



Ottawa, April 17, 2015

Memorandum D10-14-51

Tariff Classification Policy: Tariff Item 9948.00.00

In Brief

This memorandum is updated to take into account recent jurisprudence and a regulatory amendment.

This memorandum outlines the Canada Border Services Agency's policy as it relates to the tariff classification of articles under tariff item 9948.00.00 of the [Customs Tariff](#).

Legislation

[Customs Tariff](#)

2. (1) Definitions — The definitions in this subsection apply in this Act.

“for use in”, wherever it appears in a tariff item, in respect of goods classified in the tariff item, means that the goods must be wrought or incorporated into, or attached to, other goods referred to in that tariff item.

Tariff item 9948.00.00

Articles for use in the following:

Automatic banknote dispensers;

Automatic data processing machines and units thereof, magnetic or optical readers, machines for transcribing data onto data media in coded form and machines for processing such data;

Automatic word-processing machines;

Chart recorders and other instruments for measuring or checking electrical quantities, designed for use with automatic data processing machines;

Electronic calculating machines;

Magnetic discs;

Numerical control panels with built-in automatic data processing machines;

Power supplies of automatic data processing machines and units thereof;

Process control apparatus, excluding sensors, which converts analog signals from or to digital signals;

Video games used with a television receiver, and other electronic games;

Parts and accessories of the foregoing.

Guidelines and General Information

1. The conditional aspect of tariff item 9948.00.00 (9948) is that articles must be “for use in” a good listed in 9948. Subsection 2 (1) of the [Customs Tariff](#) defines the term (see the Legislation section, above). In order for an article to be “for use in” it must be wrought into, incorporated into, or attached to that good.
2. The Canadian International Trade Tribunal (CITT) has established jurisprudence regarding the interpretation and scope of 9948.
3. With respect to the “attached to” aspect of the [Customs Tariff](#) definition of “for use in”, the CITT has established that the term “attached to” requires that the article be “functionally joined” to a host good listed in 9948.

4. To satisfy the “functionally joined” standard, the article must be connected to the host good and must enhance, contribute to, or complement the function of that good or to provide the host good with additional capabilities. The connection may be physical, or in the case of the electronic transmission of data, wireless.
5. Examples of articles that are capable of meeting the conditions of relief include:
- (a) A compact disc (CD) drive is an optical reader which is a host good listed in 9948. Therefore, articles used with a CD drive would qualify for duty relief under 9948. Such drives may be installed in an automatic data processing machine (computer), a CD player or some other device. Music CDs, when inserted into the CD drive of a computer enhance the computer by allowing music to be played.
 - (b) A television equipped with a compatible audio/video interface (e.g., High-Definition Multimedia Interface - HDMI), when attached to a computer, enhances the computer by displaying its output.
 - (c) A MP3 player enhances the function of a computer by, for example, providing additional storage.
6. There is no requirement for articles that qualify for the benefits of 9948 to remain permanently attached to the host good.
7. In addition to the specific conditions of 9948, articles must also meet the regulatory record keeping requirements of the [Customs Act](#). In this regard, [Memorandum D11-8-6, Interpretation of Section 3 of the Imported Goods Records Regulations](#) provides important information regarding the record-keeping obligations with respect to 9948 and other conditional relief tariff items.

Additional Information

8. For certainty regarding the tariff classification of a product, importers may request an advance ruling on tariff classification. Details on how to make such a request are found in [Memorandum D11-11-3, Advance Rulings for Tariff Classification](#).
9. For more information, within Canada call the Border Information Service at **1-800-461-9999**. From outside Canada call 204-983-3500 or 506-636-5064. Long distance charges will apply. Agents are available Monday to Friday (08:00 – 16:00 local time / except holidays). TTY is also available within Canada: **1-866-335-3237**.

References	
Issuing Office	Trade and Anti-dumping Programs Directorate
Headquarters File	HS 9948.00
Legislative References	Customs Tariff Customs Act Imported Goods Records Regulations
Other References	D11-8-6 , D11-11-3 CITT Appeals: AP-2001-097 ; AP-2005-006 ; AP-2009-004 ; AP-2013-004 Federal Court of Appeal: 2005 FCA 414 ; 2007 FCA 210
Superseded Memorandum D	D10-14-51 dated September 6, 2007