

## MEMORANDUM

### DEPARTMENT OF NATIONAL REVENUE, CANADA

(CUSTOMS DIVISION)

OTTAWA, 3rd February, 1937.

*To Collectors of Customs and Excise and others concerned:*

## DRAWBACK

### Goods Manufactured and Exported

The general regulations governing Customs drawback as established by Orders in Council P.C. 8/2142, dated 15th August, 1914; P.C. 6/288 and 7/288, dated 5th February, 1918; P.C. 1/3140, dated 21st December, 1918; P.C. 6/656, dated 25th March, 1920, as amended by P.C. 18/196, dated 9th February, 1925; and P.C. 429/108, dated 16th January, 1930, are superseded by the general regulations governing export drawback printed herewith, established by Order in Council P.C. 29/185, dated 28th January, 1937, effective on and from the 1st April, 1937. Departmental Memoranda Nos. 1808B, 2082B, 2171B, 2272B, 2391B, 149C, 409C, 275, and any other relative instructions are hereby cancelled.

### General Regulations Governing Export Drawback

When goods on which duties and/or taxes have been paid are used or directly consumed in, wrought into or attached to any articles manufactured or produced in Canada and exported therefrom, there may, subject to the following conditions, be allowed a drawback of ninety-nine per cent of the duties and/or taxes paid thereon; or

When imported materials and materials of domestic manufacture or production, of the same class, are used in Canadian manufactures, separately or together, there may, subject to the same conditions, be allowed a drawback of ninety-nine per cent of the duties and/or taxes paid on all such materials imported and used by the manufacturer in the manufacture of the goods exported and other goods, provided that such drawback shall not be payable unless a like quantity of materials of the same class, whether imported or of domestic manufacture or production was used in, wrought into or attached to articles manufactured in Canada and exported;

- (1) Except as may be otherwise provided by Order of the Governor in Council, the whole of the drawback shall be paid to the manufacturer or producer or exporter of the goods as exported;
- (2) The quantities of the goods used and the amount of duties and/or taxes paid thereon shall be ascertained;



- (3) Satisfactory evidence shall be furnished in respect of the manufacture or production of the articles in Canada and exportation therefrom;
- (4) Claims for drawback submitted on and after the 1st day of April, 1937, shall not cover goods exported for a period of more than twelve consecutive months and must be filed with the Collector of Customs and Excise and complete documentary evidence attached thereto within a period of six months from the date of the last export entry covered by the claim. Such drawback claims shall not be paid unless the duties and/or taxes have been paid on the goods so used as aforesaid within three years of the date of the exportation of the Canadian article, nor unless the claims as presented at any one time aggregate ten dollars;
- (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 of National Revenue 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) Upon the exportation of any article entitled to drawback, export entries, in triplicate, in the usual form (with the words "Subject to Drawback" marked on the face), shall be filed with the Collector at the port of exit from Canada, naming the conveyance by which and the country or place to which the goods are to be exported and fully describing the kind and quantity thereof and also the marks and numbers on the packages;
- (7) The following documents shall be delivered with the claim for drawback, viz:—
  - (a) A copy of the import entry showing the payment of the duties and/or taxes on the goods used in the articles 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. If the tax for which drawback is claimed was paid on a domestic sale, the original invoice or a certified true copy thereof, representing such domestic sale, showing thereon the amount of tax paid and the number and date of the excise entry in which was included the amount of such tax paid to a Collector, shall be furnished. Should the domestic invoice, however, have been furnished with a previous claim for drawback, it will be sufficient to "refer" to such and indicate the drawback claim to which it was attached;
  - (b) A certified true copy of the export invoice;
  - (c) A copy of the export entry, duly numbered and certified by the Collector at the port of exit where the articles were entered for exportation from Canada;
  - (d) A copy of the bill of lading of the articles exported, duly certified as such by the carrier or his agent. When a shipment is made from a Canadian seaport and a certified true copy of a through bill of lading from original point of lading is not available, both rail and ocean bills of lading are required to be filed with the claim;



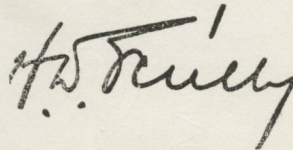
- (e) A certificate of importation and sale, in form prescribed by the Minister, when the claimant entitled to drawback is not the importer of the goods;
  - (f) A certificate of sale for exportation, in form prescribed by the Minister, when the claimant is the manufacturer or producer but not the exporter or is the exporter but not the manufacturer or producer.
- (8) Drawback is not payable in respect of Customs penalties imposed on imported materials nor when the article exported is subject to a bounty to be paid by the Dominion Government on such article when made in Canada.

### INSTRUCTIONS

Claim forms Nos. K. 32 (Claimant's Oath and statement of claim), K. 32A and K. 32B, as approved by the Minister, may be obtained in quantity required from the nearest Collector.

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



*Commissioner of Customs.*