



Ottawa, December 7, 2007

CUSTOMS NOTICE 07-037

Declaration of Goods on Release Requests

1. This notice is for the attention of importers and their service providers who are involved in the preparation and transmission of Release on Minimum Documentation (RMD) release requests to the Canada Border Services Agency (CBSA).
2. In this notice, the term RMD refers to both pre-arrival (PARS) and post arrival RMD service options.
3. The CBSA provides various service options to the importing community when submitting their Electronic Data Interchange (EDI) requests for release. Depending on the type of goods, the importer or their service provider may submit an RMD with Appraisal Quality (AQ) data included, or as "non-AQ" (also referred to as "AQ to follow"). In the case of goods that are subject to requirements by other government department (OGD) or agency, the importer or their service provider must submit an RMD with AQ included.
4. This notice provides clarification on the information contained in the Accelerated Commercial Release Operations Support System (ACROSS) Participants Requirements Document (PRD) for EDI. Specifically, it addresses the requirements for the submission of RMD, non-AQ transactions and AQ transactions.
5. For CBSA purposes, AQ refers to invoice information required to support final accounting. AQ information is typically found on a Form C11, *Canada Customs Invoice*. Memorandum D1-4-1, *Canada Customs Invoice Requirements*, provides detailed information on the invoice requirements. Non-AQ or "AQ to follow" refers to information as set out in Memorandum D17-1-4, *Release of Commercial Goods*, paragraph 43 sufficient to support interim accounting and release.
6. Within the invoice requirements above, whether the invoice is AQ included or AQ to follow, the CBSA requires the RMD to contain 10 digit Harmonized System (HS) codes as outlined in the D17-1-4. When the invoice comprises **up to five** different commodities (i.e., 10-digit HS codes are different from one another), HS codes and commodity descriptions must be provided for **each** commodity.
7. When the invoice comprises **more than five** different commodities (i.e., 10-digit HS codes are different from one another), HS codes must be provided for a minimum of five different commodities. In this circumstance, one of the five 10-digit HS codes provided must be for either the highest valued commodity of the shipment or the commodity that provides the most reasonable representation of the shipment. Then, at least four more different HS codes must be listed to meet the HS code requirement. **In addition to the HS code requirement, all other commodities must also be declared through the use of the description fields. Failure to declare all commodities may result in the imposition of a penalty under the Administrative Monetary Penalty System (AMPS).**
8. In order to obtain the release of goods using an AQ to follow RMD, a commodity re-capping similar to the CADEX B3 can be supplied for the additional commodities. A less succinct description of goods is allowed for re-capped commodities. A description should be provided that corresponds to a 6-digit level classification number.
9. The guidelines/rules for re-capping on an AQ to follow are to sort in the following order:
 1. Vendor,
 2. Country of Origin,
 3. Description equivalent to a 6-digit classification number.
10. The following is an example of an RMD with AQ to follow:
 - (a) An importer has the following 9 commodities within a multi-line shipment, from the same vendor but multiple countries of origin.

LN 1	GARDEN UMBRELLAS	6601.10.00.00		
		US	\$8,700.00	
LN 2	PAINT ROLLERS	9603.40.90.20		
		CN	\$6,500.00	
LN 3	BROOMS	9603.10.10.00	KR	\$4,000.00
LN 4	COLOURING BOOKS	4903.00.20.00		
		US	\$2,200.00	
LN 5	1/4 INCH STEEL HEX BOLTS	7318.15.90.42		
		TW	\$2,000.00	
LN 6	5/8 INCH STEEL HEX BOLTS	7318.15.90.42		
		TW	\$1,880.00	

LN 7 ½ INCH STEEL HEX BOLTS 7318.15.90.42
 TW \$1,200.00
 LN 8 SLEDGE HAMMERS 8205.20.90.30
 US \$1,110.00
 LN 9 STEEL LADDERS 7326.90.90.31
 JP \$800.00

(b) The release request is submitted with 5 lines showing the applicable 10-digit HS code, description, etc. One of these lines is for the highest valued commodity of the shipment.

(c) Within this shipment are ¼ inch steel bolts, 5/8 inch steel bolts and 1/2 inch steel bolts from a common vendor, common country of origin and common HS code classification at the 6 digit level. These may be grouped together and shown as the 6th line with a description of steel bolts. The remaining commodity in the shipment is a ladder; since there is no commonality between ladders and the other goods, it must be declared on the 7th line of the invoice transmission.

(d) Here is what CBSA would expect as an AQ to follow, recapped invoice:

LN 1 GARDEN UMBRELLAS 6601.10.00.00
 US
 LN 2 PAINT ROLLERS 9603.40.90.20 CN
 LN 3 BROOMS 9603.10.10.00 KR
 LN 4 COLOURING BOOKS 4903.00.20.00 US
 LN 5 SLEDGE HAMMERS 8205.20.90.30 US
 LN 6 STEEL BOLTS TW
 LN 7 STEEL LADDERS JP

(e) If the bolts came from different vendors or different countries of origin, they could not be grouped together.

11. Additional examples of acceptable “AQ to follow” recapping will be provided in the next update of the ACROSS PRD, which can be found on the CBSA Web site at www.cbsa.gc.ca under Importers and then choose the Electronic Commerce link.

12. The AQ that would be transmitted later would resemble the 9-line version as indicated at the top of the example. Similarly, if this transaction was transmitted as AQ included in the beginning, it would also resemble the 9-line version above with no re-capping.

13. For more information concerning electronic release requests, refer to the ACROSS PRD or contact the Electronic Commerce Unit at **1-888-957-7224**.

14. Inquiries related to this notice should be directed to:

Release Programs and Commercial Direction Unit
 Commercial Border Policy Division
 Border and Compliance Programs Directorate
 4th Floor
 150 Isabella Avenue
 Ottawa ON K1A 0L8

E-mail: release-mainlevee@cbsa-asfc.gc.ca