



Memorandum D17-1-1

Ottawa, September 29, 2015

Documentation Requirements for Commercial Shipments

In Brief

1. This memorandum has been revised to incorporate policy updates for the Canada Border Services Agency (CBSA) transmitting information from office to office, term changes resulting from the implementation of the eManifest project, and program name changes resulting from reorganization within the CBSA.
2. In accordance with the above, the following changes have been made:
 - (a) New tariff example provided;
 - (b) Organizational changes within the CBSA; and,
 - (c) Memorandum updated to current electronic standards.

This memorandum outlines and explains the Canada Border Services Agency's (CBSA) policies and procedures for presenting the import documents required for obtaining release and accounting for commercial shipments.

For most commercial shipments, it is the carrier who reports the arrival of the shipment and provides the proper information according to the mode of transportation. The importer, the owner, or the broker submits the release and accounting documents. These documents may vary depending on the release service option chosen by the client. In the courier stream, it is the courier who submits the release documentation.

Legislation

[Accounting for Imported Goods and Payment of Duties Regulations](#)

Guidelines and General Information

Release Documentation

1. The importer or broker is responsible for obtaining release of their commercial shipment by presenting release documentation according to the requirements set out in [Memorandum D17-1-4, Release of Commercial Goods](#).

Commercial Accounting Documentation

Invoicing

2. Instructions for completing invoices to meet the requirements of the CBSA can be found in [Memorandum D1-4-1, CBSA Invoice Requirements](#).
3. For more information on invoice requirements at the time of release, refer to [Memorandum D17-1-4](#).

Invoice Recapitulation and Cross Referencing

4. The guidelines found in paragraphs 5 to 13 are to be used by the importers/owners and their agents to prepare invoice recapitulations and cross references.

5. Customs Automated Data Exchange System (CADEX) participants must cross reference invoice information to accounting data as described in paragraph 13. Non-participants in CADEX may cross reference or, alternatively, may provide an invoice recapitulation (see Appendix).
6. Whichever alternative is chosen, a classification number may only be shown once per sub-header on a non-bonded warehouse [Form B3-3, Canada Customs Coding Form](#). In the case of a bonded warehouse Form B3-3, goods rated under the same classification number, but having more than one unit price, must be entered on as many classification lines as there are unit prices.
7. The importer/owner or agent should classify the non-CADEX final accounting package to the 10-digit level of classification. However, it is not necessary to show the classification numbers on the invoice.
8. Goods rated under the same classification number must be grouped together. An example is given in the Appendix. The following information should be shown on the invoice recapitulation:
 - (a) Classification number(s);
 - (b) Rate(s) of duty and GST or excise tax treatment;
 - (c) The total price paid or payable for each group of goods included in the shipment. The value of goods shipped on consignment or lease is not to be included in the total price paid or payable of any group; and,
 - (d) The rate(s) of exchange and conversion into Canadian funds of the total price paid or payable for each group of goods in the shipment.
9. A separate recapitulation sheet may be prepared for each invoice; however, these sheets must be summarized in such a way that the summary can be verified against the accounting documents. Recapitulation sheets must be attached to the CBSA copy of the invoice(s).
10. If invoice data are presented using multiple [Form B3-3](#) subheaders, a separate recapitulation sheet must be prepared for each subheader.
11. In most instances, the total invoiced amount and the total shown on the recapitulation sheet(s) will agree. Any reason for a difference between the recapitulation sheet and invoice totals is to be clearly indicated and acceptable to the CBSA.
12. Invoice/accounting document cross referencing is mandatory for CADEX participants and is an alternative to invoice recapitulation for non-participants in CADEX. On a multiple line accounting document, the cross reference is necessary for each Form B3-3 classification line. It is not required for single line B3-3 documents.
13. As part of the transmission process, CADEX participants must transmit the corresponding invoice cross reference data. Non-participants in CADEX are to provide the same information on paper. The invoice cross reference simply shows the relationship between each of the invoice page(s) and lines to the appropriate [Form B3-3](#) line. The invoice cross reference includes:
 - (a) [Form B3-3](#) line number;
 - (b) invoice page and line numbers (for CADEX participants in the same order as they were presented to obtain release); and,
 - (c) invoice value for each invoice line as it appears on the invoice (i.e., no deductions made for transport or insurance).

