

COMMERCE TODAY

Canada to Require Additional Documentation on Imports

Effective from September 1, 1972 Canada will require that all shipments to Canada valued at \$10,000 or more must be documented by a special exporters' declaration.

One copy must be completed by the exporter for each shipment in this value bracket, attached to the original Canadian Commercial Invoice Form MA, and forwarded to the Canadian importer.

The form contains five questions as follow and concludes with a certification by the exporter.

1. Is your company or any other company entitled to a reduction, deferral, or exemption from corporate income taxes in respect of income earned on exports that would be payable if the goods had been sold for home consumption? Yes....No.....
2. If the answer to question 1 is "Yes" please indicate whether this has resulted in changes in the transfer or selling prices of any or all items included in this shipment.
3. If transfer or selling prices have changed, please specify each of the items involved, and by how much.
4. If the answer to question 1 is "Yes" please specify the party or parties entitled to the benefit.
5. Specify the name and address of the producer of the goods contained in this shipment.

At the bottom of the form there are four notes to the exporter. The first note limits requirement to shipments valued at \$10,000 or more. The second note requires that the declaration be attached to the original copy of the Canadian Commercial Invoice Form M.A.. The third note refers to Question 1 and specifies that the question refers only to "Shipment covered by Customs Invoice to which the Special Exporters Declaration relates" and that "any other company" relates to the company involved in the production or distribution of goods contained in the shipment. The last note refers to questions 2 and 3 and states that the pricing changes are those since July 28, 1972 and that additional pages should be attached if needed.

The declaration forms will be available from Canadian Consular offices located in the following United States cities: Washington, D.C., New York, Boston, Buffalo, Chicago, Cleveland, Dallas, Detroit, Los Angeles, Minneapolis, New Orleans, Philadelphia, San Francisco, and Seattle.

In addition, Canadian importers may, on behalf of their U.S. suppliers, get these forms from their local Canadian Collector of Customs. Furthermore, the forms may be obtained from those U.S. Department of Commerce Field Offices which are located in cities where there are no Canadian Consular offices. For a list of the Field Offices see page....

The United States DISC program for exporters, as well as export assistance schemes of Japan, Australia, South Africa and Brazil, prompted Canada's institution of the new Customs surveillance system.

In its press release, the Canadian Government stated that the additional information required under the new system is designed to ensure that the trade practices of exporters to Canada are consistent with Canadian legislation. Accordingly, the U.S. Government does not anticipate that the new declaration will interfere with the normal flow of U.S. exports to Canada. The U.S. Department of Commerce would be interested in hearing from exporters in the event any difficulties are created by this new reporting requirement.