

# GST DIRECT PAYMENT & K84 REPORTING

Importers and customs brokers are required to remit payments for GST in a timely manner and in order to facilitate this, the Government of Canada has established the GST Direct Payment Program.

## GST Direct Payment Program

Importers have the option to pay the GST to the Receiver General without any intermediaries. Importers must register for the GST Direct Payment Program if they wish to use this option (a customs broker can assist with this process) in order for the Canada Border Services Agency (CBSA) to be properly notified. The importer would then pay GST directly to the Receiver General on a monthly basis, based off of the monthly K84 statement by the last business day of the month.

## What is K84?

K84 is the term used for the CBSA Accounting Period. The K84 accounting period runs from the 25th of the month, to the 24th of the following month. Payment of all duties and taxes for all transactions with CBSA during this time period is due on the last business day of the month.

## Who is responsible for K84 Accounting?

Anyone who transmits customs entries directly is responsible for K84 accounting for all transactions due within the K84 time period on their security. (Security is the first 5 digits on the transaction number, as assigned to anyone transmitting directly with CBSA) If you use a customs broker to declare your goods upon importation, your customs broker will complete the K84 accounting, and provide you a K84 Monthly Summary Statement

## What is the K84 Monthly Summary Statement?

The K84 Monthly Summary Statement is a report that shows an importer all of the transactions that were accounted for with CBSA on their behalf during the K84 period. This report will provide a breakdown of each transaction, including the duties payable, the GST payable and any other charges applicable. If an importer is set up with a broker on K84 monthly statements they must make payment for all duties and taxes by the last business day of the month.

## Payment of K84

There are a variety of ways to pay the amount due in the K84 summary statement depending on the importers agreement with their customs broker. The most common practice is for importers to pay GST directly to the Receiver General themselves, and pay the duties and other charges to their broker, who will remit to CBSA on their behalf. Another option is for the importer to pay the full amount owing to their customs broker who will remit payments on their behalf. Note: When paying GST directly, it is payable to the Receiver General, not to CBSA.

## Benefits of the K84 Monthly Summary Statement:

- The importer has a monthly statement of all transactions centralized in one document
- It is easier to monitor transactions, duty payable and GST payable
- One payment rather than multiple transactions

## Important to keep in mind:

There is a very short turnaround from the time the K84 summary is received to the time payment is due. An importer needs to ensure they have processes in place to efficiently review the statement and promptly provide payment. (i.e. wire transfers vs mailed cheques)

Link: CBSA Registration, Accounting and Payment for Commercial Goods  
<https://www.cbsa-asfc.gc.ca/publications/dm-md/d17/d17-1-5-eng.html>