

# Memorandum D17-1-13: Interim Accounting (Master Provisional Entry)

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This memorandum outlines and explains the policies and procedures relating to the release and accounting for goods qualifying for a Master Provisional Entry (MPE) into Canada.

## On this page

- [Updates made to this D-memo](#)
- [Definitions](#)
- [Guidelines](#)
- [References](#)
- [Contact us](#)
- [Related links](#)

## Updates made to this D-memo

This Memorandum has been revised to reflect changes as a result of the Canada Border Services Agency (CBSA) Assessment and Revenue Management (CARM) project. Get more information relating to the [CARM Client Portal \(CCP\)](#), registering or logging into a portal account.

## Definitions

### CARM Client Portal (CCP)

A self-service online tool that facilitates the accounting and revenue management processes with the CBSA.

### Commercial Accounting Declaration (CAD)

The customs document used to account for goods imported into Canada.

### Release on Minimum Documentation (RMD)

A procedure that allows importers/owners or brokers to obtain a release of goods based on minimum documentation

## Guidelines and General Information

1. In certain situations, at the time of importation the final value for duty of goods cannot be established. In such cases, goods may be released using the interim accounting provisions of subsection 32(2) of the [Customs Act](#) (the Act), provided the conditions of sections 14 and 15 of the [Accounting for Imported Goods and Payment of Duties Regulations](#), are met.
2. The following goods can be imported using a Master Provisional Entry (MPE):
  - (a) Plans, drawings, and blueprints imported for use in a construction project or facility installations in Canada;
  - (b) Large installations of systems, machinery, and equipment imported for use in the installation;
  - (c) Military equipment imported by the Department of National Defence; and
  - (d) Material, components, and parts imported by the Department of National Defence for use in the repair, maintenance, modification, and testing of such equipment.

**Note:** For information on methods to be used to determine the value for duty of information-based products such as plans, drawings and blueprints, refer to [Memorandum D13-11-2: Value for Duty of Certain Information-based Products](#) and sections 48 to 53 of the [Act](#).

For greater certainty on origin, tariff classification or value for duty clients may submit an application for a Ruling from the CBSA. The procedures are outlined in [Memorandum D11-4-16: Advance Rulings under Free Trade Agreements](#), [Memorandum D11-11-1: National Customs Rulings \(NCR\)](#), and [Memorandum D11-11-3: Advance Rulings for Tariff Classification](#).

3. In accordance with the Accounting for Imported Goods and Payment of Duties Regulations, clients can use a provisional entry provided they seek CBSA approval in advance of importation. The client must submit a request via the CARM Client Portal (CCP) that meets the requirements as described in this memorandum.

## Program Requirements

4. To apply for authorization to use interim accounting the importer/owner or broker must submit a **Master Provisional Authorization request** using the CARM Client Portal (CCP).
5. Once a Master Provisional Authorization request has been submitted, a case number will be generated and the importer/owner or broker must upload documents providing the following information:
  - a) a letter detailing the project/installation;
  - b) the project timeframe (i.e. start/end dates);
  - c) specific location of the project and the port of entry where the majority of shipments will be released;
  - d) a complete copy of the accepted contract;
  - e) the responsibilities of contracting parties;
  - f) the ownership of the project; and
  - g) a complete component breakdown of the goods being imported

**Note:** Additional requirements apply when importing goods subject to the Special Import Measures Act (SIMA) on a MPE. The [Measures in Force](#) contains information regarding goods currently subject to SIMA and is updated as necessary to reflect the status of SIMA duty liability. Contact the Trade and Anti-dumping Programs Directorate at the following email address for additional information. Email: [SIMA\\_Compliance-Observation\\_LMSI@cbsa-asfc.gc.ca](mailto:SIMA_Compliance-Observation_LMSI@cbsa-asfc.gc.ca)

6. Details on how to complete the Master Provisional Authorization request can be found in the "User guide - Create a Master Provisional request" available here [Onboarding documentation - CARM](#).
7. Once received, the CBSA will assign the request to the CBSA Trade Operations office nearest to where the majority of shipments will be released. The CBSA Trade Operations office may request supplementary information to complete the review of the request.
8. Before making final decision, CBSA Trade Operations will review the information to ensure that the conditions for tariff classification, origin or value for duty are met.
9. If all conditions are met, a letter of authorization will be issued to the client via the CCP, granting the use of the Master Provisional Entry for the timeframe specified.

