# Purpose

- Today's meeting is intended to share early thinking emerging from the CARM Project. The purpose of the meeting is to provide a forum for consultation with the Trade Chain Partner community.

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# Today's agenda

| Topic | Content | Timing |
|---|---|---|
| **Introduction** | • Objectives and expectations<br>• Overview of discussion topics | 09:00am – 12:00pm |
| **Advance Rulings & National Customs Rulings** | • Potential future state<br>• Discussion of potential implications<br>• Conceptual system solution | |
| **Appeals** | • Potential future state<br>• Discussion of potential implications<br>• Conceptual system solution | |
| **Publishing of Tariff Calculation Rules and Validation Files** | • Future state payment methods<br>• Discussion of potential implications<br>• Conceptual system solution | |
| **Deployment** | • Considerations for deployment approach | |
| **Lunch** | | 12:00 – 12:30pm |
| **Billing Cycle Walkthrough** | • Overview<br>• Illustrative scenario(s) to demonstrate the potential future state billing cycle | 12:30 – 3:50pm |
| **Wrap Up** | | 3:50 – 4:00pm |

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# Objectives and expectations

**Guiding principles**
- Think from a future state perspective
- Focus on the norm, rather than the exceptions
- Challenge perceived constraints
- Park questions and issues that cannot be resolved today

**Expectations**
- Be open to new ideas
- Actively participate
- Be output oriented – feedback from this consultation could be considered in the solution design for CARM

① Advance Rulings & NCRs

② Appeals

③ Tariff Calculation Rules & Validation Files

④ Deployment

⑤ Billing Cycle Walkthrough

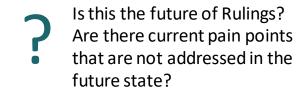CARM | CBSA Assessment and Revenue Management

# Manage Advance Rulings and National Customs Rulings (NCRs)

- Potential future state

- Discussion of potential implications

- Conceptual system solution

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# Advance Rulings & NCRs

## Potential future state for automated rulings



| | | | | |
|---|---|---|---|---|
| Submit a rulings request | Review rulings request and initiate case | Receive notification of request status and assigned case number | Provide additional information as required through the portal | Ruling is issued |

**?** Is this the future of Rulings? Are there current pain points that are not addressed in the future state?

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**Legend**

● TCP   ● CBSA   ● TCP & CBSA

# Advance Rulings & NCRs
## Potential future state for automated rulings

### Objectives

1. **Electronic submission** of rulings request by TCPs
2. Potential to **publish** all rulings **publicly**
3. **Single Database** for managing all Advance Ruling and NCR decisions and documentation

**Advantages**

✓ Removes time allowances for mail

✓ Case management functionality enabled by CARM could support assigning and conducting cases

✓ CARM will enable easier access to rulings

**Considerations**

✓ The system may not capture the criteria (e.g. capabilities, availability) required for assignment

✓ Privacy concerns for public Advance Rulings publishing

✓ Slower timelines for publishing rulings
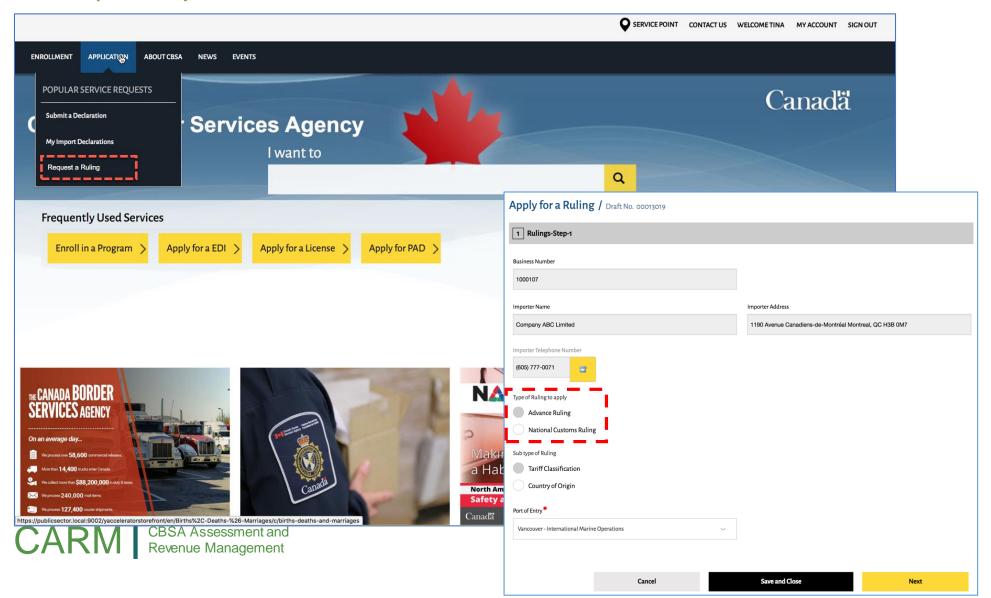
✓ May discourage TCPs from requesting a ruling

