

prepared for CARFAC SASK by PERCY H. DAVIS LTD Regina - REV 2006

1. DOCUMENTS REQUIRED BEFORE LEAVING CANADA

Before leaving Canada with your goods you should prepare a complete list of the items you are exporting with you. This list should have your full name, address and telephone number as well as a full description of each item, quantities, value and country of origin.

2. CANADA CUSTOMS

In order that you can easily return to Canada with your own goods you should stop at Canada Customs before leaving the country. You must request that a Canadian Customs Officer check your list of items that you are taking with you and have the Officer "stamp" your list before proceeding to U.S. Customs.

3. COUNTRY OF ORIGIN

If the goods are manufactured in Canada then you require a NAFTA Certificate of Origin. These are required on all shipments of Canadian goods to the U.S.. All items being shipped must be properly described. The proper Harmonized System (HS) Tariff Classification Number must be determined for each item as well as the preference criterion, etc. are required. The form must be signed by the Artist or Craftsperson.

For "Original Works Of Art" the Certificate of Origin required is issued by CARFAC.
CARFAC National, 2 Daly Avenue #250, Ottawa, K1N 6E2 Tel: 1-800-344-6161
Certificates are available online at <http://www.carfac.ca/membership-en.php>

4. MARKING OF GOODS

All items must be clearly marked as to the country of origin. This can be by stencil, label, etc. and affixed with some degree of permanency showing "MADE IN CANADA".

5. TEMPORARY IMPORT BOND (TIB)

If goods are taken into the U.S.A. for a show, display or exhibit and are being returned to Canada, U.S. Customs will allow the goods entry under a TIB

There are two types of TIB's;

1. Informal TIB which applies to goods valued at \$1,000.00 U.S. or less. In this case, the U.S. Customs Service requires a list of all items and their values. This is kept on file until you return with all the goods and is cancelled when you leave the U.S.
2. TIB issued by a U.S. Customs Broker. If the value of the goods is \$1,000.00 U.S. or more U.S. Customs will not allow an informal TIB At this time a U.S. Broker will be required to post the TIB on your behalf. The cost for this service is usually \$50.00 U.S. (or more, depending on the value of the goods). The goods must be removed from the U.S. the date specified on the TIB

NOTE: In all cases, if a TIB is allowed you, must stop at U.S. Customs prior to re-entry into Canada to have the goods checked by a U.S. Customs Inspector in order to cancel the TIB All goods must be accounted for in order to cancel the TIB , so do not dispose of any goods in the U.S. when a TIB has been issued.

6. ATA CARNET

The ATA Carnet is an international, unified customs document, which under a series of Customs Conventions, simplifies customs procedures for the temporary duty free admission of three main categories of goods traded internationally: commercial samples; goods for presentation or use at trade fairs, shows, exhibitions or similar events; professional equipment.

Essentially the carnet is a merchandise passport that facilitates travel with goods into foreign countries. The ATA Carnet can be used for unlimited entries and exits from foreign countries and Canada for up to one year.

An ATA Carnet saves time, effort and money: it facilitates international business by eliminating extensive customs procedures, the payment of duties and/or value-added taxes, and the purchase of temporary import bonds. The carnet is recognized in over 58 countries and territories worldwide.

With a carnet travellers can: use a single document for all customs transactions; make advance customs arrangements to several countries at a predetermined cost; make an unlimited number of trips within the ATA Carnet's one-year window of validity; re-enter Canada without problems or delays.

The Canadian Chamber of Commerce has been authorized to issue carnets in Canada. Carnets are issued at five locations across Canada: Ottawa, Toronto, Kitchener, Montreal and Vancouver. An administrative fee is charged and a security deposit is required.

