty is primarily determined by three main factors

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

$\% \text{ Duty} \times \text{Value} = \text{Resulting duty assessment}$

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

Other Canadian Import Fees

- Federal and Provincial sales tax
- Entry Preparation and related Fees
- Carrier Disbursement Fee

Useful information



[Canadian import fees](#)





Shipping to Canada

Canada's Import Tariffs / Duty

The default duty for UK Imports is the MFN Tariff

UK origin goods likely qualify for preferential tariffs

Tariff Item	SS	Description of Goods	Unit of Meas.	MFN Tariff	Applicable Preferential Tariffs
2710.20.10 00	--	-Lubricating oils put up in packings for retail sale	LTR	5%	CCCT,LDCT,GPT,UST, MXT,CIAT,CT,CRT,IT, NT,SLT,PT,COLT,JT, PAT,HNT,KRT,CEUT, UAT,CPTPT,UKT: Free
2710.20.90 00	--	-Other	LTR	Free	CCCT,LDCT,GPT,UST, MXT,CIAT,CT,CRT,IT, NT,SLT,PT,COLT,JT, PAT,HNT,KRT,CEUT, UAT,CPTPT,UKT: Free

Note: The General Tariff rate that applies to goods of this tariff item is the Most-Favoured-Nation Tariff rate.

-Waste oils:

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

Useful information 
[Canadian import fees](#)



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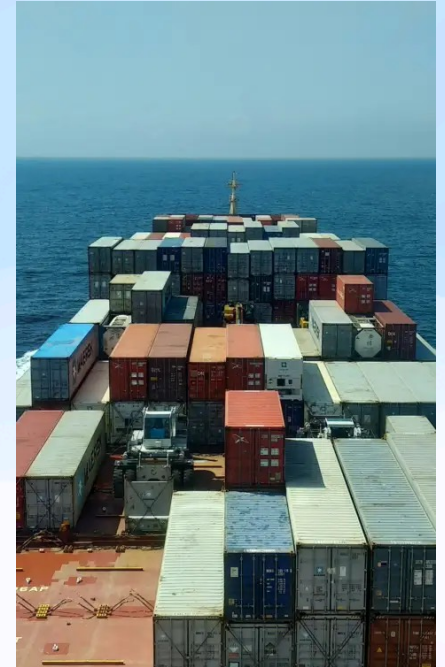


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Export Declaration Customs Declaration Service (CDS)

Note:

The UK HS classification for export may differ from the Canadian HS Code



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Canada-UK Trade Continuity Agreement

The Canada-UK Trade Continuity Agreement (CUKTCA) continues benefits and tariff reductions outlined in CETA (the European Canadian Free Trade Agreement). It addresses various aspects of trade, including market access, rules of origin for preferential duty free import.

The key advantage for merchandise trade is the UK origin goods can qualify for preferential duty free import. The TCA largely replicates the CETA rules of origin.



https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/canada_uk_fta-ale_canada_ru/index.aspx?lang=eng

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Shipping Options and processes: The UK to Canada

For Parcels: Obvious .. and often.. good choices

FedEx, UPS and DHL

- Beware of import fees
- Disbursement fee - prepayment fee - often applies with a minimum charge
- The import fees can be significant as a percentage of the value of the shipment

Local Post

- Best option for individuals shipping personal goods



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Best Shipping Modes: To Canada



Contact our team for pricing and support 



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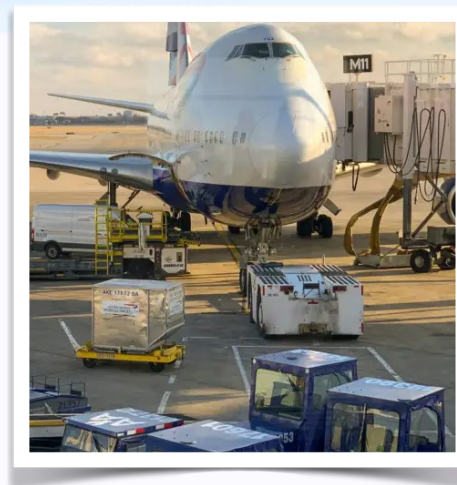
Returns and Canadian Logistics

Return Solutions Canada to The UK

A necessary consideration when setting up export processes to a foreign country is management of returns.

- Refused deliveries
- Damaged goods
- Regular product returns
- Receive and reship

Jet Worldwide currently manages Amazon removal order, and return support for overseas companies. Goods ship back via economy air or LCL ocean.



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[JetWorldwide.com](https://www.jetworldwide.com)