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# Advance Rulings & NCRs

## Discussion of potential implications

| Potential Implications | Discussion |
|---|---|
| **01** Online self-serve portal to request and manage rulings | Are there challenges associated with shifting towards an electronic submission process? |
| **02** Harmonized process to manage Advance Rulings and National Customs Rulings | Are there any foreseeable downsides to a harmonized process? |
| **03** Single electronic database for managing all Advance Ruling and National Customs Ruling decisions and documentation | |
| **04** Potential publication of all Advance Ruling decisions | What are the implications of publishing Advance Rulings publicly? Would it deter TCPs from requesting a ruling? |

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# Advance Rulings & NCRs

## Conceptual system solution

# Manage Appeals

- Potential future state

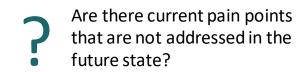- Discussion of potential implications

- Conceptual system solution

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# Appeals
## Potential future state

File Notice of Appeal with CITT / Federal / Supreme Court

Submit request for appeal

Validate request for appeal

Prioritize, distribute, and execute case

Receive final decision

Accept final decision

**?** Are there current pain points that are not addressed in the future state?

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**Legend**

● TCP  ● CBSA  ● TCP & CBSA

# Appeals
## Potential future state

| Objectives |
|---|

1. **Electronic submission** of appeals by TCPs

2. **Automatic validation** of appeal submissions

3. **Feedback** loop to inform parties of process outcomes

**Advantages**

✓ Efficient prioritization and distribution of cases

✓ Greater ability to share and access information, resulting in more accurate and consistent appeal decisions

**Considerations**

✓ Trade and Enforcement appeals may not align

✓ The system may not capture the criteria (e.g. capabilities, availability) required for assignment

✓ The system may not know the true case load of an officer for effective prioritization and assignment due to the exclusion of traveller cases
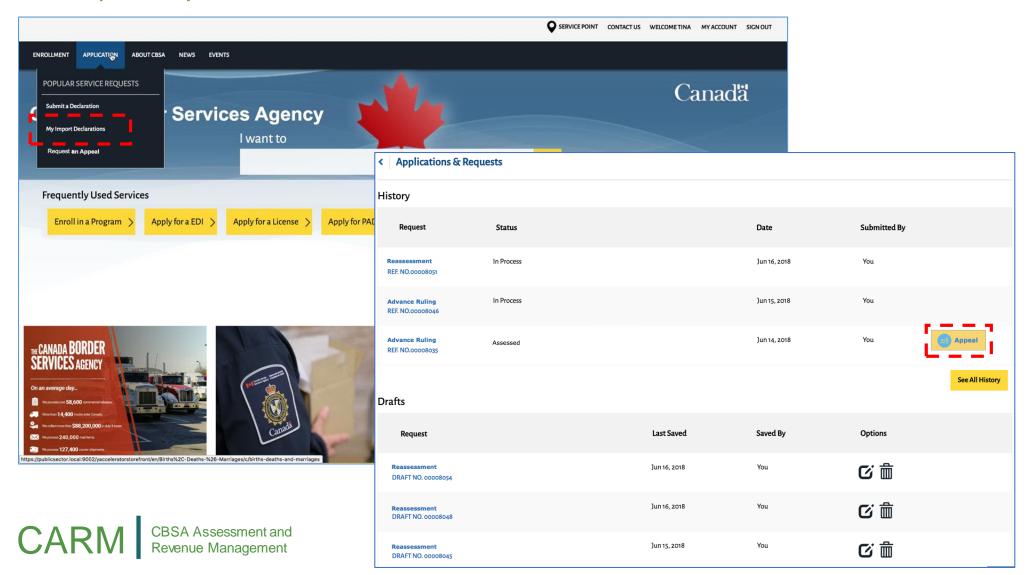
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# Appeals
## Discussion of potential implications

| Potential Implications | Discussion |
|---|---|
| **01** Electronic appeal (trade, enforcement, SIMA) submissions via the external portal - to be automatically validated by CARM system | Are there challenges associated with shifting towards an electronic submission process? |
| **02** System prioritization and distribution of appeals cases | What opportunities do these changes present? |
| **03** Electronic link of appeal cases to relevant transactions, cases, and client accounts | |
| **04** Automated feedback loop to inform appeals officers of appeal decision outcomes and associated rationale | Is there any other automated information you would like to receive? |

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# Appeals
## Conceptual system solution

