Memorandum D18-4-1: Select Luxury Items Tax on Importation

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This memorandum provides information concerning the administration and enforcement of the *Select Luxury Items Tax Act* under sections 2, 20, 22, 30, 34, 37, 38, 50, 77 and Division 5 of Part 1 of that Act, and sections 32, 42, 43, 59, 60, 61, 65, 67, 68, 70 and 74 of the *Customs Act*.

Plain language summary

Target audience: Importers of luxury vehicles

Key content: Which vehicles are subject to the luxury tax; how luxury tax amounts are decided; special cases and exceptions; temporary importation; declaration and accounting; corrections, refunds and re-determinations

Keywords: CARM, luxury tax, imported vehicles

On this page

Updates made to this D-memo

This memorandum has been revised to:

- Withdraw subject vessels and subject aircraft from the application of the *Select Luxury Items Tax Act*
- Reflect the changes made to the *Select Luxury Items Tax Act* effective on November 5, 2025
- Update links
- Move the flow chart and examples to specific appendixes
- Add new tables to existing examples for importation of casual goods

Definitions

For a list of definitions of the words found in this memorandum, refer to paragraph 2(1) of the *Select Luxury Items Tax Act*.

Guidelines

Date of effect

1. The luxury tax came into effect on **September 1, 2022**.

2. Effective **November 5, 2025** the luxury tax is no longer payable on subject aircraft and subject vessels. The luxury tax continues to be payable on subject vehicles priced or valued above $100,000 unless an exemption applies. For more information on the application of the luxury tax to subject vehicles, refer to Notice LTN2: Subject vehicles under the *Select Luxury Items Tax Act*.

Currency

3. All amounts expressed in this memorandum are in Canadian dollars.

Scope of the luxury tax

4. The luxury tax applies to importations into Canada of subject vehicles that have a taxable amount above $100,000 (the price threshold). For more information, refer to the Price threshold, taxable amount and amount of luxury tax section of this memorandum.

5. A vehicle falls within the scope of the luxury tax regime if it meets the definition of a subject vehicle as set out in subsection 2(1) of the *Select Luxury Items Tax Act*. Such vehicles are broadly referred to as subject vehicles. Vehicles that do not meet these definitions are not subject to the luxury tax. For more information, refer to the Subject vehicle section of this memorandum.

6. Certain persons are required to register with the Canada Revenue Agency (CRA) as registered vendors under the *Select Luxury Items Tax Act*. Such persons include manufacturers, wholesalers, retailers and importers of subject vehicles that are within the scope of the luxury tax regime and that are priced above the price threshold. For more information, refer to the Registration framework section of this memorandum.

Prohibited goods

7. The importation into Canada of certain subject vehicles may be prohibited under tariff item No. 9897.00.00 of the schedule to the *Customs Tariff*. Exemption from the import restriction that relates to tariff item No. 9897.00.00 does not exempt a vehicle from other import restrictions that may apply. For example, Transport Canada and Environment and Climate Change Canada have vehicle standards and emissions requirements that must also be met. The onus rests with the importer to determine the overall compliance status of the vehicle prior to importing it. For more information about all aspects of vehicle admissibility, refer to *Memorandum D9-1-11: Importation of Used or Second-hand Motor Vehicles*, to *Memorandum D19-12-1: Importing Vehicles into Canada* and to *Memorandum D19-7-4 : Importation of Engines, Vehicles, Vessels, Machines and Equipment*

Subject vehicle

Subject vehicle: Definition

8. Subject vehicle means a motor vehicle that

(a) is designed or adapted primarily to carry individuals on highways and streets,

(b) has a seating capacity of not more than 10 individuals,

(c) has a gross vehicle weight rating, as that term is defined in subsection 2(1) of the *Motor Vehicle Safety Regulations*, that is less than or equal to 3,856 kg,

(d) has a date of manufacture after 2018, and

(e) is designed to travel with four or more wheels in contact with the ground.

9. Examples of subject vehicles include sedans, coupes, hatchbacks, convertibles, sport utility vehicles and light-duty pickup trucks.

Subject vehicle: Exclusions

10. Subject vehicle does not include:

(a) an ambulance,
(b) a hearse,
(c) a motor vehicle that is clearly marked for policing activities,
(d) a motor vehicle that is clearly marked and equipped for emergency medical response activities or emergency fire response activities,

(e) a recreational vehicle that is designed or adapted to provide temporary residential accommodations, and is equipped with at least four of the following elements:

- cooking facilities,
- a refrigerator or ice box,
- a self-contained toilet,
- a heating or air-conditioning system that can function independently of the vehicle engine,
- a potable water supply system that includes a faucet and sink, and
- a 110-V to 125-V electric power supply, or a liquefied petroleum gas supply, that can function independently of the vehicle engine,

(f) a motor vehicle

- that is registered before September 2022 with a government (refers to any Canadian or foreign government), and
- in respect of which possession was transferred to a user of the motor vehicle before September 2022.

Tariff classification numbers

11. The *Customs Tariff* is updated at the beginning of each calendar year but for tariff classification reference purposes only at time of issuance of this memorandum, a list of goods that may be subject to the luxury tax, accompanied with their respective tariff classification numbers, is found in Appendix A: Harmonized System reference list—Goods that may be subject to the luxury tax of this memorandum. The list is not exhaustive and the classification numbers are provided for information purposes only. The importer should always consult the *Customs Tariff* in effect at the time of importation.

Price threshold, taxable amount and amount of luxury tax

Price threshold

12. As per Section 9 of the *Select Luxury Items Tax Act*, the price threshold in respect of a subject vehicle is $100,000.

The taxable amount must exceed the price threshold for the luxury tax to apply.

Taxable amount

13. When calculating the luxury tax, the applicable GST/HST and provincial sales tax to the subject vehicle are not to be taken into account. In addition, any deduction for a trade-in or down payment does not reduce the taxable amount of a subject vehicle for the purposes of determining the applicable luxury tax.

14. The amounts of any duties and taxes (e.g., customs duty, excise tax, etc.), other than the GST/HST and provincial sales tax, have to be included in the taxable amount for the purposes of determining the amount of luxury tax.

15. As per paragraph 20(2) of the *Select Luxury Items Tax Act*, the taxable amount is determined by the formula in which A and B are added together where :

> A is the value of the subject vehicle as it would be determined under sections 48 to 53 of the *Customs Act*, (i.e., value for duty)
> and
> B is any duties and taxes payable related to customs (e.g., under the *Customs Tariff*, the *Excise Tax Act* or the *Special Import Measures Act*, etc.), other than the GST/HST and provincial sales tax.

Amount of luxury tax

16. As per section 34 of the *Select Luxury Items Tax Act*, the amount of luxury tax is calculated at the lesser of

> 10 % of the taxable amount of the subject vehicle
> or
> 20 % of the taxable amount above the price threshold of the subject vehicle

GST/HST and provincial sales tax

17. The GST/HST and provincial sales tax, where applicable, are calculated on the Value for tax of the subject vehicle (as per the rules set out in the *Excise Tax Act*). The Value for tax, for CBSA accounting purposes, is equal to the taxable amount plus the luxury tax as calculated above. Please refer to the examples in Appendix B: Examples of calculation of taxable amounts, amounts of luxury tax and GST.

18. When a provincial sales tax is applicable, it applies to the Value for tax of the subject vehicle.

Duties and taxes payable

19. In addition to the luxury tax, all applicable duties and taxes related to customs (e.g. under the *Customs Tariff*, the *Excise Tax Act* or the *Special Import Measures Act*, etc.), inclusive of the GST/HST and of the provincial sales tax (if applicable), are payable in respect of the importation of a subject vehicle.

Illustrative examples

20. For examples of calculation of taxable amounts, amounts of luxury tax and GST, refer to Appendix B: Examples of calculation of taxable amounts, amounts of luxury tax and GST of this memorandum.

