

MEMORANDUM D13-2-1

Ottawa, March 19, 2001

SUBJECT

RESPONSIBILITY OF IMPORTERS AND/OR AUTHORIZED AGENTS WITH RESPECT TO VALUATION

This Memorandum outlines and explains the role of importers and/or their authorized agents with respect to the calculation and declaration of value for duty of imported goods.

GUIDELINES AND GENERAL INFORMATION

1. Importers and/or their authorized agents are responsible for the calculation and declaration of the value for duty of imported goods in accordance with the valuation provisions of the *Customs Act*.
 2. The determination of value for duty and the selection of a particular valuation method must be based upon "sufficient information" which supports the importer's declaration. The term "sufficient information" is defined in subsection 45(1) of the *Customs Act* as follows: "'sufficient information,' in respect of the determination of any amount, difference or adjustment, means objective and quantifiable information that establishes the accuracy of the amount, difference or adjustment." Sufficient information in the form of corroborating documentation may be requested by customs to support the calculation and declaration of the value for duty. While this information does not form part of the documentation requirements described in Memorandum D1-4-1, *Canada Customs Invoice Requirements*, and Memorandum D17-1-1, *Documentation Requirements for Commercial Shipments*, it must be available at the time of importation and be kept in such a manner as to facilitate review by customs officials when requested.
 3. Subsection 40(1) of the *Customs Act* requires that "Every person who imports goods or causes goods to be imported for sale or for any industrial, occupational, commercial, institutional or other like use or any other use that may be prescribed shall keep at the person's place of business in Canada or at such other place in Canada as may be designated by the Minister such records in respect of those goods in such manner and for such period of time as may be prescribed and shall, where an officer so requests, make them available to the officer and answer truthfully any questions asked by the officer in respect of the records."
 4. Pursuant to paragraph 164(1)(i) of the *Customs Act*, the Governor in Council made regulations respecting the maintenance and preservation of importers' records, as mentioned in subsection 40(1) of the Act. These Regulations may be cited as the *Imported Goods Records Regulations*.
 5. Section 2 of these Regulations stipulates, in part, that "Every person who is required under subsection 40(1) of the *Customs Act* to keep records in Canada in respect of imported goods shall keep for a period of six years following the importation of the goods, all records that relate to the purchase of, importation of, costs of, value of, payment for, and disposal of the goods"
 6. Further details regarding the responsibilities of importers to maintain records are contained in Memorandum D17-1-21, *Maintenance of Records and Books in Canada by Importers*.
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REFERENCES

ISSUING OFFICE –

Origin and Valuation Policy Division
Trade Policy and Interpretation Directorate

LEGISLATIVE REFERENCES –

Customs Act, subsection 40(1), sections 45 to 53, paragraph 164(1)(i)
Imported Goods Records Regulations

HEADQUARTERS FILE –

N/A

SUPERSEDED MEMORANDA “D” –

D13-2-1, June 1, 1986

OTHER REFERENCES –

D1-4-1, D17-1-1, D17-1-21

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.