DOLBEC INTERNATIONAL

Introducing CARM

The CBSA Assessment and Revenue Management (CARM) project is a multi-year initiative that will transform the collection of duties and taxes for goods imported into Canada.

Nowadays the import process relies on the Customs Broker's Bond to obtain customs release of the goods prior to the payment of import duties and taxes.
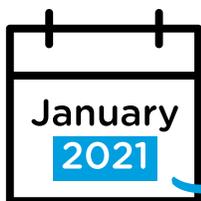
Once the CARM becomes fully implemented the customs release prior to the payment of import duties and taxes will be transferred to the importer's bond.

Also, the importer will be required to make e-payments directly to the CBSA via the CARM portal where import duties and taxes will be acquitted under prescribed cycles of billing.

The CARM solution – an online portal – will give the trade community access to border services 24 hours a day, seven days a week.

Canada's importers will be able to:
- Use online tools to classify goods, and calculate duties and taxes
- Submit e-declarations
- Make e-payments and view up-to-date account information

January 2021 — CARM **Release 0**: Already implemented this release moved the CBSA accounting data to the more robust SAP S4/HANA system. External users of the system did not experience any change.

Spring 2021 — CARM **Release 1**: Release 1 will launch the CARM Client Portal, a self-service tool to facilitate accounting and revenue management processes with the CBSA.

Spring 2022 — CARM **Release 2**: Release 2 will expand on the functionalities of the CARM Client Portal.

Send your question to carm@dolbec-intl.ca

Importer must enroll to the CARM portal :

> All Importers will be required to post security to participate in the RPP program. Importers will no longer be able to use their Customs Broker's RPP security to clear shipments and receive release prior to payment.

> The amount of RPP security an Importer is recommended to post will be based on their highest historic monthly accounts receivable over a 12 month period, inclusive of duties, taxes (GST), fees, and penalties.

> It is the Importer's responsibility to manage and maintain the appropriate amount of RPP security relative to their accounts receivable, inclusive of duties, taxes (GST), fees, and penalties.

Delegation of authority:

> Importers must delegate authority to the customs broker via the CARM portal so the Customs Broker be able to submit the COMMERCIAL ACCOUNTING DECLARATION (CAD)

> **Commercial Accounting Declaration (CAD) is required to be filed within 5 business days of release**

> If no authority is given to the Customs Broker then the importer will be responsible to submit the CAD by himself so it is important that the business to business relationship between importer and broker is established.

Under CARM, Payment of import duties and taxes due date is 10 weekdays after the 17th of month 2 for goods accounted between the 25th day of month 1 and the 24th day of month 2.

Importer's security minimum level is established to:

If Security is a bond: 50% of the highest monthly amount of import duties and taxes paid between July 25th of year 1 to July 24th of year 2 (minimum 25000$ maximum 10 million).

If Security is a Cash deposit: 100% of the highest monthly amount of import duties and taxes paid between July 25th of year 1 to July 24th of year 2.

Dolbec international is committed to establish close partnership with your company and surveys those changes to translate them on clear and efficient communications.

We understand certain adaptation and participation from you and your employees will be required to ensure the import process will continue as smooth as today once the CARM will be in force.

You as importer can prepare for CARM Release 1 and 2:

1. Set up your CARM Client Portal user account following the launch of Release 1 by acquiring a GCKey or using a Sign-In Partner and link to your business account ☐

2. At Release 1, create your business portal account and delegate authority to your employees and/or customs broker and/or trade consultant ☐

3. Prior to Release 2, speak with your customs broker or a surety company for assistance in obtaining a surety bond for Release Prior to Payment privileges ☐