

Canada Border Services Agency announces deferral of all payments owed on imports, in response to COVID-19

March 30, 2020

In brief

On March 27, 2020, the Canadian government announced that it would defer all duties and taxes owed on imports until June 30, 2020. The measure was introduced, along with a series of other measures, to provide relief to small- and medium-sized enterprises who have had their operations disrupted due to the COVID-19 pandemic. This follows other Canada Border Services Agency (CBSA) import-related announcements on a grace period for late accounting penalties¹ and extensions to the 90-day period to submit corrections.²

In detail

Extending payment deadlines

CBSA Customs Notice 20-11³ and Bulletin 50⁴ state that:

- the deadline for all payments due to the CBSA (including amounts owing for duties and taxes on imports, reassessments and penalties) is extended until June 30, 2020, including payments on statements of account due on April 1, 2020
- the due date for any payments is automatically changed to June 30, 2020, and no application is required for this extension

These measures provide flexibility for businesses that have had their normal operations disrupted by COVID-19. As the March statement of account is due on April 1, 2020, this extension announcement is timely for some businesses.

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1. CBSA [Customs Notice 20-10](http://www.cbsa-asfc.gc.ca/publications/cn-ad/menu-eng.html), Waiver of Late Accounting Penalties (COVID-19) (March 19, 2020) available at www.cbsa-asfc.gc.ca/publications/cn-ad/menu-eng.html.
 2. CBSA [Customs Notice 20-09](http://www.cbsa-asfc.gc.ca/publications/cn-ad/menu-eng.html), Changes in Requesting an Extension to the 90-day Period to Submit Corrections (March 18, 2020) at www.cbsa-asfc.gc.ca/publications/cn-ad/menu-eng.html.
 3. CBSA [Customs Notice 20-11](http://www.cbsa-asfc.gc.ca/publications/cn-ad/menu-eng.html), Extension of Timeframes for Payment of Customs Duties and GST (COVID-19) (March 27, 2020) at www.cbsa-asfc.gc.ca/publications/cn-ad/menu-eng.html.
 4. CBSA, Resources: Commercial payments and accounts - [Bulletin 50](http://www.cbsa-asfc.gc.ca/prog/arl-glcc/res-eng.html#bl), Extension of timeframes for payment of duties (COVID-19) at www.cbsa-asfc.gc.ca/prog/arl-glcc/res-eng.html#bl.

Best practices in these unprecedented times

Despite the above adjustments to normal policies and procedures, businesses should otherwise continue to strictly comply with the provisions of the *Customs Act* and its regulations. Absent an explicit direction from the CBSA, businesses should assume that the CBSA will strictly enforce customs compliance obligations. For example, the CBSA has stated that it will not waive the requirement that an importer must apply to the President of the CBSA for an extension of time to file a Request for Re-determination or Further Re-determination (section 60.1 of the *Customs Act*). Therefore, importers should make every effort to ensure that their compliance protocols remain in place.

How can PwC help

In these unprecedented times, PwC can keep your business informed of quickly changing regulatory requirements and our government's COVID-19 policy responses. As the situation develops in Canada, PwC's customs and international trade professionals can help your company receive the full benefit of the government's policy responses, navigate the changing regulatory requirements, as well as helping with general customs compliance issues.

Let's talk

For a deeper discussion on how these measures affect your business, please contact:

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