

MEMORANDUM D13-11-1

Ottawa, August 20, 2001

SUBJECT

GOODS SOLD IN CANADA WHILE ENTERED TEMPORARILY FOR CONVENTIONS AND EXHIBITIONS

The purpose of this memorandum is to provide guidelines and instructions with respect to the determination of value for duty for goods sold in Canada after being temporarily imported for conventions and exhibitions.

GUIDELINES AND GENERAL INFORMATION

1. This memorandum relates to goods granted temporary importation privileges by the provisions of Memoranda D8-1-1, *Temporary Importation (Tariff Item No. 9993.00.00) Regulations*, D8-1-2, *Convention Services Program*, and D8-1-7, *Use of Carnets for the Temporary Admission of Goods*.
2. Goods temporarily imported into Canada for conventions and exhibitions are normally allowed temporary entry privileges as they have not been entered for consumption. These privileges may entail the requirement for the payment of a refundable security deposit or guarantee in a sum not greater than the applicable duties and taxes, the provisions of which are outlined further in Memorandum D8-1-4, *Temporary Admission Permit – Form E29B*. Memorandum D8-1-7, *Use of Carnets for the Temporary Admission of Goods*, does not require the posting of a security deposit at the time of release in Canada.
3. At the time of temporary entry, the value of goods covered by the provisions of Memoranda D8-1-1, D8-1-2, and D8-1-7, should be declared in the normal manner. The computed value method or the residual value method will be used in most cases.
4. On many occasions, goods temporarily imported for conventions and exhibitions are subsequently sold in Canada. The duty and taxes applicable then become payable as the goods are considered “entered for consumption.” Memoranda D8-1-1, paragraph 57, D8-1-2, paragraph 80, and D8-1-7, paragraph 47 reference these situations. In such circumstances, the value for duty will be determined in accordance with normal valuation procedures. The transaction value method will be used, as the **actual** selling price in Canada will be the basis for the value for duty calculation. However, the date for determining the value for duty will be the date the goods were imported into Canada for the period of the temporary importation.
5. Also, goods are occasionally left in Canada without the benefit of a sale. In most such cases, the computed value method or the residual value method should be used to determine the value for duty. Similarly, the temporary importation date will be used to determine the value for duty.

REFERENCES

ISSUING OFFICE –

Origin and Valuation Policy Division
Trade Policy and Interpretation Directorate

LEGISLATIVE REFERENCES –

Customs Act, sections 48 to 53

HEADQUARTERS FILE –

7034-5-63

SUPERSEDED MEMORANDA “D” –

D13-11-1, June 1, 1986

OTHER REFERENCES –

D8-1-1, D8-1-2, D8-1-4, D8-1-7

Services provided by the Canada Customs and Revenue Agency are available in both official languages.

This Memorandum is issued under the authority of the Commissioner of Customs and Revenue.