Application framework

Luxury tax payable on importation

21. As per subsection 20 (1) of the *Select Luxury Items Tax Act*, a person that is liable under the *Customs Act* to pay duty on an imported subject vehicle, or that would be so liable if the subject vehicle were subject to duty, must pay tax in respect of the subject vehicle in the amount determined under section 34 (Amount of luxury tax section of this memorandum) if the taxable amount of the subject vehicle exceeds the price threshold in respect of the subject vehicle, unless one of the exceptions mentioned in the Tax not payable on importation: Exceptions section of this memorandum applies.

Application of the *Customs Act*

22. As per subsection 20(4) of the *Select Luxury Items Tax Act*, the luxury tax in respect of a subject vehicle is to be paid and collected under the *Customs Act*. In addition, interest and penalties are to be imposed, calculated, paid and collected under that Act, as if the tax were a customs duty levied on the subject vehicle under the *Customs Tariff*.

Tax not payable on importation: Exceptions

23. Section 21 of the *Select Luxury Items Tax Act* provides exceptions where the luxury tax is not payable on importation of subject vehicles. Such exceptions are outlined in paragraphs 24 to 29:

Registered vendor

24. The luxury tax in respect of a subject vehicle that is imported is not payable if the subject vehicle is imported by a registered vendor in respect of that type of subject vehicle, according to article 21(1) of the *Select Luxury Items Tax Act*.

Written agreement for the sale prior to January 2022

25. The luxury tax will not apply to the importation of a subject vehicle that has a taxable amount above the price threshold where a purchaser and a vendor have entered into a written agreement for the sale of the subject vehicle before January 2022 in the course of the vendor’s business of selling that type of subject vehicle.

Previously registered vehicles

26. The luxury tax in respect of a subject vehicle that is imported is not payable if the subject vehicle has been registered with the Government of Canada or a province before the importation unless

(a) the registration was done in connection with the importation and

(b) the subject vehicle has never otherwise been registered with the Government of Canada or a province

Certain police and military vehicles

27. The luxury tax in respect of a subject vehicle that is imported is not payable if

(a) the subject vehicle is equipped for policing activities and imported by a police authority or a military authority or

(b) the subject vehicle is equipped for military activities and imported by a military authority

Special cases

28. The luxury tax in respect of a subject vehicle that is imported is not payable if

(a) the subject vehicle is classified under heading No. 98.01 or tariff item No. 9802.00.00 or 9803.00.00 of the schedule to the *Customs Tariff*, to the extent that the subject vehicle is not subject to duty under that Act,

(b) the subject vehicle is imported for the sole purpose of maintenance, overhaul or repair of the subject vehicle in Canada and

- neither title to, nor beneficial use of, the subject vehicle is intended to pass, or passes, to a person in Canada while the subject vehicle is in Canada, and
- the subject vehicle is exported as soon after the maintenance, overhaul or repair is completed as is reasonable having regard to the circumstances surrounding the importation and, where applicable, to the normal business practice of the importer;

(c) it is the case that

- the subject vehicle is a foreign-based conveyance,
- the importation of the subject vehicle was non-taxable by reason of the reference to heading No. 98.01 of the schedule to the *Customs Tariff* in paragraph (a) but the subject vehicle is diverted solely for maintenance, overhaul or repair in Canada,
- neither title to, nor beneficial use of, the subject vehicle is intended to pass, or passes, to a person in Canada while the subject vehicle is in Canada, and
- the subject vehicle is exported as soon after the maintenance, overhaul or repair is completed as is reasonable having regard to the circumstances surrounding the importation and, where applicable, to the normal business practice of the importer;

(d) the subject vehicle is a subject vehicle that is imported temporarily by an individual resident in Canada and

- the subject vehicle was last provided in the course of a vehicle rental business to the individual by way of lease, licence or similar arrangement under which continuous possession or use of the subject vehicle is provided for a period of less than 180 days,
- immediately before the importation, the individual was outside Canada for an uninterrupted period of at least 48 hours, and
- the subject vehicle is exported within 30 days after the importation, or

(e) the subject vehicle would be classified under heading No. 98.02 of the schedule to the *Customs Tariff* to the extent that the subject vehicle would not be subject to duty under that Act if the definition conveyance in section 2 of the *Temporary Importation of Conveyances by Residents of Canada Regulations* were read as follows:

Conveyance means any vehicle, aircraft, water-borne craft or other contrivance that is used to move persons or goods.

29. For more information on registered vendors, refer to the web page Luxury tax registration.

Temporary importation under tariff item No. 9993.00.00

30. Subject vehicles when imported temporarily under tariff Item No. 9993.00.00 of the schedule to the *Customs Tariff* may be relieved of the luxury tax under certain circumstances when they qualify as a special case in the section Special cases above.

31. For more information, refer to *Memorandum D8-1-1: Administration of Temporary Importation (Tariff Item Number 9993.00.00) Regulations*.

Supporting documents: Requirements

32. The CBSA may require supporting documentation for the importation of a subject vehicle meeting conditions from one of the exceptions mentioned above. Such documents may be a proof of valid registration number under the luxury tax regime or a written agreement for the sale prior to January 1, 2022. When the CAD is submitted, the supporting documents must be available for review at the request of the CBSA. For more information, refer to the CRA website Luxury tax notices.

33. If, at the time of accounting in respect of the particular importation, the required supporting documents are not in force or are not presented to the CBSA when required, the luxury tax becomes applicable.

Flow chart: Application of the luxury tax on importation

34. A flow chart regarding the application of the luxury tax is found in Appendix C: Flow chart - Application of the luxury tax on importation of this memorandum.

Registration framework

35. Under section 50 of the *Select Luxury Items Tax Act*, there are certain circumstances where a person is required to register with the CRA Excise and Specialty Tax Directorate under the luxury tax regime. If required to register, a person must register as a registered vendor of the subject vehicle that they import. For more information, refer to Luxury tax registration.

36. A registered vendor of a subject vehicle will be able to import subject vehicles without the luxury tax applying at the time of accounting.

Declaration and accounting

Commercial goods

37. The declaration and accounting of subject vehicles must be made in accordance with the same procedures and time limits prescribed for the purposes of duties, other taxes, and for the luxury tax, whether or not payable upon importation.

38. When accounting for subject vehicles, the importer should complete a CAD, using the same method as it would normally when accounting for goods. This includes correctly determining the proper classification number and calculating the regular duties and taxes. If provincial taxes are applicable, this will also be calculated as per the normal procedures.

Luxury tax payable on importation

39. To account for subject vehicles where luxury tax is payable on the importation, the importer must include the appropriate excise tax code in the CAD. This code is based on the method used to calculate the luxury tax when no other excise tax applies. (see table below for a list of applicable excise tax codes when only the luxury tax is payable).

Luxury tax payable	Excise tax code
20% of the taxable amount above $100,000 of the vehicle	E60
10% of the taxable amount of the vehicle	E61

40. When other excise taxes apply in addition to the luxury tax on the imported goods, the importer must select the appropriate excise code that reflects the applicable combination of taxes in the CAD (see *Memorandum D18-5-1: Coding Excise and GST Exemption Codes in the CBSA Assessment and Revenue Management (CARM) System* for a list of all applicable excise tax codes when the luxury tax is payable in addition to other excise taxes).

41. When, on imported goods, provincial taxes are applicable in addition to the luxury tax, the importer must select the GST code 99 in the GST Code field of the CAD. Then, the importer must enter the taxes owed in the PST/ HST/QST field.

42. For examples when the Luxury tax is payable on importation of commercial goods, refer to Appendix D: Luxury tax payable or not payable on importation of this memorandum.

Luxury tax not payable on importation

43. To account for subject vehicles where the importer or goods meet one of the exception conditions mentioned above, when the luxury tax is not payable on the importation and when the goods are not subject to excise taxes, the importer must select the appropriate excise tax code in the CAD. This code is based on the luxury tax exception being claimed and indicates why the luxury tax is not payable (see table below for a list of applicable excise tax codes when an exception is being claimed).

Luxury tax exception	Excise tax code
Registered Vendor	E66
Other exceptions outlined in this memorandum that are not covered under codes 66	E69

44. When the luxury tax is not payable on the importation and when other excise taxes are not payable (conditionally not applicable), the importer must select the appropriate excise code that reflects the applicable combination of taxes exceptions in the CAD. This code is based on the exceptions being claimed and indicates why the luxury tax and the other excise taxes are not payable. Refer to Appendix C: Excise exemptions, in *Memorandum D18-5-1: Coding Excise and GST exemption codes in the CBSA Assessment and Revenue Management (CARM) system*.