# Manage the Publishing of Tariff Calculation Rules and Validation Files

- Potential future state

- Discussion of potential implications

- Conceptual system solution

Topics covered in the workshop

Data Management

Data Usage (Calculation)

Quota Management & the Tariff Book

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# Tariff Calculation Rules & Validation Files
## Potential future state

| Receive policy updates from OGDs and the WCO | Validate and store updates | Notify TCPs of upcoming changes | Generate the publication and distribute files | TCPs receive changes |
|---|---|---|---|---|

**?** Are there current pain points that are not addressed in the future state?

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**Legend**
● TCP    ● CBSA    ● TCP & CBSA

# Tariff Calculation Rules & Validation Files

## Potential future state

| Objectives |
| --- |

1. **Maintenance** and **management** of **business control data** related to the calculation of duties and taxes, quotas, and the Departmental Consolidation of the Customs Tariff (i.e. the tariff book), creating a more user-friendly Tariff Book

**Advantages**

- ✓ Opportunity for the CBSA and CARM to position itself as the single source of truth for commercial tariff data
- ✓ Reduce manual effort and human error
- ✓ Improve targeting efforts to reduce burden for compliant trade chain partners
- ✓ Simplify importation for TCPs by automating calculation of duties, taxes and tariffs
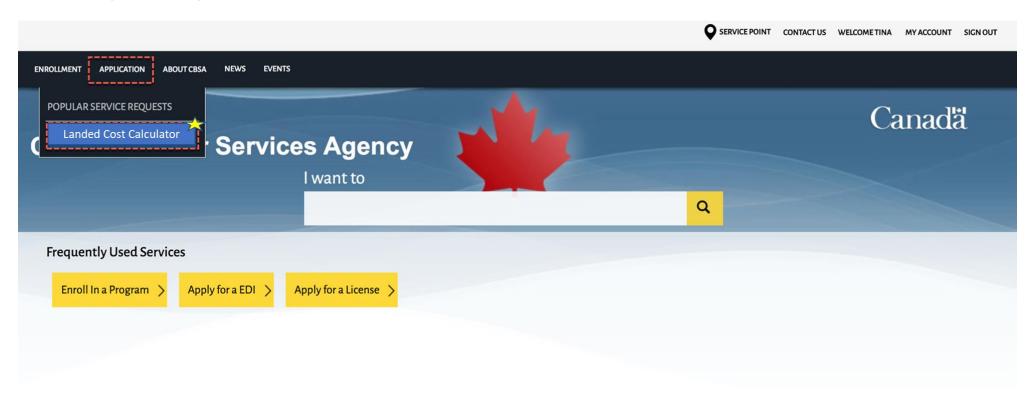- ✓ Provide a more transparent quota management process

**Considerations**

- ✓ Broker implication: while the automated calculation represents a change to brokers, small clients will likely still use brokers to help submit their declarations
- ✓ Potential to eliminate CADEX and PDF (manual processes) in data management

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# Tariff Calculation Rules & Validation Files

## Discussion of potential implications

| Potential Implications | | Discussion |
|---|---|---|
| **01** | Estimated duty, tax, and tariff values provided to importer based on tariff calculation and validation rules – to be automatically validated by CARM system | Do you foresee any issues with the automation of this process?<br><br>What pain points do you face with the Tariff Book at present? What improvements would you like to see?<br><br>How do you feel about filling in multiple fields in order to provide better and more accurate declaration data? |
| **02** | Automated data input and validation, such as Tariff Treatment, Value for Duty, Excise Tax Code, etc. for modernized data management | |
| **03** | Automated quota compliance validation process | |

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# Tariff Calculation Rules & Validation Files

Conceptual system solution

# Tariff Calculation Rules & Validation Files
## Conceptual system solution

# Deployment

- Considerations for deployment approach

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# Deployment Approach
## In conversation with the TCPs

**TCP considerations are key to a successful CARM deployment**, as they influence release strategies, timelines, and client support activities.

As such, we are seeking preliminary feedback from the TCP working group.

**Considerations include…**

What are the advantages/ disadvantages of a big bang vs phased approach?

How should we segment the release? By functionality, region, user group, etc.? What are the limitations to the above?

What are the considerations for business readiness?

What are some key considerations for release timelines? E.g., TCP infrastructure and system upgrades, and testing and training requirements.

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# Deployment considerations

## BIG BANG v. PHASED

- Can we use different strategies for different functionalities? For example, Big Bang for 'must have' and Phased for 'nice to have'?

- What functionalities do we prioritize over others?

- What is our risk appetite? Big Bang approaches are quicker but riskier.

## SEGMENTATION

- Where do we begin the deployment?

