



SHIPPING FROM CANADA

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Shipping International from Canada

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- Commercial Invoice
- Tariff Classification
- Country of Origin
- Value for Duty
- Value Added Tax - VAT
- Import Duty and Fees
- Shipping Terms
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Accompanying
PDF



With Referenced Links





• **Export Declaration from Canada**

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Export Declaration

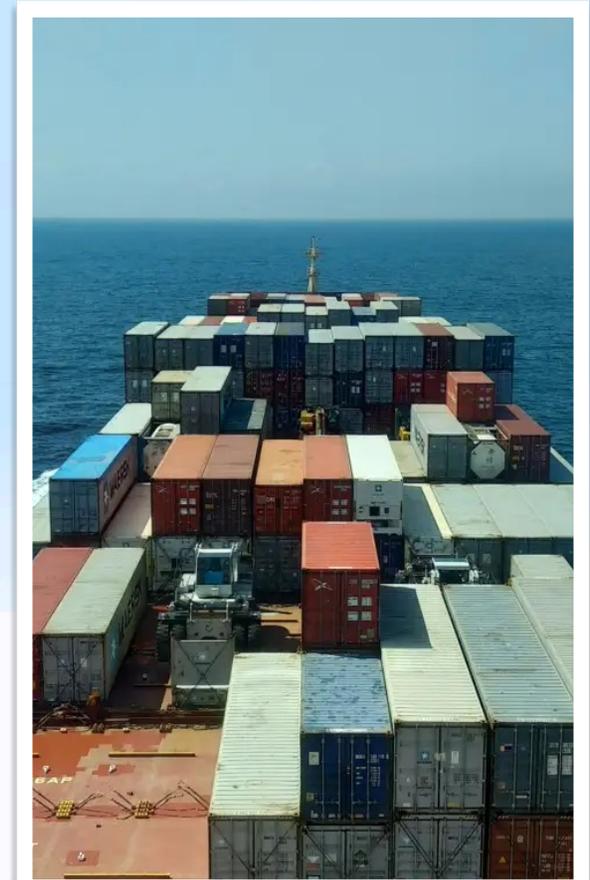
Exports International from Canada valued over \$2,000 CAD or otherwise restricted require an export declaration. Declarations are via the Canadian Export Reporting System/ CERS

Sign in to the CERS portal



A CERS Export Declaration is not necessary when shipping non-restricted goods to the USA

The Canadian tariff classification for export is likely different from the tariff classification necessary for import to the destination country.



Shipping from Canada

An export account number (RM) is necessary for CERS

Canadian Business Number

Business Number (9 digits)	Identifier as importer or exporter	Unique number (usually 0001)
123456789	RM	1234

BN9: A business number for all businesses

A nine (9)-digit number designated by Canada Revenue Agency (CRA) as a common client identifier for businesses. (e.g., 123456789).



RM program identifier: Identifies a company as an exporter or importer

The RM is a 6-digit number (e.g. RM0001)



BN15 or RM15:

The BN15 is made up of the BN9 + RM identifier (e.g. 123456789RM0001) and is also known as the RM15.



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Commercial Invoice / Invoice for Customs

The Most Fundamental of All Documents Necessary for Import!

Necessary data elements include:

- Seller and Consignee full name, address, phone and email
- Tax ID (EIN, EORI etc) number of consignee
- Detailed description of each item being shipped
- Net and gross weights (net weight excludes packaging)
- Unit and total value (specify currency)
- Shipping Terms and terms of payment
- Date of shipment
- Reference or order number
- Import license (if applicable)
- Freight charges and insurance (C.I.F. Value)



Learn more about commercial invoices



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HS Code / Tariff Classification

7301	Pre-shave, shaving or after-shave preparations, personal deodorants, bath preparations, depilatories and other perfumery, cosmetic or toilet preparations, not elsewhere provided or included; prepared room deodorizers, whether or not having disinfectant properties:	
3926.20.60	00	Plastic rainwear, including jackets, coats, ponchos, parkas and slickers, featuring an outer shell of polyvinyl chloride plastic with or without attached hoods, valued not over \$10 per unit
7611.00.00	Aluminum reservoirs, tanks, vats and similar containers, for any material (other than compressed or liquefied gas), of a capacity exceeding 300 liters, whether or not lined or heat insulated, but not fitted with mechanical or thermal equipment	
7302	Sheet piling of iron or steel, whether or not drilled, punched or made from assembled elements; welded angles, shapes and sections, of iron or steel:	
8416.20.00	Other furnace burners, including combination burners	
7611.00.00	Aluminum reservoirs, tanks, vats and similar containers, for any material (other than compressed or liquefied gas), of a capacity exceeding 300 liters, whether or not lined or heat insulated, but not fitted with mechanical or thermal equipment	
	Articles of apparel and clothing accessories (including gloves, mittens and mitts):	

The importer must information necessary - including the correct tariff classification - to enable customs to assess duty and admissibility.



