

CALL TO ACTION: HERE IS HOW YOU CAN HELP...

Thank you for your interest in Friday's third CCB Member Forum on Friday. We know that the information on the use of GST letters and importer bonds was helpful, and we look forward to seeing you at future sessions.

As mentioned in each of our Forums, the CSCB has been tireless in our efforts to secure support for our position on the waiver/suspension of customs broker liability. I know that many of you are wondering how you can help.

If you have a few minutes today, we'd like you to send a note to your Member of Parliament. This could be on behalf of your business, or as an individual who is part of this vital element of the supply chain. Please cc the following on your message:

Ian Foucher: ian.foucher@canada.ca (office of the Minister of Finance)

John Ossowski: john.ossowski@cbsa-asfc.gc.ca (President, CBSA)

Paul Rochon: paul.rochon@canada.ca (Deputy Minister of Finance)

Rather than send a form letter, here are the three elements to include in your message:

1. A description of your business/your role in it.
2. A statement of support for the decision to defer payment of duty and taxes, with the intention of supporting importers' cash flow during these difficult months.
3. A statement of the problem: the deferral decision imposes liability for the payment of potentially 4 months of duties and tax on customs brokers who post release prior to payment bonds on behalf of clients. We are asking:
 - a. for a waiver(suspension) of customs broker liability for duties and taxes owed on June 30, and
 - b. that CBSA make no claims against importer release prior to payment bonds, for amounts owing on the CBSA March Statement of Account and amounts owing for transactions with CBSA for which payment is due on June 30th

The following summary may help explain.

CBSA requires that security be in place to file a release of goods request within their system. This security is usually in the form of a surety bond filed with CBSA and covers an average month of duties and taxes. The decision to defer payment until June 30 means that many, perhaps most importers will not be able to access use of a customs broker bond because they will not be able to meet the financial requirements of the customs broker who cannot assume 4 months of financial risk for them. These financial requirements may include deposits or pre-payments which negate the beneficial intention of the government's deferral decision.

By lifting the liability from customs brokers, customs brokers will not need to implement financial and credit controls that will preclude many businesses from importing. Importers can continue to

obtain the facilitation benefits of release of their goods prior to payment and can continue to access the compliance expertise of customs brokers. At the end of the deferral period, importers can pay the deferred amounts.

Importers who hold their own release prior to payment bonds should be accorded the same treatment as those who are unsecured. Therefore, no claims against their bonds should be made for any duties and taxes owed during the deferral period.

CSCB has the support of a number of associations which agree with our concerns: the Surety Association of Canada (SAC), the Canadian Federation of Independent Business (CFIB), the Canadian Produce Marketing Association (CPMA), Supply Chain Management, AICBA, CIFFA, Canadian Vehicle Manufacturers Association (CVMA), Automotive Parts Manufacturers Association (APMA) and the Canadian Apparel Federation (CAF).

Each day without a resolution of this important issue means that the intended positive effect of the government's deferral decision is likely not to be felt, and more businesses are placed at risk. We understand that this is an unforeseen and unfortunate outcome of a good decision. We also recognize that customs brokers are an essential service now and will be essential to business recovery and resumption of trade. With our proposal, we do have a solution, and we are looking for your support.

You can make a difference. This decision would benefit your clients and is key to the continued viability of many CSCB members during this time of medical and financial crisis.

Additional resources include:

- [CSCB: Immediate Action Required to Support Duty and Tax Deferral Decision](#)
- [CSCB: Responding to The Department of Finance on Deferral of Duties and Taxes](#)
- [CSCB: Liability and deferral of duty and tax payment](#)
- [Surety Association of Canada Re: Customs Notice 20-11](#)

Please send a copy of your letter(s) to me at cwest@cscb.ca or please send me a note to confirm you have done this.

Thank you.

Carol