**Consider the following dimensions:**

- By Region
- By User Group
- By Geography
- By Functionalities
- Varying TCP Operating Systems requiring a targeted release
- Other TCP specific conditions for releases

## READINESS

- Should there be a pilot program?

- Are there competing business activities that need to be taken into account?

**Consider the following:**

- Infrastructure & system upgrades
- Release schedules
- Testing & Training

## TIMELINES

- What timelines do we need to keep in mind as we approach go-live?

**DEPLOYMENT STRATEGY**

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# Billing cycle walkthrough

- Overview

- Illustrative scenarios
    1. Period start to SOA generation date
    2. SOA generation to payment due date (transactions associated with billing period A only)
    3. Period B transactions
    4. Summarizing the due date of transactions occurring across both billing periods

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# Introduction

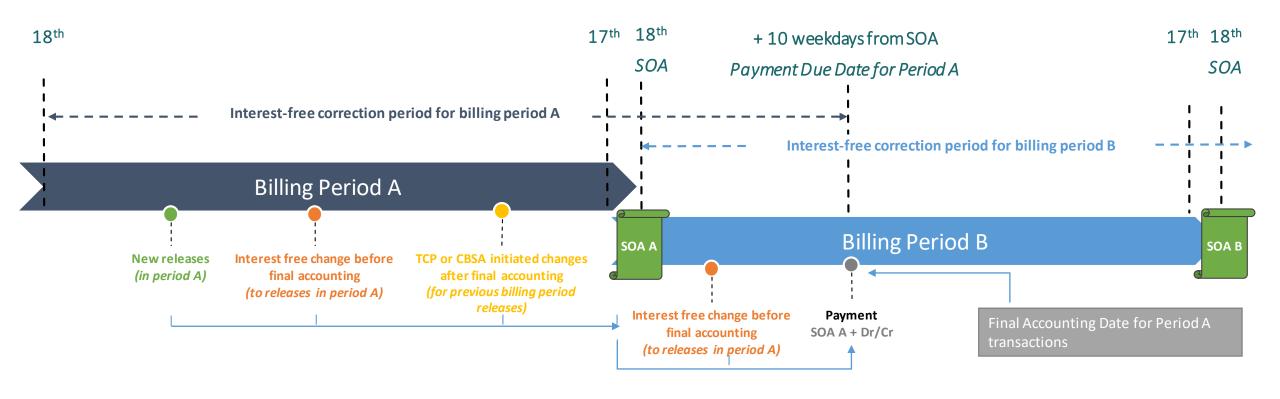| Topic | Description |
|---|---|
| **Proposal** | • Harmonization of billing period and dates associated |
| **Scope** | • All HVS transactions/releases occurring the in the period (new assessments)<br>• Any TCP initiated changes to the declaration before the respective payment due date (corrections)<br>• Any TCP or CBSA initiated changes to the declaration after the respective payment due date (reassessments)<br>• Applicable to TCP's enrolled in the RPP program with a valid account |
| **Objectives** | • Extended period for submitting corrections for final accounting without impacting the Government of Canada's cash flow<br>• Elimination of late accounting penalties<br>• Process simplification – combine release and accounting information in one submission<br>• Harmonized billing dates – elimination of transactional payments for adjustments and penalties<br>• Revenue recognition of the financial liability at time of release, mitigating risk of missed revenue |
| **Transactions in this walkthrough** | • High Value Shipments (HVS)<br>• Applicable ad-hoc transactions (K23 invoice, Notice of Penalty Assessment, P1 Drawback) |
| **Transactions requiring future discussion** | • Low value shipments (LVS) (courier or regular commercial stream)<br>• Trusted Trader - CSA<br>• Continuous Transmission Commodities – CTC |

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# Billing cycle walkthrough

Summary of the billing cycle using the following parameters

| Parameters | Description |
|---|---|
| **Accounts** | All debits and credits will be applied to a TCP account when the decision is rendered. e.g. when goods are released, when a client's correction is approved, when an appeal or dispute decision is rendered |
| **Billing period** | 18th month 0 to 17th month 1 (e.g. Aug 18th to Sept 17th) will be applicable to all debits and credits (e.g. new assessments, corrections, reassessments, ad hoc transactions, etc.) |
| **Statements** | Statements will be generated on the 18th of each month |
| **Payments** | Payment of the SOA is due 10 weekdays from the SOA generation |
| **Amount due** | SOA amount net of credit or debits from the interest-free corrections |
| **Import declarations** | Duties and taxes associated to an import declaration will be posted the day of the release; the number of days to provide final accounting is extended to the payment due date |
| **Credits** | Credit corrections or reassessments, are applied to the TCP's account on the date of decision/issuance. All credits will be displayed on the SOA for the billing period on which it falls |
| **Debits** | Debit reassessments, are due to the Receiver General on the date of decision/issuance (liability date). Debit reassessments will include interest dating back to the original import declaration liability date (payment due date). These debits will be given an interest free grace period based upon the billing period. The debit will be displayed on the SOA for the billing period on which it falls and due on the respective payment due date.<br>Debit corrections will adjust (increase) the net amount due per the original assessment, corrections by definition occur in the same billing period as the assessment or before the payment due date. Payment on debit corrections is therefore due on the respective payment due date as the billing period of the original assessment.<br>Interest on overdue debits will be calculated from the liability date, which for reassessments is the decision/issuance date and for corrections is the payment due date. |