USEFUL INFORMATION REGARDING HS CODES





Resources to Assist with Tariff Codes

Most Countries have their version of the global harmonized system

- ➔ Tools to help find the HS classifications / tariff codes:
 - 🕒 Visit Jet Worldwide Resources
 - 🕒 View explanatory YouTube Video
 - 🕒 Tariff Finder Tool from Canada Export Development Corporation
 - 🕒 Visit international tariff schedules of destination country
 - 🕒 Ask for an advance/ binding ruling from customs in destination country



Shipping International from Canada



**United States
International Trade Commission**

Updates to HS Tariff
[Read More](#)



**Government of Canada
Gouvernement du Canada**

Customs Tariff

Canada Export Development Corp



Find tariff information in just a few clicks

[Get started](#)

US Census Bureau Find a HS Code



Schedule B Search Engine

DESCRIBE YOUR PRODUCT [Classify](#)



Trade Tariff: look up commodity codes, duty and VAT rates

Taxation and Customs Union



TARIC

税関
Japan Customs

Vietnam



VNTR
Vietnam National Trade Repository

<https://vntr.moit.gov.vn/what-is-hscode>

Tariff Finder

**NEW ZEALAND
FOREIGN AFFAIRS & TRADE**
Manatū Aorere

TARIFF CLASSIFICATION
Australian Border Force

Chile

**ADUANAS
CUSTOMS**



www.aduana.cl



Korea Customs Service

**Singapore Customs:
Find My Harmonised System Code**

Malaysia



JABATAN KASTAM DIRAJA MALAYSIA
Ekonomi Dipelihara, Sempadan Dikawal

Peru



SUNAT

Taiwan



Classification of Commodities and Regulations
經濟部國際貿易署 International Trade Administration

Get a Tariff Classification from Importing Customs Administration

Advance / Binding Ruling

Most customs authorities offer assistance with defining the correct tariff classification. Having such a ruling ensures the both the proper classification and related duty.



European Commission | 

Binding Tariff information

https://taxation-customs.ec.europa.eu/customs-4/calculation-customs-duties/customs-tariff/ebti-european-binding-tariff-information_en



Tariff classification to the UK
Ask HMRC for help

www.gov.uk/guidance/ask-hmrc-for-advice-on-classifying-your-goods#before-you-ask-for-advice



U.S. Customs and Border Protection

 **Electronic Ruling (eRuling) Template**



Advance rulings from CBSA

<https://www.cbsa-asfc.gc.ca/import/ar-da/menu-eng.html>



Australia Border Force
Tariff Advice System

www.abf.gov.au/importing-exporting-and-manufacturing/tariff-classification/tariff-advice-system



관세평가분류원
Customs Valuation & Classification Institute



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Country of Origin

Shipping from Canada ≠ Canadian origin goods

Non-preferential rules of origin for Goods from Canada

The default rate of duty for most goods from Canada is the most favoured nation (MFN or column 1) rate.

Preferential rules of origin

Goods that qualify as originating via a Free trade agreement benefit from preferential rates (usually duty free)

All Shipments from Canada are subject to:

- Standard import processing of the importing country
- Include importers tax ID (EIN, EORI etc)
- “Most Favoured Nation” / default rate of duty (unless they qualify as originating)
- Restrictions on specific categories including food, drugs and alcohol

Useful information on  from where goods ship versus their country of origin





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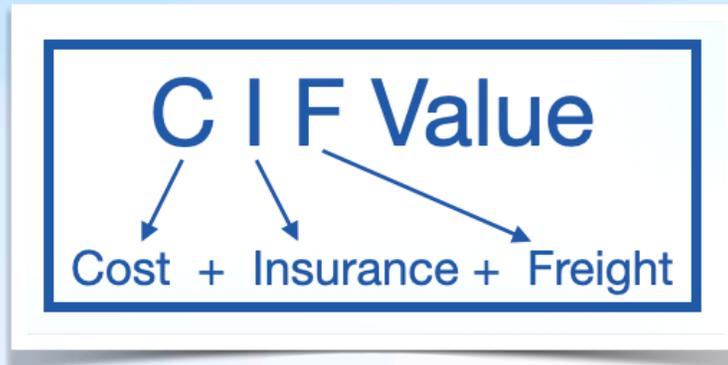
 Useful information regarding declared value and CIF

Valuation / Value For Duty

Transaction Value

In the majority of the cases, the correct value to declare at export and import is the “transaction value.” The transaction value is the price paid - or payable - for the goods.

