

MEMORANDUM D8-1-9

Ottawa, April 30, 1991

SUBJECT

IMPORTED DEMONSTRATION AIRCRAFT REMISSION ORDER

This Memorandum outlines and explains the procedures whereby a remission may be granted on aircraft used for demonstration purposes.

Regulations

ORDER RESPECTING REMISSION OF THE TAX IMPOSED UNDER DIVISION III OF PART IX OF THE EXCISE TAX ACT ON IMPORTED AIRCRAFT USED FOR DEMONSTRATION TO PROSPECTIVE CUSTOMERS

Short Title

1. This Order may be cited as the Imported Demonstration Aircraft Remission Order.

Interpretation

2. In this Order,

"Act" means the Excise Tax Act;

"aircraft" includes helicopters;

"demonstration" means the act of showing, displaying or exhibiting an aircraft in Canada for the purpose of explaining or proving its qualities and capabilities to prospective customers;

"Deputy Minister" means the Deputy Minister of National Revenue for Customs and Excise;

"resident" means

(a) in the case of an individual, a person who sojourns in Canada in the year in which he imports an aircraft for demonstration for a period of, or periods the aggregate of which is, 183 days or more, and

(b) in the case of a corporation, a corporation incorporated in Canada.

Remission of the Tax Imposed under Division III of Part IX of the Act

3. Remission is hereby granted of the tax paid or payable pursuant to Division III of Part IX of the Act in respect of aircraft imported into Canada after December 31, 1990 for demonstration if

- (a) the importer is a resident;
- (b) the importer certifies, at the time the aircraft is imported, that the aircraft in respect of which the remission is requested will be used solely for the purpose of demonstration;
- (c) the importer keeps complete records of the aircraft's use and makes those records available for inspection when requested by the officers of the Department of National Revenue, Customs and Excise; and
- (d) where the Deputy Minister determines that the importer has ceased to use the aircraft for demonstration, the aircraft is exported from Canada.

GUIDELINES AND GENERAL INFORMATION

Documentation

1. Aircraft imported under this Order are to be documented on Temporary Admission Permit, form E 29B, as per instructions found in Memorandum D8-1-4. Form E 29B will include a reference to the Order in Council number (see legislative references).

Time Limits

2. Temporary admission permits are to be issued for a maximum of six months with renewal subject to the importer satisfying Customs that the aircraft continues to meet the terms and conditions of this Order.

Customs Requirements

3. At any time, Customs may require the owner of any aircraft imported under this Order to provide the names, addresses and telephone numbers for all persons to whom the aircraft was demonstrated.

4. Any owner who cannot provide this information will be allowed a reasonable length of time, not to exceed 30 calendar days, from the date of a written request from Customs, to pay the Goods and Services Tax or to remove the aircraft from the country.

Enforcement

5. Customs will refer to regional collection officials all documentation relating to aircraft for which the Goods and Services Tax has not been paid and which remain in Canada after expiry of the 30 calendar days mentioned in paragraph 4 of this Memorandum.

Questions

6. Questions on Customs administration of this Order should be directed to Carrier Control, Licensing Division, Customs Headquarters, Ottawa, at (613) 954-7199.

REFERENCES

ISSUING OFFICE —

Licensing Division

LEGISLATIVE REFERENCES —

Excise Tax Act
Financial Administration Act
Order in Council P.C. 1990-2851, December 21, 1990

HEADQUARTERS FILE —

7671-4

SUPERSEDED MEMORANDA "D" —

D8-1-9, January 1, 1991

OTHER REFERENCES —

N/A

SERVICES PROVIDED BY THE DEPARTMENT ARE AVAILABLE IN BOTH OFFICIAL LANGUAGES.

THIS MEMORANDUM IS ISSUED UNDER THE AUTHORITY OF THE DEPUTY MINISTER OF NATIONAL REVENUE.