## Accounting Requirements

10. Once authorized, the importer/owner or broker must present the Master Provisional Entry by using a C -type Commercial Accounting Declaration (CAD) as outlined in [Memorandum D17-1-5: Accounting for Commercial Goods](#). **The case number of the Master Provisional Authorization must be included with the CAD when presented to the CBSA.**

**Note:** The CAD is provided to the CBSA before or upon the arrival of the first shipment into Canada. The documentation provided with the CAD must include a copy of the CBSA letter of authorization, as well as all supporting documentation necessary to meet the requirements regarding imported goods as detailed in [Memorandum D17-1-4: Release of Commercial Goods](#).
11. In accordance with section 12 of the [Accounting for Imported Goods and Payment of Duties Regulations](#), the importer/owner or broker must pay the total amount of duties and taxes payable at time of release.
12. If the client is a release prior to payment (RPP) program participant with a sufficient security deposit, the goods may be released and payment of duties and taxes owing must be made in full by the due date of the statement of adjustment (SOAdj).
13. All shipments pertaining to the CAD must be transported by a carrier with a valid carrier code. As subsequent shipments are imported, they will be-entitled to the Release on Minimum Documentation (RMD) procedure as "value included" against the original CAD. These shipments are released without formal accounting; however, the CBSA controls the shipments through copies of the RMD package and periodic monitoring by the CBSA Trade Operations office monitoring the case.

**Note:** When goods are subject to SIMA duties, the RMD package must include a detailed product description of the shipment.

14. Before every release, a copy of the complete release package must be uploaded by the client to the existing Master Provisional Authorization case via the CCP following the steps in “User Guide - Upload documents” found here [Onboarding documentation - CARM](#).
15. Where goods have been released under RMD procedures and the importer/owner or broker has used, in error, a transaction number other than the number applied to the Master Provisional CAD, the incorrect transaction number should not be used for an accounting declaration in CARM. The Importer/owner or broker must inform the Port of Entry with a corrections to interim accounting document using Form A48/BSF308 as detailed in [Memorandum D17-1-4: Release of Commercial Goods](#).
16. If an importer/owner or broker presents, in error, a final version of the accounting declaration and pays the duties on a shipment for which provisional procedures have been established, a refund claim for duplicate payment may be accepted, under paragraph 74(1)(d) of [the Act](#), provided it is submitted as an adjustment in the CCP. [Memorandum D17-2-1: Adjusting Commercial Accounting Declarations](#) provides more information on how to adjust a CAD.
17. The regional CBSA Trade Operations office will monitor the use of the MPE on a quarterly basis to verify importations.
18. Once the closing date has been reached or the last shipment has been received, the CAD is to be adjusted by the client in the CCP for additional payment or refund, as applicable. Such refunds do not include overpayments of GST. [Memorandum D17-2-1: Adjusting Commercial Accounting Declarations](#) provides more information on how to adjust a CAD.

**Note:** The final adjustment must be made in the CCP within 12 months of the date of termination of the construction project, installation or when the last shipment is received as per the [Accounting for Imported Goods and Payment of Duties Regulations](#) and in accordance with the authorization letter.

## Tariff Treatment Considerations

19. If importer/owner or broker intends to claim the United States Tariff, the Mexico Tariff, the Canada-Israel Agreement Tariff, or the Chile Tariff for the goods, they must indicate it in their Master Provisional Entry application. The application should be supported by the documentation available at that time.
20. If the CBSA Trade Operations cannot reasonably determine that all the goods meet the rules of origin and conditions to qualify for use of the United States Tariff, the Mexico Tariff, the Canada-Israel Agreement Tariff, or the Chile Tariff, additional security will be required to cover duties that would otherwise be payable under the Most-Favoured Nation (MFN) tariff treatment or other applicable tariff treatment.
21. If the use of the United States Tariff, the Mexico Tariff, the Canada-Israel Agreement Tariff, or the Chile Tariff is acceptable and is claimed on the CAD, the importer/owner or broker must submit a valid Certificate of Origin for review by the CBSA, to be provided with the Master Provisional Authorization request. The origin of the goods will be reviewed at the closing date and adjusted, if necessary.
22. Paragraph 74(1)(c.1) of [the Act](#) stipulates a four-year time frame for Canada–Chile Free Trade Agreement (CCFTA) goods. For more information on refunds, refer to [Memorandum D6-2-3: Refund of Duties](#).

## References

Refer to these resources for further information:

TCP guide on MPEs

CARM CCP Info on RPP

## Applicable legislation

- [Customs Act](#)
- [Accounting for Imported Goods and Payment of Duties Regulations](#)

## Superseded memoranda D

D17-1-13 dated January 6, 2016

### Issuing office

Revenue Assessment Unit  
Regulatory Trade Programs Division  
Trade and Anti-dumping Programs Directorate  
Commercial and Trade Branch

### Contact us

[Contact border information services](#)

### Related links

- documentation or information to support instructions
- related D-memos
- User Guides [Onboarding documentation - CARM](#)
- [Memorandum D6-2 :., Refund of Duties](#)
- [Memorandum D13-11-2: Value for Duty of Certain Information-based Products](#)
- [Memorandum D17-2-1: Adjusting Commercial Accounting Declarations](#)
- [Memorandum D17-1-4: Release of Commercial Goods](#)
- [Memorandum D17-1-5: Registration, Accounting and Payment for Commercial Goods](#)