





## SHIPPING TO THE U.K.

# JET

## This presentation is copyrighted and intended for personal use. Contact our team for a group presentation or authorized copy.

Disclaimer: The information in this presentation is for general information only.



**Contact Jet's Logistics Team** 

www.jetworldwide.com/contact

514-331-7470

## **Table of Contents**

- Export Declaration from Canada
- Commercial Invoice
- UK Tariff Classification
- Country of Origin
- Value for Duty
- Value Added Tax VAT
- Import Duty and Fees
- Canada UK Free Trade CUKTCA
- Shipping and Logistics





## Export Declaration from Canada

- Commercial Invoice
- UK Tariff Classification
- Country of Origin
- Value for Duty
- Value Added Tax VAT
- Import Duty and Fees
- Canada UK Free Trade CUKTCA
- Shipping and Logistics







## **Export Declaration**

Exports to The U.K. valued over \$2,000 CAD or otherwise restricted require an export declaration. Declarations are via the Canadian Export Reporting System/ CERS

Sign in to the CERS portal





- Export Declaration from Canada
- Commercial Invoice
- UK Tariff Classification
- Country of Origin
- Value for Duty
- Value Added Tax VAT
- Import Duty and Fees
- Canada UK Free Trade CUKTCA
- Shipping and Logistics







## **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
- Tax ID / EORI number of consignee
- 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)

© Corporation Jet Worldwide. All Rights Reserved 8

- Export Declaration from Canada
- Commercial Invoice
- UK Tariff Classification
- Country of Origin
- Value for Duty
- Value Added Tax VAT
- Import Duty and Fees
- Canada UK Free Trade CUKTCA
- Shipping and Logistics







## **Tariff Codes / Harmonized Code**

#### Verifying HS Codes







### **Tariff Consultation**

#### Search for a commodity

Commodity codes are internationally recognised reference numbers. A commodity code describes a specific product when importing or exporting goods. You will use this code on any customs declarations.

► <u>Tips on searching for products</u>

Search the UK Integrated Online Tariff

Enter the name of the goods or commodity code





#### **Get a Tariff Classification from HM Customs**

#### Broad category which best describes your item:

Guidance Ask HMRC for help classifying your goods

Agricultural, chemical, textiles or ceramics – including food, drink, plastics, cosmetics, sports equipment, games, toys, clothing, shoes, electrical, mechanical or miscellaneous – including vehicles, optical and measuring devices, machinery, musical instruments, metal, furniture, lighting, paper, printed matter, straw, glass, wood, jewellery

- What the goods are made of (if more than one material, provide a breakdown of materials)
- · What the goods are used for
- How the goods work or function
- How the goods are presented or packaged
- Provide suggestions for any code even broad category that you feel best fits your goods

#### Goods that need more specific information includes:

- Footwear (the type, for example shoe, boot, slipper, upper material details, outer sole material details, the heel height, for men or women
- Food: Ingredients, percentage weight of each ingredient, method of manufacture or process undergone (for example fresh, frozen, dried)
- Chemicals: Chemical Abstracts Service Registry Number, liquid, powder or solid, breakdown including the percentage of every ingredient
- Wearing Apparel: Detailed description of the item, material composition, how it's constructed (for example knitted, woven) name of the fabric

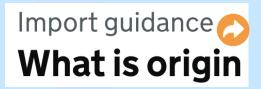
- Export Declaration from Canada
- Commercial Invoice
- UK Tariff Classification
- Country of Origin
- Value for Duty
- Value Added Tax VAT
- Import Duty and Fees
- Canada UK Free Trade CUKTCA
- Shipping and Logistics







## **Country of Origin**



#### Non-preferential rules of origin for Goods from Canada

The default rate of duty for most goods from Canada is the most favoured nation (MFN) rate.

#### Preferential rules of origin

Goods the qualify as originating via the Canada UK Free trade agreement (CUK-TCA)benefit from preferential rates (usually duty free)

#### Shipping from Canada ≠ Canadian origin goods

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

#### All Shipments from Canada are subject to:

- Standard import processing
- Include importers EORI number
- "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

JET

- Export Declaration from Canada
- Commercial Invoice
- UK Tariff Classification
- Country of Origin
- Value for Duty
- Value Added Tax VAT
- Import Duty and Fees
- Canada UK Free Trade CUKTCA
- Shipping and Logistics





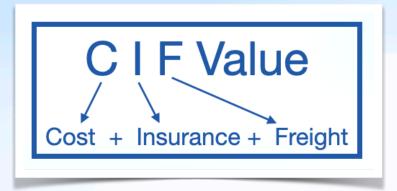


## **Valuation / Value For Duty**

## **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.

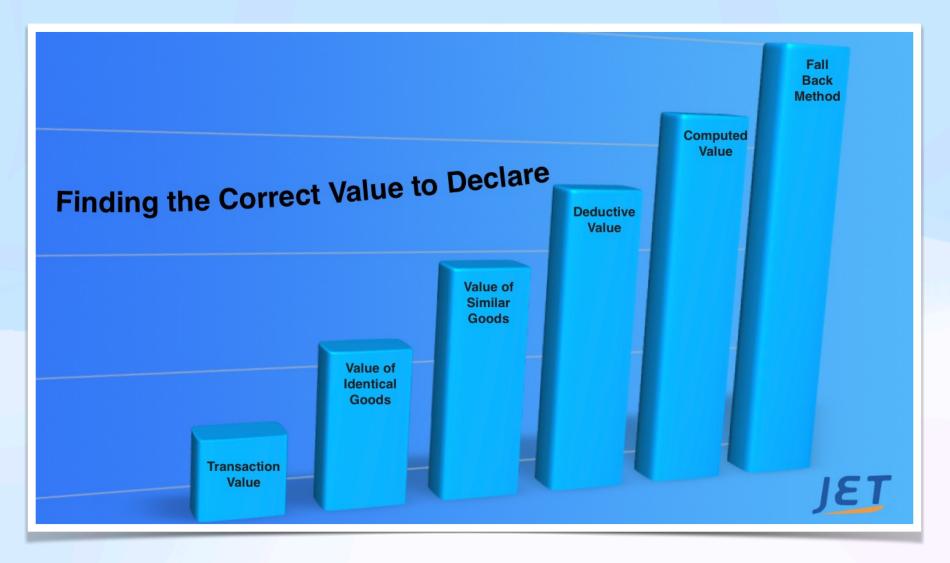
Customs considers the cost shipping and insurance as part of the transaction value (known as CIF value).



