UNDERSTANDING DUTY DRAWBACK, RELIEF & REMISSION

The **Duty Drawback Program** is a trade incentive program which is designed for Canadian Importers to apply for a refund of duties on eligible imported goods, once they are exported out of Canada. The goods need to be exported within four years of importation.

The **Duty Relief Program** relieves the payment of duties, at the time of importation, on imported goods that will eventually be exported either in the same condition or being consumed, expended or used in the processing of other goods

The **Duty Remission Program** allows Canadian Businesses the opportunity to request relief from duties and taxes paid on goods imported in to Canada, when those goods cannot be sourced domestically, or US goods are required to fulfill work contracts.

Understanding the Differences

	Drawback	Relief	Remission
Can be filed at any time, without pre-approval in the Program	✓	✗	✗
Requires CBSA acceptance into the program in advance	✗	✓	✓
Duties, Surtaxes must be paid at time of import	✓	✗	✗
Goods must be exported within four years	✓	✓	✗
Who can apply:			
Importer of the goods exported	✓	✓	n/a
Exporter of the goods	✓	✓	n/a
Processor of the goods	✓	✓	n/a
Owner of the goods exported	✓	✓	n/a
Producer of the goods exported	✓	✓	n/a
Companies Registered in Canada	✓	✓	✓
Non-Resident Importers	✓	✓	✗
What goods qualify?			
Imported Goods, for export from Canada which are for:			
• Further Processing	✓	✓	n/a
• Display or demonstration in Canada	✓	✓	n/a
• Development or production in Canada of goods for export	✓	✓	n/a
• Exported without having been used in Canada for any reason above	✓	✓	n/a
Imported goods that:			
• Are in short supply in domestic market	✗	✗	✓
• Required to complete contractual requirements (US Goods)	✗	✗	✓
• Could have severe adverse impact on Canadian economy if not imported	✗	✗	✓

* It is important to note, this information is typical information, and each application/filing is subject to CBSA review, and approval