45. When the luxury tax is not payable on the importation but when other excise taxes are payable, the importer must select the appropriate excise code that reflects the applicable combination of taxes in the CAD. This code is based on the exceptions being claimed and indicates why the luxury tax is not payable and why the other excise taxes are payable.

46. For the list of all applicable excise tax codes when the luxury tax is not payable and when other excise taxes are payable or not, refer to Appendix B: Excise taxes, in *Memorandum D18-5-1: Coding Excise and GST exemption codes in the CBSA Assessment and Revenue Management (CARM) system*.

47. For examples when the Luxury tax is or is not payable on importation of commercial goods, refer to Appendix D: Luxury tax payable or not payable on importation of this memorandum.

Casual goods (non-commercial)

48. Declaration and accounting of subject vehicles that are casual goods where the luxury tax is, or is not, payable on importation, is made in the same way and within the same prescribed time that customs duties and other taxes are, or are not, payable. Importers should be prepared to present on demand to the officer, any relevant documentation, as would be the case for any other good. Officers will determine if the luxury tax is applicable to the subject vehicle and proceed with the necessary calculations.

49. When the luxury tax has already been paid, importers are encouraged to keep with the subject vehicle any documentation or copy of documentation, receipts and/or certificates, that demonstrates that the luxury tax has been paid.

Special cases

50. The luxury tax is payable in full when the subject vehicle is classified under tariff item Nos. 9806.00.00 and 9807.00.00.

51. The *Select Luxury Items Tax Act* does not affect the establishment of the value for duty. This means that in cases where the subject vehicle cannot be classified under heading Nos. 98.04, 98.05 and 98.16, because the value for duty exceeds the amount specified for these headings, the value for duty is to be reduced in accordance with sections 83, 84 and 85 of the *Customs Tariff*. It

is that reduced value that will be used to establish the taxable amount and allow the officer to determine if the subject vehicle is subject to the luxury tax, and if so, the amount of tax to be collected.

Additional information on declaration and accounting

52. For more information regarding the declaration and the accounting for subject vehicles that are commercial goods and subject vehicles that are casual goods (non-commercial), refer to *D Memoranda series: D17 - Accounting and Release Procedures*.

Rulings

53. Procedures for obtaining a ruling to confirm the origin, tariff classification or value for duty of goods are outlined in *Memorandum D11-11-1 - National Customs Rulings*, *Memorandum D11-11-3: Advance Rulings for Tariff Classification* and *Memorandum D11-4-16 - Advance rulings for origin under Free Trade Agreements*.

Corrections, refunds, re-determinations and further re-determinations

Commercial goods

54. The obligation to make a correction to the incorrect declaration starts when the importer has reason to believe that a declaration of origin, tariff classification or value for duty is incorrect. The prescribed 90-day period to make a correction pursuant to section 32.2 of the *Customs Act* starts on the date that the importer has specific information that a declaration is incorrect.

55. Corrections to declarations and requests for refunds are to be made on a CAD in the manner under the relevant provisions of the *Customs Act*, in accordance with the procedures outlined in *Memorandum D11-6-6: Reason to Believe and Corrections to the Declaration of Origin, Tariff Classification or Value for Duty*, the *Memorandum D6-2-3: Refund of Duties*, the *Memorandum D6-2-6: Refund of Duties and Taxes on Non-commercial Importations* and the *Memorandum D17-2-1: Adjusting Commercial Accounting Declarations*.

56. Where an amount of luxury tax is to be refunded to the importer or is to be paid to the CBSA, the CBSA will issue a Statement of Adjustment (SOA), which serves as a notice of refund or assessment, in response to an adjustment request, or in response to a review or re-determination initiated by the CBSA.

57. A drawback shall not be granted in respect of the luxury tax.

Casual goods (non-commercial)

58. Where there is overpayment of luxury tax, an importer may submit Form B2G - CBSA Informal Adjustment Request to the appropriate CBSA Casual Refund Centre to request refund of the amount overpaid as per *Memorandum D6-2-6: Refund of Duties and Taxes on Non-commercial Importations.*

Commercial goods and casual goods (non-commercial)

59. The CBSA may re-determine or further re-determine the origin, tariff classification or value for duty on its own initiative or in response to an adjustment request. In so doing, as with customs duties and taxes, the CBSA may assess any undeclared amount of luxury tax.

60. As per subsection 22(1) of the *Select Luxury Items Tax Act*, determination of the tax status of a subject vehicle means a determination, re-determination or further re-determination that tax is, or is not, payable in respect of the subject vehicle.

61. As per subsection 22(2) of the *Select Luxury Items Tax Act*, the determination of the tax status of a subject vehicle is considered to be the determination, re-determination or further re-determination, as the case requires, of the tariff classification of the subject vehicle (subject to subsections 22 (4) to (6) of the *Select Luxury Items Tax Act*, the *Customs Act* (other than subsections 67(2) and (3) and sections 68 and 70) and the regulations made under the Act apply, with any modifications that the circumstances require).

62. As per subsection 22(3) of the *Select Luxury Items Tax Act*, the appraisal, re-appraisal or further re-appraisal of the value of a subject vehicle is considered to be the appraisal, re-appraisal or further re-appraisal, as the case requires, of the value for duty of the subject vehicle (subject to the *Customs Act* and the regulations made under the Act that apply, with any modifications that the circumstances require).

Rebate

63. An importer seeking a rebate for luxury tax paid under sections 39, 40, 41, 42, and 43 of the *Select Luxury Items Tax Act* must submit an application for rebate to the CRA. For more information, refer to Luxury tax - Services and information.

Review and Appeal

64. Following a determination, re-determination or further re-determination of the origin, tariff classification or value for duty made by the CBSA, an importer may request for a re-determination or further re-determination of the origin, tariff classification, value for duty under the *Customs Act*. For more information, refer to *Memorandum D11-6-7: Request under Section 60 of the Customs Act for a Re-determination, a further Re-determination or a Review by the President of the Canada Border Services Agency*.

65. As per subsection 22(4) of the *Select Luxury Items Tax Act*, in applying the *Customs Act* to a determination of the tax status of a subject vehicle, the references in that Act to the Canadian International Trade Tribunal are referred to the Tax Court of Canada.

Administration and enforcement

Examinations and verifications

66. The burden of proof lies with the importer to:
   (a) demonstrate that the goods are not subject to the luxury tax,
   (b) demonstrate that the importation is not prohibited and,
   (c) provide supporting documents when an exception applies.

67. Importations may be subject to examination at the time of importation and to post-release verification for compliance with the origin, tariff classification, value for duty, and marking programs, and any other applicable programs or provisions administered by the CBSA. If non-compliance is encountered by the CBSA, in addition to assessments of any applicable duties and taxes, penalties may be imposed and interest will be assessed, where applicable.

68. For more information, refer to *Memorandum D11-6-5: Interest and Penalty Provisions: Determinations/Re-determinations, Appraisals/Re-appraisals, and Duty Relief*, *Memorandum D22-1-1: Implementing the Administrative Monetary Penalty System (AMPS)*, and the *Customs Act*.

Penalties under the *Select Luxury Items Tax Act*

69. The *Select Luxury Items Tax Act* provides penalties for different circumstances of non-compliance. The list of such penalties is found under Subdivision H of *Select Luxury Items Tax Act*.

Additional information

70. For more information on the luxury tax program, refer to Luxury tax – Services and information.

Appendix A: Harmonized System reference list—Goods that may be subject to the luxury tax

For the most up to date classification numbers, refer to the *Customs Tariff* at the link found in the Related links section of this memorandum.