Useful information regarding C declared value and CIF







Useful information Ogov.uk information on value

© Corporation Jet Worldwide. All Rights Reserved 16

**JET** 

- Export Declaration from Canada
- Commercial Invoice
- UK Tariff Classification
- Country of Origin
- Value for Duty
- Value Added Tax VAT
- Import Duty and Fees
- Canada UK Free Trade CUKTCA
- Shipping and Logistics





© Corporation Jet Worldwide. All Rights Reserved 17



## **UK Import Tariffs / Duty + VAT**

Value for Tax

- Value of goods
- + duty
- = Value for tax

Useful information Import Fees to the UK Explained

- Example: Import Canada to UK £2000 value 9% duty
- Assessment Value in UKL: £2000
  - Duty: £180

٠

- Value for VAT: (£2000 + £180): £2180
- VAT: (20% \* £2180): £436
- Total Import Fees: (Duty + VAT/ £180 + £436): £616
- Disbursement fee of (2.5% of disbursement): £15.4
- Total sample import fees + Disbursement (£616 + £15.4) = **£631.40**

JET

- Export Declaration from Canada
- Commercial Invoice
- UK Tariff Classification
- Country of Origin
- Value for Duty
- Value Added Tax VAT
- Import Duty and Fees
- Canada UK Free Trade CUKTCA
- Shipping and Logistics







## **UK Import Tariffs / Duty**

#### Import Duty is primarily determined by three main factors

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

% Duty x Value = Resulting duty assessment

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

## **Other U.K. Import Fees**

Value Added Tax
Entry Preparation and related Fees
Carrier Disbursement Fee

See example of import fees on Page 18 Useful information Import Fees to the UK Explained



- Export Declaration from Canada
- Commercial Invoice
- UK Tariff Classification
- Country of Origin
- Value for Duty
- Value Added Tax VAT
- Import Duty and Fees
- Canada UK Free Trade CUKTCA
- Shipping and Logistics





© Corporation Jet Worldwide. All Rights Reserved 21



## Canada-UK Trade Continuity Agreement (Canada-UK TCA)

The Canada-U.K. Free Trade Agreement (CUKTCA) addresses various aspects of trade, including market access, rules of origin for preferential duty free import.

The key advantage for merchandise trade is that Canadian origin goods can qualify for preferential duty free import. Be sure to include a certification of origin.



https://www.international.gc.ca/trade-commerce/trade-agreementsaccords-commerciaux/agr-acc/cuktca-acccru/index.aspx?lang=eng

# The UK Integrated Online Tariff Tariff preference About Tariff preference measures Measure type 142 Description Tariff preference Tariff preferences, also known as preferential tariffs, allow traders to import goods from an overseas nation at a reduced or zero duty rate, provided they can prove that the goods originate from that nation, according to the rule of origin described in the associated legislation.



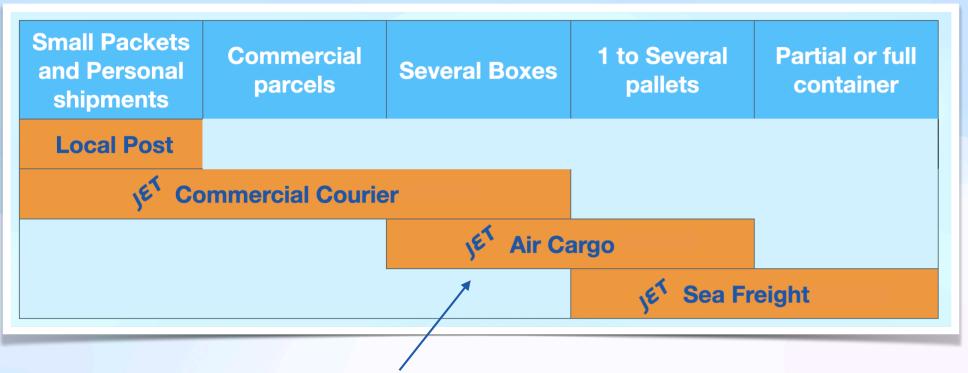
- Export Declaration from Canada
- Commercial Invoice
- UK Tariff Classification
- Country of Origin
- Value for Duty
- Value Added Tax VAT
- Import Duty and Fees
- Canada UK Free Trade CUKTCA
- Shipping and Logistics







## Modes of Shipping: Canada to The U.K.



E-commerce consolidations Zone Jump Contact Jet's Team for details





## Shipping Options and processes: Canada to The U.K.

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
- Contact Jet Worldwide for pricing

#### Local Post

Canada post options offer best options for individuals shipping personal goods

#### **E-Commerce Orders to The U.K. Direct**

- Take advantage of low value duty free threshold
- Pre-payment of VAT
- Ensure not charge to the receiver
- Low cost delivery via local courier





## **U.K.** Distribution and Logistics Support

#### **U.K. Based Solutions**

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

- Storage and distribution
- Dedicated import processes
- Product returns
- Euro-domestic distribution