Preparation and Presentation of Accounting Documents

14. Importers/owners must account for goods according to section 32 of the [Customs Act](#) and sections 3 to 6 inclusive of the [Accounting for Imported Goods and Payment of Duties Regulations](#).
15. In order to assist importers/owners with the completion of [Form B3-3](#), the CBSA has published [Memorandum D17-1-10, Coding of Customs Accounting Documents](#), which provides detailed instructions on how to complete accounting documents. Furthermore, the Commercial Cash Entry Processing System (CCEPS) is a stand-alone system that is available at some CBSA offices to assist importers/owners in generating their Form B3-3.

16. It is the responsibility of commercial importers to prepare accounting documents for their importations into Canada. Border services officers can provide commercial importers with information and assistance in completing accounting document packages, however, the actual documents must be completed by the importer/owner or their agent. It must also be stressed that the border services officers at release points are neither responsible for, nor expert in the classification, appraisal, or determination of origin for commercial shipments. Opinions provided at the office of arrival of the goods could subsequently be overturned by CBSA specialists, possibly resulting in a request for additional duties.

17. Importers/owners importing commercial goods must account for these goods at the CBSA office of release by presenting:

- (a) the cargo control information (for specific information, refer to the D3 and D12 Memoranda series);
- (b) a [Form B3-3](#) accounting document (for instructions on completion and copy requirements, refer to [Memorandum D17-1-10](#));
- (c) an acceptable invoice as described in [Memorandum D1-4-1](#); and,
- (d) all appropriate permits, licences, or certificates.

Note: Document and data requirements for CADEX participants can be found in the CADEX – Participant’s Requirements Document. A copy can be requested by sending an e-mail to: TCCU-USTCC@cbsa-asfc.gc.ca.

18. When goods previously accounted for at one CBSA office arrive in bond at another CBSA office in error, the goods may be released and the cargo control number cancelled under the following conditions:

- (a) A copy of the accounting document and a copy of the invoice from the original CBSA office are produced; and,
- (b) The goods on hand at the second CBSA office are examined and verified against the original accounting document. The invoice should be compared with any serial numbers or identifying marks on the goods.

19. When a copy of the original accounting document is not immediately available, the following procedure may be used:

- (a) The manager at the first CBSA office may send a message by fax or email to the manager at the second office giving a full description of the goods, including quantity, value, any marks and numbers, name of the original CBSA office, transaction number, and date;
- (b) The second CBSA office will then examine the goods to confirm the information provided. The goods may then be released; and,
- (c) The cargo control number is acquitted by the original transaction number and date.

20. When the same shipment is accounted for and duty paid twice at the same or different CBSA offices, the accounting document on which the goods were received and released should stand. The refund claim should be filed against the second accounting document, and submitted to the CBSA Trade Operations office where the second payment was made. A copy of the accounting document under which the goods were released should be attached to the refund claim.

21. When the importer/owner requests that a complete shipment be split, with a portion to be released from the CBSA and the remaining portion warehoused in a bonded warehouse, the following steps must be followed:

- (a) The importer/owner must present abstract cargo control information as required by the CBSA;
- (b) The importer/owner must prepare two [Forms CII, Canada Customs Invoice](#), one describing the goods to be released from the CBSA and one describing the warehoused goods;
- (c) The goods to be released from the CBSA must be accounted for on one [Form B3-3](#); and,
- (d) The remaining goods must be put into a bonded warehouse and documented on another [Form B3-3](#).

22. Where the importer/owner is unable to provide acceptable invoices as described in paragraph 17(c), interim procedures (provisional documentation) must be followed (refer to [Memorandum D17-1-13, *Interim Accounting \(Provisional Documentation\)*](#)).

23. When claiming the benefits of the U.S. Tariff Treatment, importers/owners or agents should refer to the guidelines in [Memorandum D11-4-2, *Proof of Origin of Imported Goods*](#), and [Memorandum D11-4-14, *Certification of Origin*](#).