Heading	Tariff class. number	Description
87.02		Motor vehicles for the transport of ten or more persons, including the driver.
	8702.10.20.00	With only compression-ignition internal combustion piston engine (diesel or semi-diesel) for the transport of ten to 15 persons, including the driver.
	8702.20.20.00	With both compression-ignition internal combustion piston engine (diesel or semi-diesel) and electric motor as motors for propulsion for the transport of ten to 15 persons, including the driver.
	8702.30.20.00	With both spark-ignition internal combustion piston engine and electric motor as motors for propulsion for the transport of ten to 15 persons, including the driver.
	8702.40.20.00	With only electric motor for propulsion for the transport of ten to 15 persons, including the driver.
	8702.90.20.00	With other means of propulsion, for the transport of ten to 15 persons, including the driver.

Heading	Tariff class. number	Description
87.03		Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 87.02), including station wagons and racing cars.
	8703.21.90.10	Passenger cars, including racing cars and station wagons, with only spark-ignition internal combustion piston engine of a cylinder capacity not exceeding 1,000 cc.
	8703.21.90.90	Other vehicles with only spark-ignition internal combustion piston engine of a cylinder capacity not exceeding 1,000 cc
	8703.22.00.11	Used passenger cars, including racing cars and station wagons, with only spark-ignition internal combustion piston engine of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500 cc
	8703.22.00.12	New passenger cars, including racing cars and station wagons, with only spark-ignition internal combustion piston engine of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500 cc
	8703.22.00.97	Other vehicles (including crossovers, sport utility vehicles and passenger vans), used, with only spark-ignition internal combustion piston engine of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500 cc
	8703.22.00.98	Other vehicles (including crossovers, sport utility vehicles and passenger vans), new, with only spark-ignition internal combustion piston engine of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500 cc

	8703.23.00.21	Used passenger cars, including racing cars and station wagons, with only spark-ignition internal combustion piston engine of a cylinder capacity exceeding 1,500 cc but not exceeding 3,000 cc
	8703.23.00.22	New passenger cars, including racing cars and station wagons, with only spark-ignition internal combustion piston engine of a cylinder capacity exceeding 1,500 cc but not exceeding 3,000 cc
	8703.23.00.91	Other vehicles (including crossovers, sport utility vehicles and passenger vans), used, with only spark-ignition internal combustion piston engine of a cylinder capacity exceeding 1,500 cc but not exceeding 3,000 cc
	8703.23.00.92	Other vehicles (including crossovers, sport utility vehicles and passenger vans), new, with only spark-ignition internal combustion piston engine of a cylinder capacity exceeding 1,500 cc but not exceeding 3,000 cc
	8703.24.00.31	Used passenger cars, including racing cars and station wagons, with only spark-ignition internal combustion piston engine of a cylinder capacity exceeding 3,000 cc
	8703.24.00.32	New passenger cars, including racing cars and station wagons, with only spark-ignition internal combustion piston engine of a cylinder capacity exceeding 3,000 cc
	8703.24.00.91	Other vehicles (including crossovers, sport utility vehicles and passenger vans), used, with only spark-ignition internal combustion piston engine of a cylinder capacity exceeding 3,000 cc
	8703.24.00.92	Other vehicles (including crossovers, sport utility vehicles and passenger vans), new, with only spark-ignition internal combustion piston engine of a cylinder capacity exceeding 3,000 cc
	8703.31.00 00	Vehicles with only compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity not exceeding 1,500 cc
	8703.32.00.21	Used passenger cars, including racing cars and station wagons, with only compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 1,500 cc but not exceeding 2,500 cc
	8703.32.00.22	New passenger cars, including racing cars and station wagons, with only compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 1,500 cc but not exceeding 2,500 cc
	8703.32.00.97	Other vehicles (including crossovers, sport utility vehicles and passenger vans), used, with only compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 1,500 cc but not exceeding 2,500 cc
	8703.32.00.98	Other vehicles (including crossovers, sport utility vehicles and passenger vans), new, with only compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 1,500 cc but not exceeding 2,500 cc
	8703.33.00.31	Used passenger cars, including racing cars and station wagons, with only compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2,500 cc
	8703.33.00.32	New passenger cars, including racing cars and station wagons, with only compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2,500 cc
	8703.33.00.97	Other vehicles (including crossovers, sport utility vehicles and passenger vans), used, with only compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2,500 cc
	8703.33.00.98	Other vehicles (including crossovers, sport utility vehicles and passenger vans), new, with only compression-ignition internal combustion piston engine (diesel or semi-diesel) of a cylinder capacity exceeding 2,500 cc
	8703.40.10.00	Vehicles with both spark-ignition internal combustion piston engine, of a cylinder capacity not exceeding 1,000 cc, and electric motor as motors for propulsion, other than those capable of being charged by plugging to external source of electric power
	8703.40.90.10	Passenger cars, including racing cars and station wagons, with both spark-ignition internal combustion piston engine and electric motor as motors for propulsion, other than those capable of being charged by plugging to external source of electric power
	8703.40.90.90	Other vehicles (including crossovers, sport utility vehicles and passenger vans), with both spark-ignition internal combustion piston engine and electric motor as motors for propulsion, other than those capable of being charged by plugging to external source of electric power
	8703.50.00.00	Vehicles, with both compression-ignition internal combustion piston engine (diesel or semi-diesel) and electric motor as motors for propulsion, other than those capable of being charged by plugging to external source of electric power
	8703.60.10.00	Vehicles with both spark-ignition internal combustion piston engine, of a cylinder capacity not exceeding 1,000 cc, and electric motor as motors for propulsion, capable of being charged by plugging to external source of electric power
	8703.60.90.10	Passenger cars, including racing cars and station wagons, with both spark-ignition internal combustion piston engine and electric motor as motors for propulsion, capable of being charged by plugging to external source of electric power
	8703.60.90.90	Other vehicles (including crossovers, sport utility vehicles and passenger vans), with both spark-ignition internal combustion piston engine and electric motor as motors for propulsion, capable of being charged by plugging to external source of electric power
	8703.70.00.00	Other vehicles, with both compression-ignition internal combustion piston engine (diesel or semi-diesel) and electric motor as motors for propulsion, capable of being charged by plugging to external source of electric power
	8703.80.00.10	Passenger cars, including racing cars and station wagons, with only electric motor for propulsion
	8703.80.00.90	Other (including crossovers, sport utility vehicles and passenger vans) with only electric motor for propulsion
	8703.90.00.00	Other vehicles

Heading	Tariff class. number	Description
87.04		Motor vehicles for the transport of goods.

	8704.21.90.10	Vehicles with only compression-ignition internal combustion piston engine (diesel or semi-diesel), with a g.v.w. not exceeding 2 tonnes
	8704.21.90.20	Vehicles with only compression-ignition internal combustion piston engine (diesel or semi-diesel), with a g.v.w. exceeding 2 tonnes but not exceeding 3 tonnes
	8704.21.90.30	Vehicles with only compression-ignition internal combustion piston engine (diesel or semi-diesel), with a g.v.w. exceeding 3 tonnes but not exceeding 5 tonnes
	8704.31.00.10	Vehicles with only spark-ignition internal combustion piston engine, with a g.v.w. not exceeding 2.5 tonnes
	8704.31.00.20	Vehicles with only spark-ignition internal combustion piston engine, with a g.v.w. not exceeding 2.5 tonnes but not exceeding 5 tonnes
	8704.41.90.10	Vehicles with both compression-ignition internal combustion piston engine (diesel or semi-diesel) and electric motor as motors for propulsion, with a g.v.w. not exceeding 2 tonnes
	8704.41.90.20	Vehicles with both compression-ignition internal combustion piston engine (diesel or semi-diesel) and electric motor as motors for propulsion, with a g.v.w. exceeding 2 tonnes but not exceeding 3 tonnes
	8704.41.90.30	Vehicles with both compression-ignition internal combustion piston engine (diesel or semi-diesel) and electric motor as motors for propulsion, with a g.v.w. exceeding 3 tonnes but not exceeding 5 tonnes
	8704.51.00.10	Vehicles with both spark-ignition internal combustion piston engine and electric motor as motors for propulsion, with a g.v.w. not exceeding 2.5 tonnes
	8704.51.00.20	Vehicles with both spark-ignition internal combustion piston engine and electric motor as motors for propulsion, with a g.v.w. exceeding 2.5 tonnes but not exceeding 5 tonnes
	8704.60.00.00	Vehicles with only electric motor for propulsion
	8704.90.00.00	Other