Most countries consider the cost of shipping and insurance as part of the transaction value (known as CIF value). The cost for transport and insurance should be included on the commercial invoice.



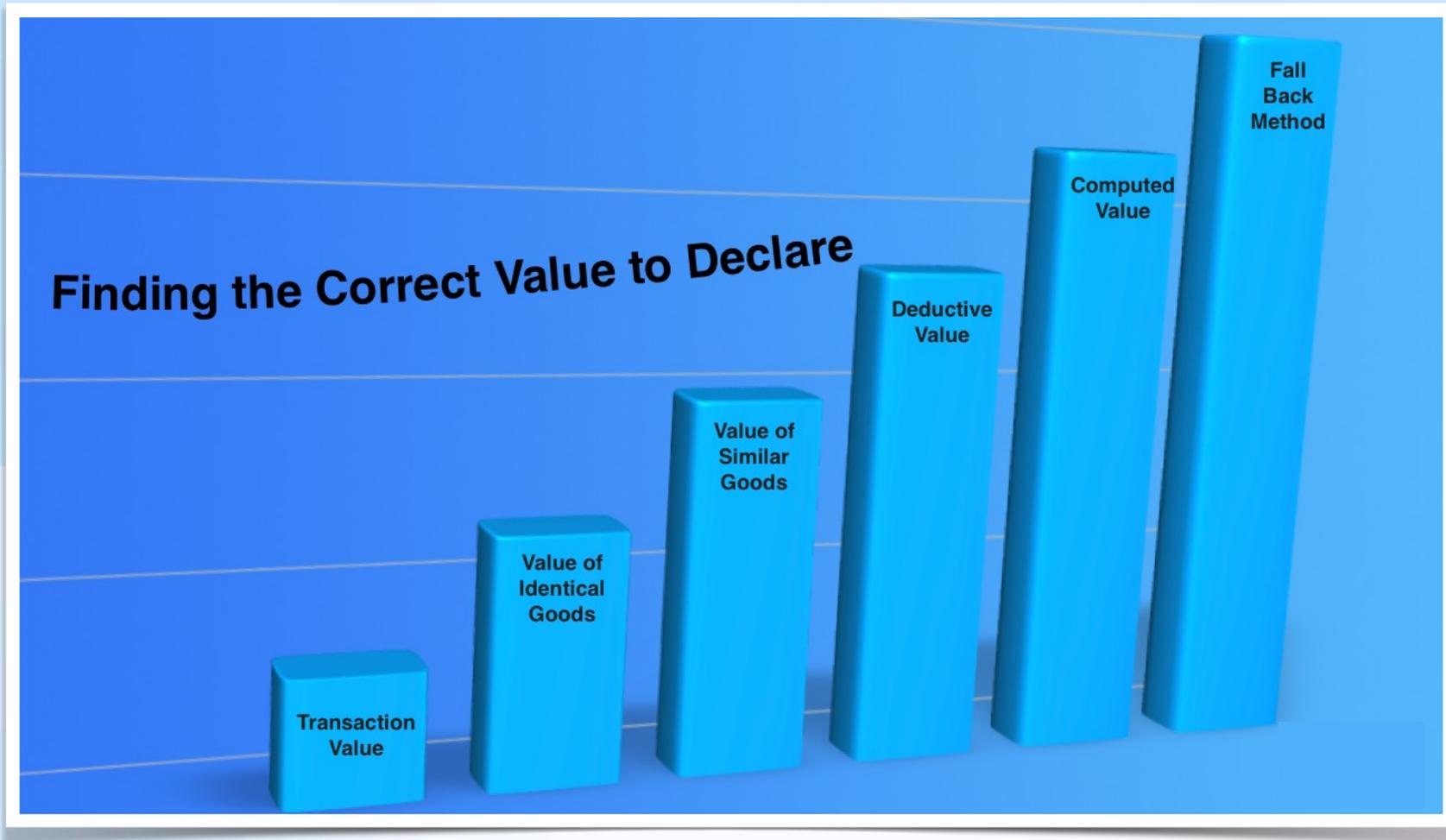
Note on USA Imports: USCBP does not consider shipping and insurance as part of the transaction value. Breaking out these costs ensures you do not pay duty on these costs

Note: CIF can also a shipping term. See section on shipping terms.

We recommend showing the CIF value by itemizing the cost of goods, shipping and insurance cost on the commercial invoice. But to also to clearly specify the shipping terms.