Lost or Misplaced Transaction Number Labels

24. Bar-coded transaction number labels should be treated with the same precautions as used for blank cheques. These precautions are necessary to reduce the risk of lost or misplaced labels being used fraudulently by a third party.

25. Importers/agents should notify the CBSA immediately upon discovering that their transaction number labels have been misplaced. Notification should include all of the details relating to the transaction number labels (i.e., when and where they went missing; the reason they went missing; the total number of missing labels, and all of the individually listed missing transaction numbers).

26. Notification may be sent electronically or by registered mail by the importer/agent to the attention of one of the following:

By registered mail to:

Director
Trade Policy Division
Trade and Anti-dumping Programs Directorate
Programs Branch
Canada Border Services Agency
222 Queen Street, 4th floor
Ottawa ON K1A 0L8

By email to: assessment-cotisation@cbsa-asfc.gc.ca

27. If the transaction number of a lost or misplaced label appears on Form K84, *Importer/Broker Account Statement*, the cash supervisor will delete this transaction from Form K84 provided the importer or agent submits a copy of the registered letter described in paragraphs 25-26.

Rejected Form B3-3 Documentation

28. The accounting document packages described in this memorandum will be verified at local offices to ensure that they are accurate and complete. Unacceptable documents will be returned to the importer/owner or broker with the reasons for rejection indicated on either a manual Form Y50, *Reject Document Control*, or Form B3-1, *Canada Customs Detailed Coding Statement (DCS)*. Samples of detailed coding statements may be found in [Memorandum D17-1-10](#).

29. Upon receipt of a rejected [Form B3-3](#) and a DCS or Form Y50, the importer or broker should review the documentation and make the necessary corrections to Form B3-3.

30. If [Form B3-3](#) is a rejected type C or D release prior to payment, a complete set of invoices must be attached to the back of Form B3-3's statistical copy. These invoices replace the ones removed by the CBSA at time of reject.

Raw Leaf Tobacco

31. Duty paid foreign raw leaf tobacco may only be released to a licensed tobacco or cigar manufacturer. When raw leaf tobacco is imported by a licensed tobacco packer, it must be warehoused on [Form B3-3](#). When the packer and the manufacturer are separate parties, the ownership of the tobacco must be transferred from the licensed tobacco packer to the licensed manufacturer before the manufacturer can present Form B3-3 ex-warehouse for the raw leaf tobacco.

32. If a shipment of raw leaf tobacco is found to be short-shipped before the initial [Form B3-3](#) – type 10 is accepted, correct invoices should be prepared showing the actual amount imported. If a shortage is discovered within 60 days of the date of warehousing, a “nil” Form B3-3 warehouse document may be presented for the quantity short-shipped. However, documentary evidence must be provided indicating the quantity short-shipped was not imported into Canada. Where any quantity of warehoused tobacco is to be transferred to an excise bonded warehouse within the 60 days, the first Form B3-3 ex-warehouse must account for any shortage. Further information about verified shortages in goods being warehoused may be found in [Memorandum D7-4-4, Customs Bonded Warehouses](#).

Excisable Goods

33. Once domestic excisable goods are warehoused in a customs bonded warehouse, they are considered to be exported. Consequently, the return of such goods to a manufacturer is subject to the provisions of the Canada Revenue Agency (CRA) [Excise Duty Memorandum 8.1.1, Excise Warehouses](#). Goods returned from a bonded warehouse to a manufacturer are forwarded under a cargo control document. [Form B60, Excise Duty Entry](#), will be used to cancel the warehouse [Form B3-3](#) at the original CBSA office. The CBSA will date stamp the B60 forms and ensure that a transaction number is shown on all copies.

34. Where domestic excisable goods are to be ex-warehoused for consumption from a customs bonded warehouse, the goods must be transferred back into an excise warehouse. Under no circumstances are excise duties to be collected to allow these goods to be ex-warehoused directly for consumption. [Form B3-3](#) must be prepared as outlined in Appendix C, Example 5, to [Memorandum D17-1-10](#) to cancel the original Form B3-3. The goods are to be forwarded under a cargo control document that will then be cancelled by an excise duty entry for warehouse.

