



Ottawa, May 7, 2009

MEMORANDUM D13-2-3

In Brief

EXCHANGE RATE FOR CALCULATION OF VALUE FOR DUTY UNDER THE *CUSTOMS ACT*

1. This memorandum has been revised to include the new Canada Border Services Agency (CBSA) title, and, does not contain any policy or procedural changes
2. The memorandum also includes new references to sources of the CBSA information.



Printed in Canada



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MEMORANDUM D13-2-3

EXCHANGE RATE FOR CALCULATION OF VALUE FOR DUTY UNDER THE *CUSTOMS ACT*

This Memorandum provides information concerning the date to be used for currency conversion in the calculation of value for duty under the *Customs Act*.

Legislation

Section 55 of the *Customs Act* provides:

The value for duty of imported goods shall be computed in Canadian currency in accordance with regulations made under the *Currency Act*.

GUIDELINES AND GENERAL INFORMATION

Determination of Exchange Rate

1. For the purposes of the *Customs Act*, the rate of exchange used by the Canada Border Services Agency (CBSA) for determining the value in Canadian dollars of a currency other than that of Canada shall be the rate prevailing on the date of direct shipment to Canada of the goods whose value in Canadian currency is to be determined.
2. The “rate prevailing” on a date means, in respect of a currency of any country other than Canada, the rate of exchange for that currency, as communicated to the ports of entry by the Minister of Public Safety and Emergency Preparedness for that date.

3. The rate of exchange for any currency to be communicated by the Minister to the CBSA office shall be established on the basis of:

- (a) the latest rate of exchange for that currency quoted to the Minister by the Bank of Canada;
- (b) if no rate of exchange is quoted as described in paragraph (a), the latest rate of exchange for that currency quoted to the Minister by any Canadian chartered bank selected by the Minister; or
- (c) if no rate of exchange is quoted as described in paragraph (a) or (b), the latest rate of exchange for that currency quoted by the Financial Times of London, Great Britain.

Additional Information

4. For more information on the treatment of exchange rate for calculation of value for duty with respect to customs valuation, contact the CBSA’s Border Information Service at **1-800-461-9999** for service in English or **1-800-959-2036** for service in French.

REFERENCES

<p>ISSUING OFFICE – Origin and Valuation Division Trade Programs Directorate Admissibility Branch</p>	<p>HEADQUARTERS FILE – HEG 79070-4-2</p>
<p>LEGISLATIVE REFERENCES – <i>Customs Act</i>, sections 48 to 55 <i>Currency Act</i></p>	<p>OTHER REFERENCES – N/A</p>
<p>SUPERSEDED MEMORANDA “D” – D13-2-3, March 28, 2001</p>	

Services provided by the Canada Border Services Agency are available in both official languages.