Appendix B: Examples of calculation of taxable amounts, amounts of luxury tax and GST

Commercial goods

Example 1: Imported vehicle (commercial goods)	
Taxes	**Amount ($)**
Value for duty (VFD)	395,900
Customs duty (6.1% on VFD)	24,150
Excise tax on fuel-inefficient vehicles (Rates of excise tax on fuel-inefficient vehicles*)*	4,000
Air conditioners excise tax	100
Taxable amount (for luxury tax purposes)	424,150
(a) Luxury tax @ 10% of taxable amount	42,415
(b) Luxury tax @ 20% of taxable amount above $100,000	64,830
Luxury tax amount (lesser of (a) and (b))	42,415

Amounts payable: Summary	
Duties and taxes	**Amount ($)**
Customs duties	24,150
Excise tax on fuel-inefficient vehicles (Rates of excise tax on fuel-inefficient vehicles)	4,000
Air conditioners excise tax	100
Luxury tax amount	42,415
Sub-total (value for tax)	466,565
GST	23,328
Total amount of duties and taxes	**93,993**

Casual goods

Note: While included in the casual goods examples for clarity sake, it is not necessary to calculate using both methods. If the taxable amount is less than twice the price threshold, just calculating Method A is sufficient. If the taxable amount is more than twice the price threshold amount, just calculating Method B is sufficient. If the taxable amount is exactly twice the price threshold amount, either method will return the same result.

Example 2: Subject vehicle (casual goods)

Subject vehicle's value for duty is $100,500. The importer is a resident of Canada who is returning after an absence of 48 hours or more. As the only reason the vehicle cannot be classified under tariff item No. 9804.10.00 is that the value for duty exceeds the $800 exemption, by application of section 83 of the *Customs Tariff*, the value for duty is reduced by $800 and the vehicle is classified under its own tariff item in chapter 87.

The vehicle's origin is Italy, tariff treatment is Canada–European Union Tariff (CEUT). For the purposes of this example, the tariff classification number is 8703.24.00.32 and the duty rate is 1.5% and the vehicle is equipped with an air conditioner unit.

Example 2: Subject vehicle (casual goods)	
Taxes	**Amount ($)**
Value for duty	100,500
9804.10 personal exemption reduction	Minus 800
Total value of Item **A** (taxable amount)	99,700
Customs Duty (99,700 times 1.5 duty rate under tariff treatment CEUT of 1.5%)	1,495.50
Excise Duty on air conditioner unit	100
Total value of Item **B**	1,595.5
Taxable amount (for luxury tax purposes) **A plus B**	101,295.50
(a) Luxury tax @ 10% of taxable amount (b) Luxury tax @ 20% of taxable amount above $100,000	10,129.55 259.10
Luxury tax amount (lesser of (a) and (b))	259.10

Amounts payable: Summary	
Duties and taxes	**Amount ($)**
Customs duties	1,495.50
Excise Duty on air Conditioner	100
Luxury tax amount	259.10
Sub-total (value for tax)	101,554.6
GST (if applicable)	5,077.73
HST (if applicable)	13,202.1
PST (if applicable, at a rate of 7%)	7,108.82
Final Payable (total amount of taxes and duties owed)	
In a GST province	**7,032.33**
In an HST province	**15,056.7**
In a PST participating Province (meaning add both the GST and PST)	**14,041.15**

In order to determine the value of item **A** for the purposes of establishing the taxable amount the calculation would be:

Value for duty - $100,500

Minus s. 83 reduction - $800

Total A - $99,700

For item **B** the calculation would be:

Customs duty - $99,700 times 1.5% equals $1,495.50

Excise Duty on air conditioner unit - $100

Total B - $1,595.50

The taxable amount for this subject vehicle is:

A $99,700 plus B $1,595.50 equals 101,295.50

As the taxable amount $101,295.50 exceeds the price threshold of $100,000 for subject vehicles, this subject vehicle is subject to the luxury tax.

To determine the applicable luxury tax amount, calculate the luxury tax using Method A and B below:

Method A (luxury tax amount at 10% of taxable amount):

A $101,295.50 times B 10% equals $10,129.55

Method B (luxury tax amount at 20% of taxable amount above $100,000):

(C $101,295.50 minus D $100,000) times E 20% equals $259.10

C minus D equals $1,295.50

The lesser amount of the two methods is method B at $259.10, this would be the amount of luxury tax to be collected.

Example 3: Subject vehicle—casual goods

A former resident returns to Canada to re-establish residence after an absence of more than a year. The importer imports a subject vehicle with a value for duty of $105,000. The vehicle's origin is US and the tariff treatment is the United States Tariff (UST). The vehicle is equipped with an air conditioner unit.

As the only reason why the vehicle cannot be classified under tariff item No. 9805.00.00 is because the value exceeds $10,000, section 84 of the *Customs Tariff* requires that the value of the good be reduced by $10,000 and the vehicle be classified under its own tariff item in chapter 87.

Example 3: Subject vehicle (casual goods)	
Taxes	**Amount ($)**
Value for duty	105,000
9805 personal exemption reduction	Minus 10,000
Total value of Item **A** (taxable amount)	95,000
Customs Duty	0
Excise Duty on air conditioner unit	100
Total value of Item **B**	100
Taxable amount (for luxury tax purposes) **A plus B. The total amount does not exceed the price threshold of 100,000 for subject vehicles, therefore it is not subject to the luxury tax.**	95,100

In order to determine the value of item **A** for the purposes of establishing the taxable amount the calculation would be:

Value for duty - $105,000

Minus s. 84 reduction - $10,000

Total A - $95,000

For item **B** the calculation would be:

Customs duty – free

Excise duty on air conditioner unit - $100

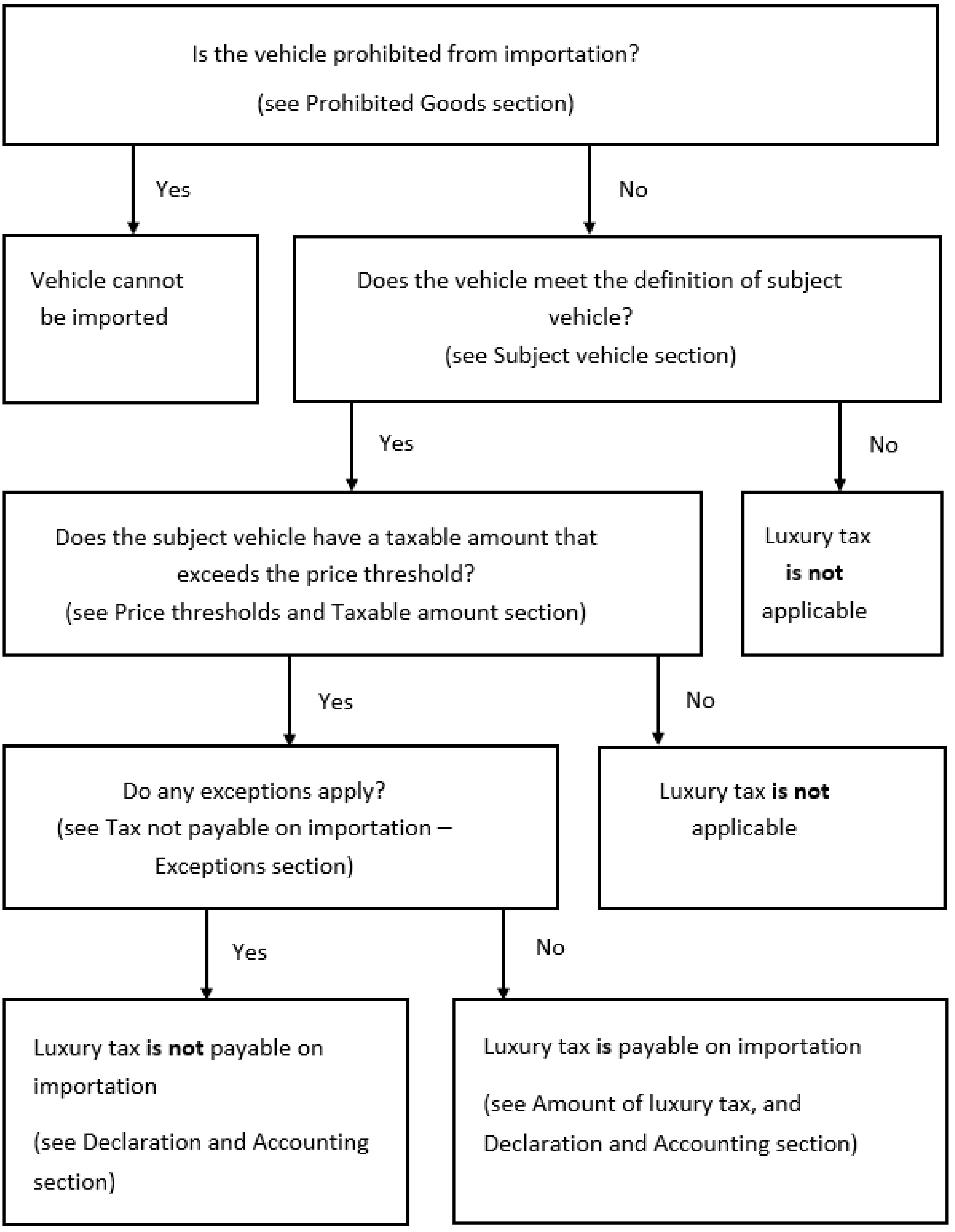
Total B - $100

The taxable amount for this subject vehicle is:

A $95,000 plus B $100 equals $95,100

As the taxable amount for the subject vehicle does not exceed the price threshold of $100,000 for subject vehicles, this vehicle is not subject to the luxury tax.

Appendix C: Flow chart - Application of the luxury tax on importation



Text description

Application of the luxury tax on importation

Is the vehicle prohibited from importation? (see Prohibited Goods section)

Yes: Vehicle cannot be imported

No: Does the vehicle meet the definition of subject vehicle? (see Subject vehicle section)

Yes: Does the subject vehicle have a taxable amount that exceeds the price threshold? (see Price threshold and Taxable amount section)

No: Luxury Tax is not applicable

Yes: Do any exceptions apply? (see Tax not payable on importation – Exceptions section)

No: Luxury Tax is not applicable

Yes: Luxury Tax is not payable on importation (see Declaration and Accounting section)

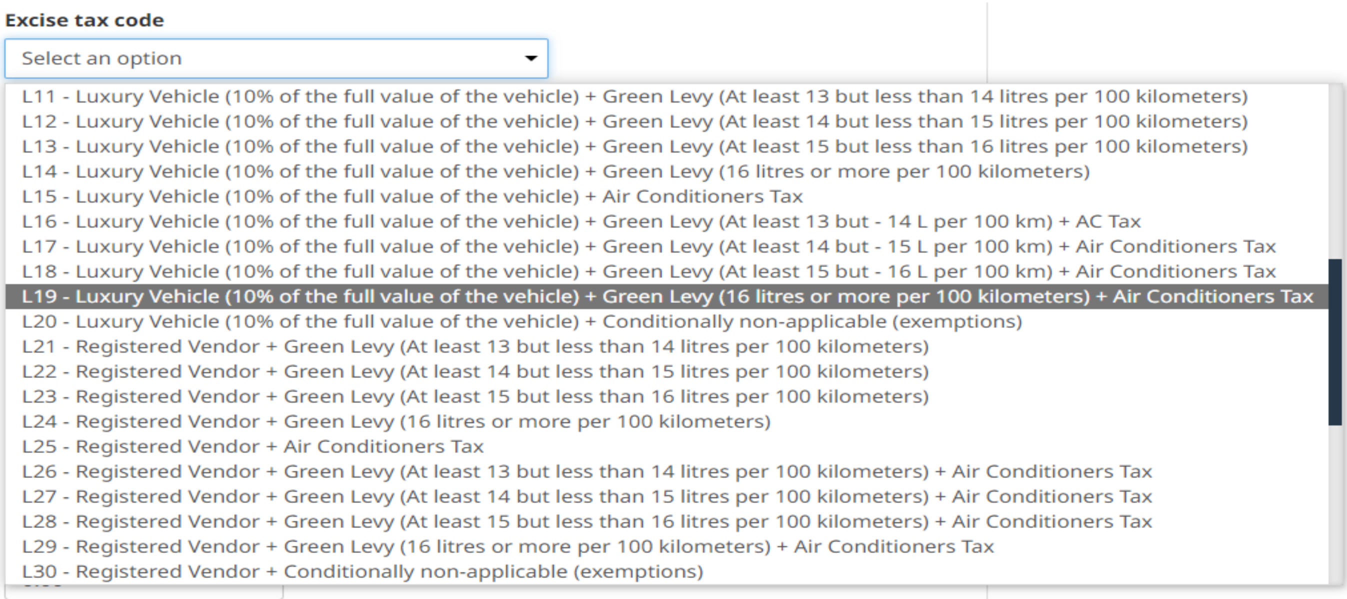
No: Luxury Tax is payable on importation (see Amount of Luxury Tax and Declaration and Accounting sections)

Appendix D: Luxury tax payable or not payable on importation

Luxury tax payable on importation

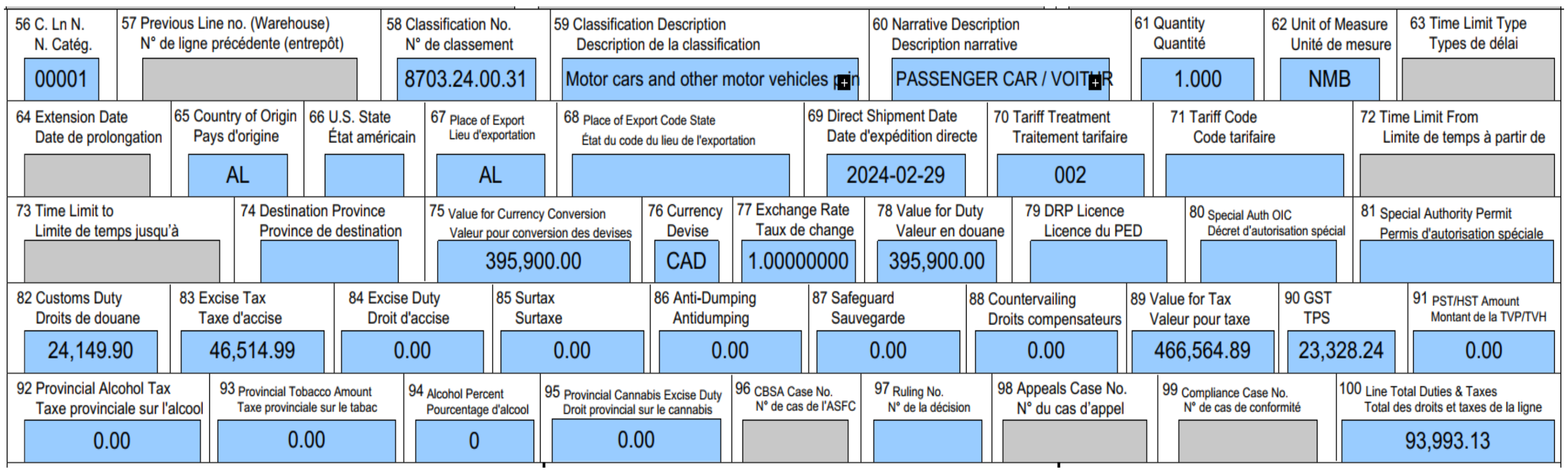
Example 1:

This example corresponds to example 1 shown in Appendix B, with a subject vehicle that has a value for duty of $395,900 and attracts a 6.1% customs duty rate, a $4,000 rate of excise tax on fuel-inefficient vehicles ([Rates of excise tax on fuel-inefficient vehicles]()), and a $100 air conditioners excise tax.



