

7.0 REMISSION AND REFUND OF CUSTOMS DUTY AND SALES AND EXCISE TAXES

The Department of National Revenue issued Memorandum D8-9-1 (see Appendix F) covering remission of customs duties and exemption from federal sales and excise taxes on materials imported by Canadian firms for contracts under the Canada-U.S. Production and Development Sharing Agreement. This includes items such as tools, dies and fixtures that are used to develop and produce other goods.

Contracts covered by DNR Memorandum D8-9-1 include:

- 1) prime contracts placed with the Canadian Commercial Corporation (CCC) by the U.S. Military Departments, Defense Logistics Agency (DLA), National Aeronautics and Space Administration (NASA), and civilian agencies of the U.S. government;
- 2) prime contracts placed direct with Canadian industry by the agencies listed in (1) above;
- 3) subcontracts placed with Canadian industry by U.S. contractors holding contracts from the agencies listed in (1) above; and
- 4) suppliers and vendors to contractors listed above.

The importer must request authority for remission by applying in writing to the CCC Secretariat direct or through an office of the Field Contract Administration Group of the Department of Supply and Services. The procedures for applying for remission may be obtained by contacting either of the above offices. The main CCC office follows:

Canadian Commercial Corporation
Metropolitan Centre, 11th Floor
50 O'Connor Street
Ottawa, Ontario
Canada K1A 0S6
Tel: (613) 996-0034

8.0 DOCUMENTS REQUIRED BY CANADA CUSTOMS

Canadian government export statistics are compiled from export declaration form B-13. To complete this form, see Canada Customs Memorandum D20-1-1 in Appendix H. On this form, the consignee will be the U.S. Department of Defense, in care of the company to which the goods are being shipped. Include the U.S. government prime contract number. See D20-1-1 for information on shipments that do not need form B-13.

8.1 Distributing Documents

The number of copies required for each document depends on the shipping method and the purchaser's and seller's requirements. Generally, the Canadian supplier should distribute documents as follows:

a) to purchaser:

Your contract or purchase order indicates which documents the purchaser requires. Mail one copy of documents such as the invoice and bill of lading to the purchaser.

b) accompanying the shipment:

- (i) four copies of invoice (U.S. Customs keeps two copies);
- (ii) four copies of bill of lading (U.S. Customs keeps two copies); and
- (iii) two copies of form B-13 (Canada Customs keeps both copies).

8.2 Bid Sets Containing Drawings, Blueprints, Specifications, etc., Temporary Admission Permit E29B

According to Department of National Revenue Memorandum D8-1-1, bid sets with drawings, blueprints, specifications, etc., may enter Canada from the United States duty-free for up to 12 months. These bid sets, which are sent to Canada for bid quotes, must be identified by the U.S. shipper. These bid sets are released from Customs under form E29B.

As well, packages of plans, drawings, blueprints and specifications required by a successful Canadian bidder to produce goods for export, may be released under form E29B for up to 12 months. If you need these articles for more than 12 months or if you have problems obtaining bid sets containing drawings, please contact:

Duties Relief Programs
Customs and Excise Division
Department of National Revenue
Ottawa, Ontario
Canada K1A 0L5
Tel: (613) 954-7101

8.3 Articles Shipped to Canada for Further Work — Invoice Forms

Under the Canada-U.S. Defence Production Sharing Arrangements, Canadian companies often receive contracts from U.S. companies for further processing of articles or materials, such as forgings or castings.

In such cases Canada Customs requires an acceptable invoice for materials temporarily imported. For more information on invoices, contact:

Director, Entry Postal and Appraisal Division
Customs and Excise
Ottawa, Ontario
Canada K1A 0L5 Tel: (613) 954-7130