Imported Spirits

35. Imported spirits are to be documented on [Form C6, Permission for Special Purposes](#), and delivered directly to the distillery to establish the quantity and strength of the spirits.

36. The distiller will receive [Form C6](#) and record the actual quantity of spirits received in litres of absolute alcohol by volume. The distiller must also prepare a customs invoice indicating the actual amount as gauged.

37. The distiller will then prepare [Form B3-3](#) giving a description of the shipment and the quantity received as recorded on [Form C6](#).

38. Spirits to be ex-warehoused and transferred to excise will be dumped and re-gauged before preparing [Form B3-3](#).

39. Ex-warehouse accounting documents are to show the following details:

- (a) Quantity originally warehoused, as recorded on [Form C6](#);
- (b) Quantity transferred to excise at full [Customs Tariff](#) rate; and,
- (c) Customs legal allowance according to section 4 of [Abatement of Duties Payables Regulations](#) (see [Memorandum D6-2-5, Abatement of Customs Duties](#)).

40. The customs duty payable on the distiller’s gauge amount is remitted on [Form B3-3](#). Procedures are set out by the CRA under the [Excise Act, 2001](#). Additional tariffs may also apply on the distiller’s gauge.

41. The distiller will keep one copy of [Form C6](#) as a record. A second copy is to be returned to the CBSA office to ensure that the quantities accounted for agree with the customs invoice and Form C6. A third copy is to be forwarded to the nearest excise office to be used in performing surveillance checks of the distiller’s gauge.

Document and Signature Requirements for CBSA Purposes

42. Documents must be completely legible to permit the CBSA to carry out its processing and enforcement functions. Subject to the standards for signature requirements outlined in paragraph 44, carbon copies, photocopied copies, and those copies produced by an electronic facsimile transmission system are acceptable documents for CBSA purposes.

43. Occasionally CBSA officers are unable to complete their review because the submitted documentation has faded or is illegible. In these situations, importers/brokers will be asked to re-submit legible copies.

44. Any CBSA document that requires signature is acceptable only if it is:

- (a) an original ink signature;
- (b) an original indelible pencil signature;
- (c) a carbon copy of an original pen and ink or pencil signature;
- (d) a signature reproduced by a rubber stamp impression;
- (e) a signature reproduced by a mechanical device (i.e., in the form of a cheque-writing machine); or,
- (f) a written signature on a document transmitted electronically by use of a facsimile transmission system or email.

45. In the case of rubber stamp impressions and signatures produced by mechanical devices, their security level should be the same as those afforded to cheque-writing machine die plates under usual good business practices. One senior officer of the company should have the authority to use the stamp or die plates with limited delegation to subordinates.

Additional Information

46. For more information, within Canada call the Border Information Service at **1-800-461-9999**. From outside Canada call 204-983-3500 or 506-636-5064. Long distance charges will apply. Agents are available Monday to Friday (08:00 – 16:00 local time / except holidays). TTY is also available within Canada: **1-866-335-3237**.

Appendix

Invoice Recapitulation	
Men's and Boy's Shoes	6403.59.90.20 (Classification) 18%/5% (Duty and GST rates) \$5,000 (Men's shoes) + \$20 (Boy's shoes) \$5,020 (Price Paid or Payable)
U.S. exchange rate 0.987200 (Example only - use current exchange rate)	\$4955.74
Women's, Girl's or Children's Shoes	6403.51.00.10 (Classification) 18%/5% (Duty and GST rates) \$80 (Price Paid or Payable)
U.S. exchange rate 0.987200 (Example only - use current exchange rate)	\$78.98

References	
Issuing Office	Trade and Anti-dumping Programs Directorate
Headquarters File	
Legislative References	<i>Customs Act</i> <i>Customs Tariff</i> <i>Excise Act, 2001</i> <i>Accounting for Imported Goods and Payment of Duties Regulations</i> <i>Abatement of Duties Payables Regulations</i>
Other References	D1-4-1 , D3 series , D6-2-5 , D7-4-4 , D11-4-2 , D11-4-14 , D12 series , D17-1-4 , D17-1-10 , D17-1-13 CRA Excise Duty Memorandum 8.1.1
Superseded Memorandum D	D17-1-1 dated November 19, 2009