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# Future State Billing Period
## *High level summary*

DRAFT

18th

17th  18th
*SOA*

+ 10 weekdays from SOA
*Payment Due Date for Period A*

17th  18th
*SOA*

Interest-free correction period for billing period A

Interest-free correction period for billing period B

**Billing Period A**

**Billing Period B**

SOA A

SOA B

**New releases**
*(in period A)*

**Interest free change before final accounting**
*(to releases in period A)*

**TCP or CBSA initiated changes after final accounting**
*(for previous billing period releases)*

**Interest free change before final accounting**
*(to releases in period A)*

**Payment**
**SOA A + Dr/Cr**

Final Accounting Date for Period A transactions

**Legend**

🟢 New Assessment

🟠 Corrections

🟡 Reassessment

**Note: Corrections** *are always initiated by the TCP and the term applies to changes to assessments before final accounting i.e. before the payment due date*
**Reassessment** *can be initiated by CBSA or TCP, decision rendered only by CBSA*

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# Illustrative Scenarios

1. Period start to SOA generation date

2. SOA generation to payment due date (transactions associated with billing period A only)

3. Period B transactions

4. Summarizing the due date of transactions occurring across both billing periods

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# 1. Period start to SOA generation date

# Future State Billing Period
## *Period start to SOA generation date*



**18th**

**17th   18th**

*SOA*

**+ 10 weekdays from SOA**

***Payment Due Date for Period A***

**17th   18th**

*SOA*

Interest-free correction period for billing period A

**Billing Period A**

**SOA A**

**Billing Period B**

**Release –**
**Assessment 2**

**Release –**
**Assessment 3**

**Release –**
**Assessment 4**

**Release –**
**Assessment 5**

**Release –**
**Assessment 6**

**Release –**
**Assessment 7**

*New releases*

*New releases*

**CR Corrections –**
**Assessment 5**

**DR Corrections –**
**Assessment 3**
***Corrections (before SOA)***

*Change for Assessment 5*
*e.g. value change*

**Legend**

● **New Assessment**

● **Corrections**

● **Reassessment**

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DRAFT

## CBSA: Statement of Account

**A** **Business Information**

| | |
|---|---|
| Account number: | <BN 15 Number> |
| Statement date: | August 18, 2018 |
| Statement period: | August Statement |
| Start-End Date: | July 18, 2018 - August 17, 2018 |

**B**
<Name Line 1>
<Name Line 2>
<Apartment>
<Address Line 1>          <City>
<Address Line 2>          <Province>

**C** **Account Summary**

| | |
|---|---|
| Previous SOA Balance | $4,500 |
| + Previous period corrections | $0 |
| - Refunds/drawbacks | $0 |
| - Cash declarations | $0 |
| - Deferred declarations | $0 |
| - Payments | ($4,500) |
| - Other credits | $0 |
| + New declarations | $11,375 |
| + Reassessments | $0 |
| + Penalities | $0 |
| + Interest | $0 |
| **Current Balance** | **$11,375** |

**D** **Contact Us**

Phone: <insert digits>          CARM Portal: <link>

Person: <insert address>

**E** **Payment Information**

| | |
|---|---|
| **Balance as of SOA date** | **$11,375** |
| **Scheduled payment due date** | **August 31, 2018** |

**F** **Transaction Details**

| Transaction Date | Post Date | Transaction Reference | Transaction Description | Debit | Credit |
|---|---|---|---|---|---|
| 18-Jul | 18-Jul | Assessment 2 | SID# 2 | $1,000.00 | |
| 20-Jul | 6-Aug | Assessment 3 | SID #3.1 | $800.00 | |
| 31-Jul | 31-Jul | Payment #1 | Payment for July Period | | -$4,500.00 |
| 5-Aug | 5-Aug | Assessment 4 | SID #4 | $575.00 | |
| 10-Aug | 12-Aug | Assessment 5 | SID #5.1 | $4,400.00 | |
| 13-Aug | 13-Aug | Assessment 6 | SID #6 | $600.00 | |
| 17-Aug | 17-Aug | Assessment 7 | SID #7 | $4,000.00 | |
| | | | | **$11,375.00** | **-$4,500.00** |
| | | Total of transactions for current period | | | **$11,375.00** |

