

Government of Canada is Considering Increase to Imports by Mail/Courier Threshold

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Glen McGregor of the Ottawa Citizen may have an inside scoop – he says the Government of Canada is considering increasing the *Postal Imports Remission Order* and the *Courier Imports Remission Order* thresholds of \$20.00. In an article published on January 14, 2016 entitled “[Government mulls waiving taxes and duties on smaller-value online purchases](#)”, McGregor writes:

“The Liberal government is considering changes to Canada’s strict import rules to exempt more goods purchased online from duties and sales taxes.

Under the current system, duty and taxes apply to shipped products valued at \$20 or more, the “*de minimis*” threshold that hasn’t been updated since 1985.”

The *Postal Imports Remission Order* and the *Courier Imports Remission Order* provide for the remission of customs duties and excise taxes paid or payable on goods imported by mail or courier, and having a value for duty not exceeding \$20. A remission is that the government foregoes revenue – the duties and taxes are essentially waived. The good news about remission orders is that they can be approved without tabling legislation in the House of Commons or the Senate. It can happen rather quickly.

Whether the Liberal Government will increase the threshold to \$100, \$200 or \$400 (or at all) is yet to be seen. The amount of revenue to the government would decrease in the remission orders thresholds increase. That being said, the administrative burden of reducing the paperwork burden would decrease. Whether or not there would be a cost savings from the reduced paperwork may depend on Canada Border Services Agency officers reducing ranks or hours worked.

The change will be beneficial to online retailers, such as Amazon and eBay. I know that I would be grateful for duty-free purchases from [Peace Love World](#) – but the threshold would need to be \$400 for me to benefit.



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