

Attention: Accounting Department

Re: Month end accounting for GST and Duty

Canada Customs and Revenue Agency requires all Brokers to:

1. Prepare a monthly reconciliation statement for all amounts owing.
2. Deliver payment to their office on the last business day of the month.

What to expect from your Broker:

On the 25th of every month you will receive a summarized statement (via facsimile) detailing all your shipments for the month. The statement will detail all Duty, GST and Excise taxes owing.

What Importers need to do:

Importers on GST Direct Pay

Prepare a cheque payable to "Receiver General" for the total GST amount indicated, dated the last business day of the month. The cheque must be at our office no later than 12:00 p.m. on the last business day of the month.

Importers on Importer Bond

Prepare a cheque payable to "Receiver General" for the total amount indicated, dated the last business day of the month. The cheque must be at our office no later than 12:00 p.m. on the last business day of the month.

Late Payment Consequences:

Effective October 7, 2002, Importers who file late payment will receive a late payment penalty, AMPS (Administrative Monetary Penalty System) fine, and a letter from CCRA (Canada Customs and Revenue Agency) outlining additional measures.

Payment history is monitored by CBSA HQ. After the second late payment, a warning letter is sent from HQ to the Customs broker, with a copy to the local CBSA office.

Importers who are late paying three times in a one-year period may be removed from the GST or Direct Security Options, and their Customs broker will be notified by CBSA Headquarters, Brokers Licensing and Account Security Programs (BLASP).