Other methods of Valuation



Useful information  declaring value for customs



International Import Tariffs / Duty + VAT

Value for Tax

- CIF Value of Goods
 - + Import Duty
- = Value for tax



Import Duty Explained

Sample
International Shipment
From Canada
To a country with 20% VAT

2,000 value in local currency
9% duty
20% VAT

- Assessment Value in local currency: 2000
- Duty: 180
- Value for VAT: (2000 + 180): 2180 ←
- VAT: (20% * 2180): 436
- Total Import Fees: (Duty + VAT/ 180 + 436): 616
- Disbursement fee of (2.5% of disbursement): 15.4
- Total sample import fees + Disbursement (616 + 15.4) = **631.40**



Duty versus VAT explained





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International Import Tariffs / Duty

Import Duty is primarily determined by three main factors

- HS Code / tariff classification
 - Country of Origin
- = % Duty

$\% \text{ Duty} \times \text{Value} = \text{Resulting duty assessment}$

* Note that duty is sometimes based on volume, weight or other measurements rather than value

Other International Import Fees

- Value Added Tax
- Entry Preparation and related Fees
- Carrier Disbursement Fee





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Shipping Terms

seller or buyer ?



Broadly speaking, shipping terms are used to clarify who pays for costs related to shipping.

Notes on Shipping Terms

1. EXW: The default shipping term for most carriers.

- If, for example, you ship your goods via FedEx, UPS or DHL, the importer will be responsible for import duty and taxes

2. Other Common Shipping Terms -Who pays import duty?

- DAP: Delivery at Place. Duty and tax are paid the receiver / buyer/importer. Some carriers refer to this as DDU - Delivery Duty Unpaid.
- DDP: Delivery duty paid. In this case the shipper from Canada agrees to pay the duty and tax paid by the receiver/ importer. DDP is the only Incoterm requiring import clearance by the seller.

3. Research shipping terms in more detail as they can be very impactful.

Note: CIF Value versus CIF Shipping Term

Cost, Insurance, and Freight (CIF) is one of the Incoterms® rules set by the International Chamber of Commerce. When used as a shipping term, it represents the charges paid by a seller to cover the costs, insurance, and freight. We recommend showing the CIF value by itemizing the cost of goods, shipping and insurance cost on the commercial invoice. But to also to clearly specify the shipping terms.



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Canadian Free Trade Agreements (FTA's)

The United States and Mexico **USMCA-CUSMA-TMEC ,CETA, CPTPP, CUKTCA.....**

+ Australia, Austria, Belgium, Brunei, Bulgaria, Chile, Colombia, Costa Rica, Croatia, Cyprus, Denmark, Estonia, Finland, Greece, Germany, Honduras, Hungary, Iceland, Indonesia, Ireland, Israel, Italy, Japan, Jordan, Latvia, Lichtenstein, Lithuania, Luxembourg, Malaysia, Malta, Mexico, Netherlands, New Zealand, Norway, Panama, Peru, Poland, Portugal, Romania, Singapore, Slovakia, Slovenia, South Korea, Spain, Sweden, Switzerland, Vietnam.

Goods that qualify as “originating” can import duty free to Canada’s Free Trade Partner Countries.

Free Trade Agreements have general rules of origin and more specific requirements for certain categories

Concepts to take into consideration:

- Regional Value Content (RVC)
- Labor Value Content (LVC)
- De Minimis Rule
- Rules for specific categories of goods

Free Trade

Key take aways:

- Origin rules can be complicated, but...
- If is made, grown, extracted or raised in Canada, it likely qualifies for duty free import to that country sharing a FTA with Canada.
- The certification paperwork paperwork is easy to prepare and include with the shipment

 [Canada's Free Trade Agreements](#)

Canada has Free Trade Agreements with 51 countries

CUSMA / USMCA / T-Mec	
CPTPP	
CETA	
Chile	
Israel	
South Korea	
United Kingdom	





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International Shipping Modes from Canada



Contact our team for pricing and support 



Shipping International from Canada

Shipping Options and processes: Canada International from Canada

For Parcels: Obvious .. and often.. good choices

FedEx, UPS and DHL

- Beware of import fees
- Disbursement fee - prepayment fee - often applies with a minimum charge
- **Contact Jet Worldwide for pricing**

Local Post

- Canada post options offer best options for individuals shipping personal goods

E-Commerce Orders International from Canada Direct

- Pre-payment of VAT
- Ensure not charge to the receiver
- Low cost delivery via local courier



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International Distribution and Logistics Support

International Based Solutions

A necessary consideration when setting up export processes to a foreign country is management of returns.

- Storage and distribution
- Dedicated import processes
- Product returns
- Zone Jump/ Distribution to all major economies



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