# 2. SOA generation to payment due date
## (transactions associated with billing period A only)

# Future State Billing Periods
## SOA generation to payment due date (associated with billing period A)

18th

17th  18th
*SOA*

+ 10 weekdays from SOA
***Payment Due Date for Period A***

17th  18th
*SOA*

**Interest-free correction period for billing period A**

**Billing Period A**

**SOA A**

**Billing Period B**

**Release –** Assessment 2
**Release –** Assessment 3
**Release –** Assessment 4
**Release –** Assessment 5
**Release –** Assessment 6
**Release –** Assessment 7

*New releases*

*New releases*

**Payment**
SOA A + Dr/Cr

**CR Correction–** Assessment 5

**DR Correction–** Assessment 3
*Corrections (before SOA)*

**DR Correction–** Assessment 6

**CR Correction–** Assessment 7
*Corrections (post SOA)*

*Change for Assessment 5 e.g. value change*

*Change for Assessment 7 e.g. NAFTA certificate obtained*

*Change for Assessment 6 e.g. Quantity adjustment*

**Legend**
- New Assessment
- Corrections
- Reassessment

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33

# Account balance – payment amount due for period A

- Amount due for Period A = SOA account balance net of credit/debit corrections to declarations in period A

- i.e. liability amount will be adjusted based on TCP initiated corrections to declarations which occurred in Period A

- Any new assessments or debit reassessments occurring from the SOA date to the Payment due date period do not affect the liability amount owing on the payment due date for period A

- Credit reassessments will be applied to the account immediately thus also affecting the account balance & amount due

- TCP will be able to view the payment due on the account via portal in addition to the total account balance

Below table illustrates the debit & credit corrections on declarations in period A, which will be displayed on the account view on the portal:

**Transaction Details**

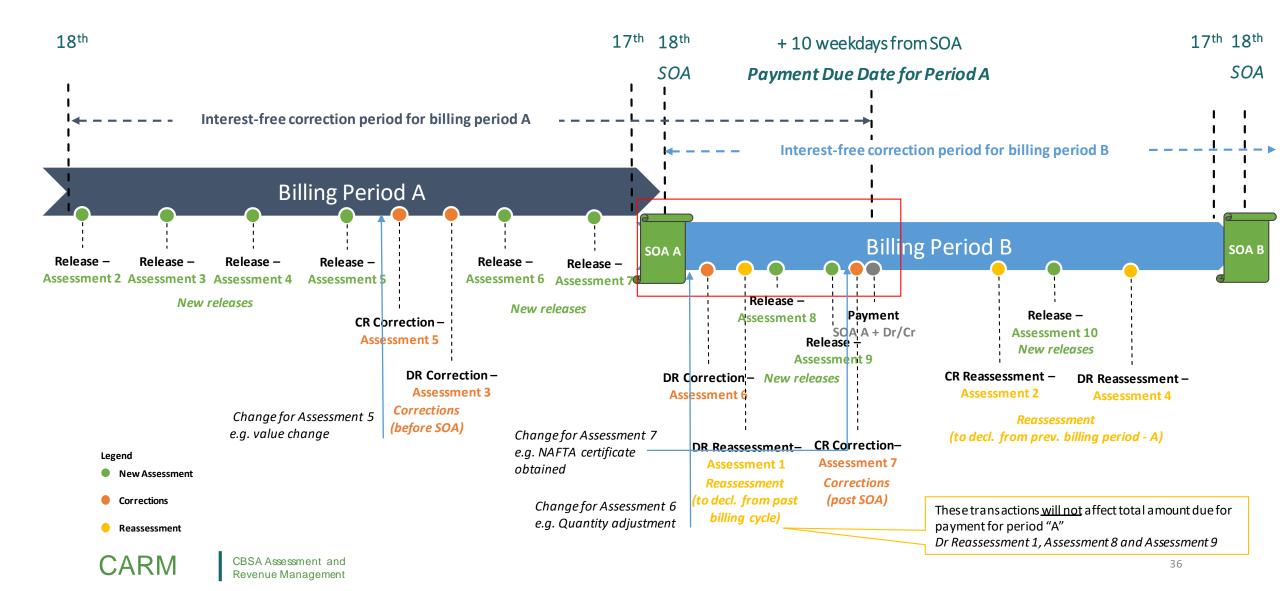| Transaction Date | Post Date | Transaction Reference | Transaction Description | Debit | Credit | Cleared |
|---|---|---|---|---|---|---|
| 13-Aug | 22-Aug | Assessment 6 | SID# 6.1 | $300.00 | | N |
| 17-Aug | 30-Aug | Assessment 7 | SID #7.1 | | -$4,000.00 | Y |
| Total of debit/credit corrections | | | | -$3,700.00 | | |

