

MEMORANDUM

DEPARTMENT OF NATIONAL REVENUE, CANADA

(CUSTOMS DIVISION)

OTTAWA, 3rd February, 1937.

To Collectors of Customs and Excise and others concerned:

DRAWBACK

Goods delivered for Ships' Stores and Repairs to Ocean Going Vessels

The regulations governing drawback of duties paid on Ships' Stores and Anti-fouling and Anti-corrosive Paints as established by Order in Council P.C. 22/3720, dated December 2, 1935, are superseded by the general regulations governing drawback for ships' stores, ships' furnishings or equipment, and reconstruction or repairs to ocean going vessels, printed herewith, established by Order in Council P.C. 32/185, dated 28th January, 1937, effective on and from 1st April, 1937. Departmental Memorandum Series D No. 20 and any other relative instructions are hereby cancelled.

General Regulations Governing Drawback for Ships' Stores, Ships' Furnishings or Equipment, and Reconstruction or Repairs

When consumable goods on which duties and/or taxes have been paid are delivered as ships' stores on board British and foreign warships, telegraph cable ships, transports owned, chartered or controlled by the British Admiralty, and ships proceeding on an ocean voyage outside of Canada, for use on board thereof, there may be allowed a drawback of ninety-nine per cent of the duties and/or taxes paid on the goods so delivered. Provided that the Minister of National Revenue shall define and limit the kind, quantity and class of goods which may be so delivered as ships' stores and that such stores or any part thereof shall not be relanded, sold or disposed of in Canada, without due entry and payment of duty and/or taxes.

When goods on which duties and/or taxes have been paid are used in the manufacture of ships' furnishings or equipment or goods commonly known as ships' chandlery supplied to vessels hereunder described, or when imported ships' furnishings or equipment or goods commonly known as ships' chandlery are supplied to such vessels, viz:—

- (a) Plying on trans-oceanic routes;
- (b) Bound from a port on the Atlantic coast to a port on the Pacific coast and vice versa;
- (c) Regularly clearing for ports south of the line of the Tropic of Cancer; there may be allowed a drawback of ninety-nine per cent of the duties and/or taxes paid on the ships' furnishings, equipment or chandlery so delivered or on the imported goods used in the manufacture thereof.

When goods on which duties and/or taxes have been paid are used in repairing or reconstructing an ocean going vessel, clearing for a foreign port, there may be allowed a drawback of ninety-nine per cent of the duties and/or taxes paid on the goods so used.

[OVER]

- (1) The applicant for drawback shall be the person who has supplied such goods to the vessel or has done the repairs thereto or reconstruction thereof;
- (2) The quantities of the goods so supplied or used, and the amount of duties and/or taxes paid thereon, shall be ascertained;
- (3) Notice, in form prescribed by the Minister of National Revenue, of intent to claim drawback shall be filed with the Collector of Customs and Excise at the time when such goods are supplied to the vessel;
- (4) Claims for drawback submitted on and after the 1st April, 1937, shall not be paid unless the Customs duties and/or taxes involved have been paid within three years of the supplying or use of the goods nor unless the claims as presented are filed within six months of the first clearance of the vessel thereafter;
- (5) Claims for drawback shall be made under oath before a Collector, Justice of the Peace or Commissioner for taking Oaths, in such form as the Minister shall prescribe and shall, before payment, be verified to the satisfaction of the Minister, who may require, in any case, the production of such further evidence, in addition to the usual averments, as he deems necessary to establish the bona fides of the claim;
- (6) The following documents shall be delivered with the claim for drawback, viz:—
 - (a) A copy of the import entry showing the payment of the Customs duties and/or taxes paid on the goods as supplied or used on which drawback is claimed. If a copy of the import entry, however, has been furnished with a previous claim for drawback, it will be sufficient to "refer" to such copy and indicate the claim to which it was attached, without furnishing a further copy of the entry;
 - (b) A certificate of importation and sale in form prescribed by the Minister, when the claimant entitled to drawback is not the importer of the goods;
 - (c) A copy of the notice of intent to claim drawback, as required by paragraph (3).

INSTRUCTIONS

Claim Forms Nos. K 36 (Claimant's Oath and statement of claim) and K 36A as approved by the Minister may be obtained in quantity required from the nearest Collector.

Please note provisions as to limitations of time for filing drawback claims under the above regulations. Claims should be filed monthly unless otherwise instructed.

Detailed information may be obtained at District Drawback Offices located at Halifax, N.S., Saint John, N.B., Montreal, P.Q., Ottawa, Oshawa, Toronto, Hamilton, London and Windsor, Ont., Winnipeg, Man., and Vancouver, B.C.

H. J. Truicy

Commissioner of Customs.