Text description

Excise tax code L19 – Luxury vehicle (10% of the full value of the vehicle) plus Green Levy (16 litres or more per 100 kilometers) plus Air Conditioners Tax - was selected.



Text description

In this example of CAD

In the C. Ln N. field it shows 00001

In the Classification No. field it shows 8703.24.00.31

In the Classification Description field it shows Motor cars and other motor vehicles

In the Narrative Description field it shows Passenger car/ voiture de tourisme

In the Quantity field it shows 1.00

In the Unit of Measure field it shows NMB

In the Country of Origin field it shows AL

In the Place of Export field it shows AL

In the Direct Shipment Date field it shows 2024-02-29

In the Tariff Treatment field it shows 002

In the Value for Currency Conversion field it shows 395,900.00

In the Currency field it shows CAD

In the Exchange Rate field it shows 1.00000000

In the Value for Duty field it shows 395,900.00

In the Customs Duty field it shows 24,149.90

In the Excise Tax field it shows 46,514.99

In the Excise Duty field it shows 0.00

In the Surtax field it shows 0.00

In the Anti-Dumping field it shows 0.00

In the Safeguard field it shows 0.00

In the Countervailing field it shows 0.00

In the Value for Tax field it shows 466,564.89

In the GST field it shows 23,328.24

In the PST/HST/Amount field it shows 0.00

In the Provincial Alcohol Tax field it shows 0.00

In the Provincial Tobacco Amount field it shows 0.00

In the Alcohol Percent field it shows 0

In the Provincial Cannabis Excise Duty field it shows 0.00

And in the Line Total Duties & Taxes Duties & Taxes field it shows 93,993.13

Example 2

This example corresponds to the same scenario as Example 1 above. However, the importation is casual and HST is applicable.

In this case, the importer must select the GST code 99 in the GST Code field of the CAD. Then, the importer must enter the taxes owed in the PST / HST / QST field.

GST code

Select an option

53 - Printed matter for the promotion of tourism
54 - Goods imported by a charity in Canada
55 - Goods supplied by a non-resident for the repair or replacement of goods under warranty
56 - Prescription drugs and biologicals described in Part I of Schedule VI of the Excise Tax Act
57 - Medical devices as enumerated in Part II of Schedule VI
59 - Basic groceries for human consumption
60 - Goods related to agriculture - Part IV of Schedule VI
61 - Goods related to agriculture persuant to Section 10 of Part IV of Schedule VI
62 - Commercial Fishing Boats pursuant to Section 10 of Part IV, Schedule VI
64 - Supplies imported for the use of constructing an international bridge
65 - CLVS Goods per Section 7 of Schedule VII of the Excise Tax Act
66 - Imported Prescribed Goods as listed in Section 8 of Schedule VII of the Excise Tax Act
67 - Goods for use by foreign representatives on diplomatic mission/consular post
69 - Goods for exclusive use of Visiting Forces and its members
71 - Supplies imported for and by the government of Alberta
73 - Supplies imported for and by the government of Manitoba
80 - Supplies imported for and by the government of Saskatchewan
81 - Supplies imported for and by the government of Northwest Territories
82 - Supplies imported for and by the government of Yukon
99 - Combined casual/commercial entries - additional GST

Text description

GST code 99 – Combined casual/ commercial entries – additional GST - was selected.

56 C. Ln N. / N. Catég.	57 Previous Line no. (Warehouse) / N° de ligne précédente (entrepôt)	58 Classification No. / N° de classement	59 Classification Description / Description de la classification	60 Narrative Description / Description narrative	61 Quantity / Quantité	62 Unit of Measure / Unité de mesure	63 Time Limit Type / Types de délai
00001		8703.24.00.31	Motor cars and other motor vehicles	PASSENGER CAR/VOITURE	1.000	NMB	

64 Extension Date / Date de prolongation	65 Country of Origin / Pays d'origine	66 U.S. State / État américain	67 Place of Export / Lieu d'exportation	68 Place of Export Code State / État du code du lieu de l'exportation	69 Direct Shipment Date / Date d'expédition directe	70 Tariff Treatment / Traitement tarifaire	71 Tariff Code / Code tarifaire	72 Time Limit From / Limite de temps à partir de
	AL		AL		2024-02-29	002		

73 Time Limit to / Limite de temps jusqu'à	74 Destination Province / Province de destination	75 Value for Currency Conversion / Valeur pour conversion des devises	76 Currency / Devise	77 Exchange Rate / Taux de change	78 Value for Duty / Valeur en douane	79 DRP Licence / Licence du PED	80 Special Auth OIC / Décret d'autorisation spécial	81 Special Authority Permit / Permis d'autorisation spéciale
	ON	395,900.00	CAD	1.00000000	395,900.00			

82 Customs Duty / Droits de douane	83 Excise Tax / Taxe d'accise	84 Excise Duty / Droit d'accise	85 Surtax / Surtaxe	86 Anti-Dumping / Antidumping	87 Safeguard / Sauvegarde	88 Countervailing / Droits compensateurs	89 Value for Tax / Valeur pour taxe	90 GST / TPS	91 PST/HST Amount / Montant de la TVP/TVH
24,149.90	46,514.99	0.00	0.00	0.00	0.00	0.00	466,564.89	0.00	60,653.44

92 Provincial Alcohol Tax / Taxe provinciale sur l'alcool	93 Provincial Tobacco Amount / Taxe provinciale sur le tabac	94 Alcohol Percent / Pourcentage d'alcool	95 Provincial Cannabis Excise Duty / Droit provincial sur le cannabis	96 CBSA Case No. / N° de cas de l'ASFC	97 Ruling No. / N° de la décision	98 Appeals Case No. / N° du cas d'appel	99 Compliance Case No. / N° de cas de conformité	100 Line Total Duties & Taxes / Total des droits et taxes de la ligne
0.00	0.00	0	0.00					131,318.33

Text description

In this example of CAD

In the C. Ln N. field it shows 00001

In the Classification No field it shows 8703.24.00.31

In the Classification Description field it shows Motor cars and other motor vehicles

In the Narrative Description field it shows Passenger car/ voiture de tourisme

In the Quantity field it shows 1.000

In the Unit of Measure field it shows NMB

In the Country of Origin field it shows AL

In the Place of Export field it shows AL

In the Direct Shipment Date field it shows 2024-02-29

In the Tariff Treatment field it shows 002

In the Destination Province field it shows ON

In the Value for Currency Conversion field it shows 395,900.00

In the Currency field it shows CAD

In the Exchange Rate field it shows 1.00000000

In the Value for Duty field it shows 395,900.00

In the Customs Duty field it shows 24,149.90

In the Excise Tax it shows 46,514.99

In the Excise Duty field it shows 0.00

In the Surtax field it shows 0.00

In the Anti-Dumping field it shows 0.00

In the Safeguard field it shows 0.00

In the Countervailing field it shows 0.00

In the Value for Tax field it shows 466,564.89

In the GST field it shows 0.00

In the PST/HST/ Amount field it shows 60,653.44

In the Provincial Alcohol Tax field it shows 0.00

In the Provincial Tobacco Amount field it shows 0.00

In the Alcohol Percent field it shows 0

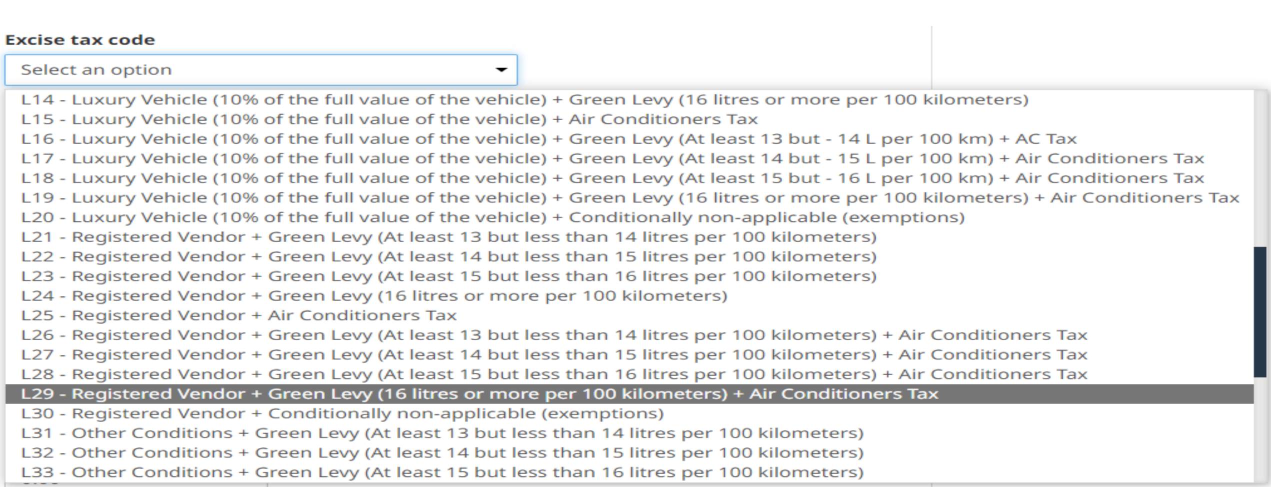
In the Provincial Cannabis Excise Duty field it shows 0.00