Further information is available at www.chamber.ca/carnet

Carnet Services c/o Canadian Chamber of Commerce
350 Sparks Street, Suite 501, Ottawa, Ontario K1R 7S8
Tel: (613) 238-4000 or 1-800-661-2930 Fax: (613) 238-7643
Email: General enquiries: carnet@chamber.ca
To obtain a Carnet: carnetottawa@chamber.ca

7. IMPORTING THE GOODS INTO THE U.S.A.

1. If the goods are 'Made In Canada' then they qualify for duty free entry into the U.S. under NAFTA. It is easier to clear these into the U.S. rather than placing them on a Temporary Import Bond. A U.S. Consumption Entry is required to be completed by a U.S. Customs Broker. The list which you have prepared itemizing your goods is used to identify what is being imported. Once accepted by U.S. Customs the goods are considered to be permanently imported into the U.S.
2. Goods permanently imported to the U.S. can be returned to Canada duty and tax exempt as 'Canadian Goods Returned'. In this case, Canada Customs will accept the U.S. Consumption Entry which would have been completed at the time you cleared the goods through U.S. Customs, or the list you had inspected and stamped by Canada Customs when you left Canada as proof of export.
3. A Canadian can display or show goods in the U.S. but cannot sell them. You can take orders for like goods and upon return to Canada ship such goods to your customer.
4. If you want to sell goods entered on a TIB or permanently by way of a consumption entry you must hire a U.S. Citizen to do the selling, collecting payments, etc.

Further information: Canada www.cbsa-asfc.gc.ca
U.S.A. www.cbp.gov

8. PROFESSIONAL ARTIST DESIGNATION

You may request a binding ruling from U.S. Customs to become a recognized as a *professional artist* by writing to:

U.S. Customs Service Attention: Bindings Rulings Clerk
1300 Pennsylvania Avenue NW
Room 3.4A
Washington, DC 20229

In your request you must prove that you are a professional artist, in your letter requesting the designation you must provide the following information:

- what type of art you produce
- where you studied art
- where your art has been exhibited (list galleries, etc.)
- if any of your art been commissioned
- how long have you been producing art
- along with your letter provide photographs or reproductions of your artwork showing that it is unique and one of a kind

This designation will only help identify you as a professional artist, but it will not make exporting your goods to the U.S. any easier, as the goods will still have to be dealt with on a TIB or a U.S. Consumption Entry.

(This information was prepared for CARFAC SASK by Percy H Davis Ltd – Customs Brokers - Regina Office – by Tony Perras in 1999 and updated in 2002 and 2006)

CUSTOMS BROKERS

As an exporter you have the choice of clearing your goods into the U.S.A. yourself or by using the services of a Customs Broker.

If you choose to clear the goods yourself you must have the knowledge required to classify your goods and be able to prepare the U.S. Consumption Entry forms for submission to U.S. Customs. You must also make immediate payment to U.S. Customs for any duties or other charges which may be applicable to the goods being entered into the U.S.

Should you choose to use a Customs Broker to handle your exports you will find this service to be very convenient and time saving for the amount charged. You will also have the comfort of knowing that you have a professional at your service who will ensure that all goods are properly declared and appropriate documents submitted to U.S. Customs.

As a Canadian Customs Broker we have arranged for a U.S. Customs Broker to act as our agent for our clients who export to the U.S. Should you choose to use this service you are advised to contact any of our offices at least one week prior to exporting the goods. This will ensure we have enough time to prepare the export documents and arrange clearance into the U.S.

Our offices are located at the following addresses:

PERCY H. DAVIS LTD. www.percydavis.com

REGINA 2440 Chipmunk Drive Regina, SK S4W 1A6
P.O. Box 3660 Regina, SK S4P 3N8
Tel: 306-352-2662 Fax: 306-757-2459

SASKATOON #12, 401-45th Street West Saskatoon, SK S7L 6A3
Tel: 306-244-4847 Fax: 306-244-7470

NORTH PORTAL 4 Abbott Road P.O. Box 90 North Portal, SK SOC 1W0
Tel: 306-927-2165 Fax: 306-927-2271

REGWAY #1 Main Street P.O. Box 161 Minton, SK SOC 1T0
Tel: 306-969-2126 Fax: 306-969-2102

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CARFAC SASK 1734-A Dewdney Ave REGINA S4R 1G6 T 306 522 9788
#412 220- 3rd Ave South SASKATOON S7K 1M1 T 306 933 3206
www.carfac.sk.ca