**SOA (generated on Aug 18th) balance:** **$11,375**
**Corrections (after SOA generation):** **-$3,700** *Debit of $300 to assessment 6 & Credit of $4000 to assessment 7*

**Payment amount due on Aug 31st:** **$7,675**

# 3. Period B transactions

# Future State Billing Periods
## Period B transactions

18th        17th   18th      + 10 weekdays from SOA      17th   18th

*SOA*     ***Payment Due Date for Period A***     *SOA*

Interest-free correction period for billing period A

Interest-free correction period for billing period B

**Billing Period A**

**Billing Period B**

SOA A

SOA B

**Release –** Assessment 2
**Release –** Assessment 3
**Release –** Assessment 4
**Release –** Assessment 5
**Release –** Assessment 6
**Release –** Assessment 7

*New releases*

*New releases*

**CR Correction –** Assessment 5

**DR Correction –** Assessment 3 *Corrections (before SOA)*

*Change for Assessment 5 e.g. value change*

**Release –** Assessment 8

**Release –** Assessment 9 *New releases*

**Payment** SOA A + Dr/Cr

**DR Correction –** Assessment 6

*Change for Assessment 7 e.g. NAFTA certificate obtained*

*Change for Assessment 6 e.g. Quantity adjustment*

**DR Reassessment –** Assessment 1 *Reassessment (to decl. from past billing cycle)*

**CR Correction –** Assessment 7 *Corrections (post SOA)*

**Release –** Assessment 10 *New releases*

**CR Reassessment –** Assessment 2

**DR Reassessment –** Assessment 4

*Reassessment (to decl. from prev. billing period - A)*

*These transactions will not affect total amount due for payment for period "A" Dr Reassessment 1, Assessment 8 and Assessment 9*

## Legend
- 🟢 New Assessment
- 🟠 Corrections
- 🟡 Reassessment

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36

# SOA – illustration for Period B

## CBSA: Statement of Account

**A** | **Business Information**

| | |
|---|---|
| Account number: | <BN 15 Number> |
| Statement date: | September 18, 2018 |
| Statement period: | September |
| Start-End Date: | August 18 - September 17, 2018 |

**B**

<Name Line 1>
<Name Line 2>
<Apartment>
<Address Line 1>          <City>
<Address Line 2>          <Province>

**C** | **Account Summary**

| | |
|---|---|
| Previous SOA Balance | $11,375 |
| + Previous period corrections | ($3,700) |
| - Refunds/drawbacks | $0 |
| - Cash declarations | $0 |
| - Deferred declarations | $0 |
| - Payments | ($7,675) |
| - Other credits | $0 |
| + New declarations | $6,600 |
| + Reassessments | $675 |
| + Penalities | $0 |
| + Interest | $125 |
| **Current Balance** | **$7,400** |

**D** | **Contact Us**

Phone: <insert digits>          CARM Portal: <link>

Person: <insert address>

**E** | **Payment Information**

| | |
|---|---|
| Balance as of SOA date | $7,400 |
| Scheduled payment due date | October 2, 2018 |

**F** | **Transaction Details**

| Transaction Date | Post Date | Transaction Reference | Transaction Description | Debit | Credit |
|---|---|---|---|---|---|
| 13-Aug | 22-Aug | Assessment 6 | SID# 6.2 | $300.00 | |
| 17-Aug | 30-Aug | Assessment 7 | SID #7.1 | | -$4,000.00 |
| 24-Aug | 24-Aug | Reassessment 1 | SID #1.1 | $1,100.00 | |
| 24-Aug | 24-Aug | Reassessment 1 | SID #1.1 | $1,000.00 | |
| 24-Aug | 24-Aug | Reassessment 1 | Interest | $100.00 | |
| 25-Aug | 25-Aug | Assessment 8 | SID #8 | $600.00 | |
| 26-Aug | 26-Aug | Assessment 9 | SID #9 | $4,000.00 | |
| 31-Aug | 31-Aug | Payment #2 | Payment for August Period | | -$7,675.00 |
| 5-Sep | 5-Sep | Reassessment 2 | SID #2.1 | | -$1,000.00 |
| 5-Sep | 5-Sep | Reassessment 2 | Interest | $0.00 | |
| 10-Sep | 10-Sep | Assessment 10 | SID #10 | $2,000.00 | |
| 12-Sep | 12-Sep | Reassessment 4 | SID #4.1 | $700.00 | |
| 12-Sep | 12-Sep | Reassessment 4 | SID #4.1 | $675.00 | |
| 12-Sep | 12-Sep | Reassessment 4 | Interest | $25.00 | |
| | | | | $8,700.00 | -$12,675.00 |
| | | Total of transactions for current period | | | $7,400.00 |

