

General Exporting Guidelines

Determining Duties and Taxes

(a) Determine 10-digit Tariff Classification and obtain correct number for each item

- a. Poland falls under the Harmonized System: www.wcoomd.org
- b. All tariff numbers can be found via this link; search by type of goods: <http://www.cbsa-asfc.gc.ca/trade-commerce/tariff-tarif/2014/html/tblmod-01-eng.html>
- c. The **first six digits** are a **common identifier across all countries** using the HS for that particular good. The following four are unique to Canada and used to establish the duty rates and for statistical purposes.

Example:

9506.11.10.90 = Complete Tariff Classification Number
9506 = Heading – *International*
9506.11 = Sub-heading – *International*
 9506.11.10 = Tariff item – **Canadian**
 9506.11.10.90 = Statistical suffix – **Canadian**

(b) Determine Rate of Duty

- a. When looking up the tariff schedule using the link above, you will find two columns on the right:
 - i. MFN Tariff (Most-Favoured-Nation Tariff) (**Poland** qualifies here)
 - ii. Applicable Preferential Tariffs (where CETA will be located in the future)
- b. The rate of duty for each particular item will be listed there

Examples:

If exporting coffee:

Tariff Number for Coffee: Not roasted, not decaffeinated, not organic: 0901.11.00.20

MFN Tariff – 0%

Tariff Item	SS	Description of Goods	Unit of Meas.	MFN Tariff	Applicable Preferential Tariffs
09.01		Coffee, whether or not roasted or decaffeinated; coffee husks and skins; coffee substitutes containing coffee in any proportion.			
		-Coffee, not roasted:			
0901.11.00		--Not decaffeinated		Free	CCCT, LDCT, GPT, UST, MT, CT, CRT, IT, NT, SLT, PT, COLT, JT, PAT: Free
		10 ---- -Certified organic	KGM		
		20 ---- -Not certified organic	KGM		



U CAN UNIVERSAL Inc. Canada
 55 Browns Line Toronto, ON M8W 3S2
 tel. 416-201-8755 ex 225
www.ucanuniversal.com

Warehousing • Logistics • Distribution • Account Management



UCAN Sp. z o.o. Poland
 ul. Prusa 2, 00-493 Warsaw
 tel. 22 657 04 25



If exporting pickles:

Tariff Number for cucumbers preserved in vinegar for retail sale: 2001.10.0010

MFN Tariff – 8%

Tariff Item	SS	Description of Goods	Unit of Meas.	MFN Tariff	Applicable Preferential Tariffs
20.01		Vegetables, fruit, nuts and other edible parts of plants, prepared or preserved by vinegar or acetic acid.			
2001.10.00		-Cucumbers and gherkins		8%	CCCT, LDCT, UST, MT, CIAT, CT, CRT, PT, COLT, JT, PAT: Free
		10 ---- -Put up for retail sale	KGM		
		90 ---- -Other	KGM		

(c) Determine if goods are subject to goods and service tax (GST), excise tax or excise duty

- Most goods in Canada are subject to GST (5%)
- Some exceptions include drugs, medical and assistive devices, basic groceries, agriculture and fishing goods

(d) Determine the value of the goods

- In most cases it is the amount paid for the goods, supported by an invoice
- Refer to the valuation guide for more information: <http://www.cbsa-asfc.gc.ca/publications/pub/bsf5000-eng.html>

How to calculate the amount of duty and taxes you will have to pay

(Using example of pickles, as seen above)

- Take the value of the shipment as indicated on the invoice and convert it to Canadian dollars at the exchange rate on the day it was shipped
 - zł 1 000 PLN on June 5 = \$361.35 CAD
- Multiply the value for duty (\$361.35) by the Customs Duty Rate (8%)
 - \$361.35 x 8% = \$28.91
- Add the customs duty to the value for duty to determine value for tax
 - \$361.35 + \$28.91 = \$390.26
- Multiply the value for tax by the GST Rate (5%)
 - \$390.26 x 5% = \$19.51
- Total taxes to be paid:
 - \$28.91 (Duty Tax) + \$19.51 (G.S.T.) = \$48.42



U CAN UNIVERSAL Inc. Canada
 55 Browns Line Toronto, ON M8W 3S2
 tel. 416-201-8755 ex 225
www.ucanuniversal.com

Warehousing • Logistics • Distribution • Account Management



UCAN Sp. z o.o. Poland
 ul. Prusa 2, 00-493 Warsaw
 tel. 22 657 04 25