And in the Line Total Duties & Taxes field it shows 131,318.33

Luxury tax not payable on importation

Example 3

This example corresponds to the same scenario as Example 1, with a subject vehicle that has a value for duty of $395,900 and attracts a 6.1% customs duty rate, a $4,000 rate of excise tax on fuel-inefficient vehicles (Rates of excise tax on fuel-inefficient vehicles), and a $100 air conditioners excise tax. In this case however, the importer is a registered vendor and is not subject to the luxury tax at the time of importation.



Text description

Excise tax code L29 – Registered vendor plus Green Levy (16 litres or more per 100 kilometers) plus Air Conditioners Tax - was selected.

56 C. Ln N. N. Catég.	57 Previous Line no. (Warehouse) N° de ligne précédente (entrepôt)	58 Classification No. N° de classement	59 Classification Description Description de la classification	60 Narrative Description Description narrative	61 Quantity Quantité	62 Unit of Measure Unité de mesure	63 Time Limit Type Types de délai
00001		8703.24.00.31	Motor cars and other motor vehicles pin	PASSENGER CAR/VOITURE	1.000	NMB	

64 Extension Date Date de prolongation	65 Country of Origin Pays d'origine	66 U.S. State État américain	67 Place of Export Lieu d'exportation	68 Place of Export Code State État du code du lieu de l'exportation	69 Direct Shipment Date Date d'expédition directe	70 Tariff Treatment Traitement tarifaire	71 Tariff Code Code tarifaire	72 Time Limit From Limite de temps à partir de
	AL		AL		2024-02-29	002		

73 Time Limit to Limite de temps jusqu'à	74 Destination Province Province de destination	75 Value for Currency Conversion Valeur pour conversion des devises	76 Currency Devise	77 Exchange Rate Taux de change	78 Value for Duty Valeur en douane	79 DRP Licence Licence du PED	80 Special Auth OIC Décret d'autorisation spécial	81 Special Authority Permit Permis d'autorisation spéciale
		395,900.00	CAD	1.00000000	395,900.00			

82 Customs Duty Droits de douane	83 Excise Tax Taxe d'accise	84 Excise Duty Droit d'accise	85 Surtax Surtaxe	86 Anti-Dumping Antidumping	87 Safeguard Sauvegarde	88 Countervailing Droits compensateurs	89 Value for Tax Valeur pour taxe	90 GST TPS	91 PST/HST Amount Montant de la TVP/TVH
24,149.90	4,100.00	0.00	0.00	0.00	0.00	0.00	424,149.90	21,207.50	0.00

92 Provincial Alcohol Tax Taxe provinciale sur l'alcool	93 Provincial Tobacco Amount Taxe provinciale sur le tabac	94 Alcohol Percent Pourcentage d'alcool	95 Provincial Cannabis Excise Duty Droit provincial sur le cannabis	96 CBSA Case No. N° de cas de l'ASFC	97 Ruling No. N° de la décision	98 Appeals Case No. N° du cas d'appel	99 Compliance Case No. N° de cas de conformité	100 Line Total Duties & Taxes Total des droits et taxes de la ligne
0.00	0.00	0	0.00					49,457.40

Text description

In this example of CAD

In the C. Ln N. field it shows 00001

In the Classification No field it shows 8703.24.00.31

In the Classification Description field it shows Motor cars and other motor vehicles

In the Narrative Description field it shows Passenger car/ voiture de tourisme

In the Quantity field it shows 1.000

In the Unit of Measure field it shows NMB

In the Country of Origin field it shows AL

In the Place of Export field it shows AL

In the Direct Shipment Date field it shows 2024-02-29

In the Tariff Treatment Code field it shows 002

In the Value for Currency Conversion field it shows 395,900.00

In the Currency field it shows CAD

In the Exchange Rate field it shows 1.00000000

In the Value for Duty field it shows 395,900.00

In the Customs Duty field it shows 24,149.90

In the Excise Tax field it shows 4,100.00

In the Excise Duty field it shows 0.00

In the Surtax field it shows 0.00

In the Anti-Dumping field it shows 0.00

In the Safeguard field it shows 0.00

In the Countervailing field it shows 0.00

In the Value for Tax field it shows 424,149.90

In the GST field it shows 21,207.50

In the PST/HST/ Amount field it shows 0.00

In the Provincial Alcohol Tax field it shows 0.00

In the Provincial Tobacco Amount field it shows 0.00

In the Alcohol Percent field it shows 0

In the Cannabis PST field it shows 0.00

And in the Commodity Duties & Taxes field it shows 49,457.40

References

Consult these resources for more information.

Applicable legislation

- *Customs Act*
- *Customs Tariff*
- *Excise Tax Act*

- *LTN5 Luxury tax not payable on subject aircraft and subject vessels*
- *Motor Vehicle Safety Regulations*
- *Select Luxury Items Tax Act*
- *Special Import Measures Act*
- *Temporary Importation of Conveyances by Residents of Canada Regulations*
- *Value of Imported Goods (GST/HST) Regulations*

Related D memoranda

- *Memorandum D6-2-3: Refund of Duties*
- *Memorandum D6-2-6: Refund of Duties and Taxes on Non-commercial Importations*
- *Memorandum D8-1-1: Administration of Temporary Importation (Tariff Item No. 9993.00.00) Regulations*
- *Memorandum D9-1-11: Importation of Used or Second-hand Motor Vehicles*
- *Memorandum D11-4-16: Advance rulings for origin under Free Trade Agreements*
- *Memorandum D11-6-5: Interest and Penalty Provisions: Determinations/Re-determinations, Appraisals/Re-appraisals, and Duty Relief*
- *Memorandum D11-6-6: Reason to Believe and Corrections to the Declaration of Origin, Tariff Classification or Value for Duty*
- *Memorandum D11-6-7: Request under Section 60 of the Customs Act for a Re-determination, a further Re-determination or a Review by the President of the Canada Border Services Agency*
- *Memorandum D11-11-1: National Customs Rulings*
- *Memorandum D11-11-3: Advance Rulings for Tariff Classification*
- *Memorandum D17-2-1: Adjusting Commercial Accounting Declarations*
- *Memorandum D18-5-1: Coding Excise and GST Exemption Codes in the CBSA Assessment and Revenue Management (CARM) system*
- *Memorandum D19-7-4: Importation of Engines, Vehicles, Vessels, Machines and Equipment*
- *Memorandum D19-12-1: Importing Vehicles into Canada*
- *Memorandum D22-1-1: Implementing the Administrative Monetary Penalty System (AMPS)*

Superseded D memoranda

D18-4-1 dated October 21, 2024

Issuing office

Trade Policy Division
Trade Programs and Anti-dumping Directorate
Commercial and Trade Branch

Contact us

Contact border information services

Related links

- CARM: Assess and pay duties and taxes on imported commercial goods
- CARM Client Portal: Onboarding documentation
- B2G - CBSA Informal Adjustment Request
- Luxury tax notices
- Registration Under the *Select Luxury Items Tax Act*
- Luxury Tax – Services and information