# 4. Summarizing the due date of transactions occurring across both billing periods

# Future State Billing Periods
## *Illustrating payment due dates of transactions in the billing periods*



18th

17th
18th
*SOA Generation*

+10 weekdays from 18th
*Payment Due Date*

17th    18th

+ 10 weekdays from SOA

17th
18th
*SOA Generation*

+10 weekdays from
SOA
*Payment Due Date*

17th    18th
*SOA*

**Release –
Assessment 2**

**Release –
Assessment 3**

*New re*

**SOA A**

Billing Period B

**SOA B**

Billing
Period C

**SOA B**

**All Assessment's in
period A –
before SOA A**

**DR Reassessment–
Assessment 1**

**DR Correction –
Assessment 6**

**Payment
SOA A + Dr/Cr**

**CR Correction –
Assessment 7**

*Credited to the account immediately,
adjusting the SOA A balance*

**All Assessment's in
period B –
after SOA A and
before SOA B**

**Payment
SOA B**

**ment –
ent 4**

**Legend**
- 🟢 New Assessment
- 🟠 Corrections
- 🟡 Reassessment

*Value change for Assessment 3*

*billing cycle)*

*These transactions will not affect total liability due for
period "A"*

*Quantity adjustment for Assessment 6*

# Account view on final accounting date for billing period A
## *Illustration of final account view at payment due date of billing period A*

See below table which represents an illustration of the information that the online portal account view can provide:

**Transaction Details**

| Transaction Date | Post Date | Transaction Reference | Transaction Description | Debit | Credit | Cleared |
|---|---|---|---|---|---|---|
| 13-Aug | 22-Aug | Assessment 6 | SID# 6.1 | $300.00 | | N |
| 17-Aug | 30-Aug | Assessment 7 | SID #7.1 | | -$4,000.00 | Y |
| 24-Aug | 24-Aug | Reassessment 1 | SID #1.1 | $1,100.00 | | N |
| 24-Aug | 24-Aug | Reassessment 1 | SID #1.1 | $1,000.00 | | N |
| 24-Aug | 24-Aug | Reassessment 1 | Interest | $100.00 | | N |
| 25-Aug | 25-Aug | Assessment 8 | SID #8 | $600.00 | | N |
| 26-Aug | 26-Aug | Assessment 9 | SID #9 | $4,000.00 | | N |
| | | **Payment Amount Due** | | | $7,675.00 | |
| | | **Account Balance** | | | $13,375.00 | |

**SOA generated on Aug 18th balance**:   **$11,375**

Corrections to releases in period A: Credit of $3,700 *(affects only payment amount due)*

New releases + reassessments + interests to previous releases: Debit of $5,700 *(affects account balance)*

**Total payment amount due on Aug 31st: $7,675**

**Total account balance on Aug 31st:   $13,375**

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# Comparison of Current vs Future State

| | Current | Future |
|---|---|---|
| **Billing Period** | • 17th – 18th for goods released during this period<br>• Debt on imports are not posted to an account until final accounting<br>• All other debit/credits have no set billing period | • 17th – 18th for all decisions rendered during this period<br>• Debt will be posted to an account at time of release<br>• Includes goods released, adjustments, penalties, etc. |
| **Final Accounting date** (applies to import declarations only) | • 5 business days from release date | • Payment due date |
| **SOA generation** | • 25th of the month | • 18th of the month |
| **Payment due date** | • Last business day of the month | • 10 week days from the SOA generation date |
| **Credits** | Applied to the account immediately | |
| **Debits** | • Applied to the account immediately<br>• Debit adjustments will include interest dating back to the original import declaration liability date (payment due date)<br>• These debits are given a 30 day interest free period to pay the total amount of the adjust | • Applied to the account immediately<br>• Debit adjustments will include interest dating back to the original import declaration liability date (payment due date)<br>• These debits will have a variable interest free period based upon the billing period (13 to 45 days) |

# Benefits realized for TCPs

| Benefits and Objectives | Benefit Realized? |
|---|:---:|
| Extended period for submitting corrections for final accounting without impacting the Government of Canada's cash flow | ☑ |
| Elimination of late accounting penalties | ☑ |
| Process simplification – combine release and accounting information in one submission | ☑ |
| Harmonized billing dates – elimination of transactional payments for adjustments and penalties | ☑ |

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# Additional questions?



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# Wrap up and next steps

Thank you for your participation. Below are topics for upcoming TCP consultations:

**October**

- Trusted Traders
- Reporting and analytics (trade)
- Compliance (fraud)
- EDI

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