



Ottawa, September 12, 2013

MEMORANDUM D21-4-1

IN BRIEF

Joint Canada-United States Projects

This memorandum is updated to provide the relevant Regulations and references.





Ottawa, September 12, 2013

MEMORANDUM D21-4-1

Joint Canada-United States Projects

This memorandum outlines and explains the regulations respecting relief on goods imported in connection with joint Canada-United States projects under the *Joint Canada-United States Government Projects Remission Order*.

Regulations

Joint Canada-United States Government Projects Remission Order

Financial Administration Act

Order Respecting the Remission of Duties, Including the Tax Imposed under Parts III, IV and IX of the *Excise Tax Act*, Paid or Payable on Goods, Real Property or Services for Use in Joint Canada – United States Government Projects.

His Excellency the Governor General in Council, considering that it is in the public interest, on the recommendation of the Minister of National Revenue and the Treasury Board, pursuant to section 23 of the *Financial Administration Act*, is pleased hereby to revoke the remission granted under Part I of Order in Council P.C. 1960-1600 of November 25, 1960 and to make the annexed *Order respecting the remission of duties, including the tax imposed under Division III of Part IX of the Excise Tax Act, and the taxes imposed under any other division of Part IX and under any other Part of that Act, paid or payable on goods, real property or services for use in joint Canada-United States Government projects*, in substitution therefor.

Short Title

1. This Order may be cited as the *Joint Canada-United States Government Projects Remission Order*.

Interpretation

2. In this Order,

“Act” means the *Excise Tax Act*; (*Loi*)

“Crown corporation” means a departmental corporation named in Schedule II to the *Financial Administration Act* or a parent Crown corporation named in Part I of Schedule III to that Act; (*société d’État*)

“duties” has the same meaning as in section 2 of the *Customs Act*, but does not include duties levied under the *Excise Act*; (*droits*)

“Minister” means the Minister of National Revenue; (*ministre*)

“real property” has the same meaning as in section 123 of the Act; (*immeuble*)

“service” has the same meaning as in section 123 of the Act; (*service*)

“supply” has the same meaning as in section 123 of the Act. (*fourniture*)

Remission

3. Subject to section 4, remission is hereby granted of the taxes imposed under Parts III, IV and IX of the Act and the duties paid or payable on goods imported into Canada by, on goods or services purchased in Canada by, and on supplies of goods, real property or services made to, the Government of the United States or its authorized agent or a agency of the Government of Canada or a Crown corporation acting on behalf of the Government of the United States.

Conditions

4. Remission is granted pursuant to section 3 on condition that

(a) the goods, real property or services are to be used exclusively in connection with an establishment in Canada of the Government of the United States or a project that is determined by the Minister to be a joint Canada-United States Government project;

(b) in the case of goods, they are or are to become the property of the Government of the United States or are to be exported from Canada, destroyed under the supervision of an officer as defined in section 2 of the *Customs Act* or consumed during the conduct of the project;

(c) a claim for remission of the duties, including the tax imposed under Division III of Part IX of the Act, on imported goods is made to the Minister within two years after the final accounting for the goods under section 32 of the *Customs Act*; and

(d) a claim for remission of any tax referred to in section 3, other than the duties referred to in paragraph (c), is made to the Minister within two years after the purchase or supply, as the case may be, is made.

**GUIDELINES AND
GENERAL INFORMATION**

1. Further information regarding the Drawback program may be found in Memorandum D7-4-2, *Duty Drawback Program*.
2. The reference in section 2 of the Order to the “Minister of National Revenue” should be interpreted as Minister of Public Safety and Emergency Preparedness.
3. This remission order provides relief of the duties paid or payable on goods imported into Canada by, on goods or services purchased in Canada by, and on supplies of goods, real property or services made to, the Government of the United States or its authorized agent or a department/agency of the Government of Canada or a Crown corporation acting on behalf of the Government of the United States. Duties include customs duties, taxes imposed under Parts III “Excise Taxes on Cosmetics, Jewellery, Radios, Etc.” and IX “Goods and Services Tax” of the *Excise Tax Act*, but does not include duties levied under the *Excise Act*.
4. The conditions for relief of duties for imported goods under this Remission Order are that:
 - (a) the goods may only be used in connection with the establishment in Canada of the Government of the United States or a project that is determined by the Minister to be a joint Canada-United States Government project;

(b) the goods are or will become the property of the Government of the United States or will be exported from Canada, destroyed under the supervision of an officer (as defined in section 2 of the *Customs Act*) or consumed during the conduct of the project; and

(c) a claim for remission of the duties is made to the Canada Border Services Agency within two years after the final accounting for the goods under section 32 of the *Customs Act*.

Additional Information

5. 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**.

REFERENCES

<p>ISSUING OFFICE – Trade Programs Directorate</p>	<p>HEADQUARTERS FILE – 4589-3</p>
<p>LEGISLATIVE REFERENCES – C.R.C., c. 492 Order in Council 1960-1600, November 25, 1960 Order in Council 1990-2848, December 21, 1990 and amendment 1995</p>	<p>OTHER REFERENCES – D7-4-2</p>
<p>SUPERSEDED MEMORANDA “D” – D21-4-1, January 1, 1991</p>	

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

