

SPC&B Update

January 22, 2016 - In This Issue: EU Valuation of Consignment Shipments, Canada Origin Documentation

How Does the EU Last Sale Rule Affect Consignment Shipments?

.....

Proof of Origin for Imports in Canada

.....



EU Last Sale Rule and Consignment Shipments

Under the European Union's (EU) new last sale valuation rule embodied in the implementing regulation Article 128, the European Commission (EC) revised language related to goods shipped on consignment that are stored in a customs warehouse prior to entering the customs territory of the Union. Because the last sale rule requires that transaction value be based "on the sale occurring immediately before the goods were brought into the customs territory," there was uncertainty as to situations in which the sale for export occurs while the goods are stored in warehouse.

Accordingly, in these limited circumstances, the final version of Article 128, paragraph 2 states:

Where the goods are sold for export to the customs territory of the Union **not before they were brought into that customs territory** but while in temporary storage or while placed under a special procedure other than internal transit, end-use or outward processing, the transaction value will be determined on the basis of that sale. (Emphasis added.)

If the goods are sold while in an EU customs warehouse, but before they have been released, that sale would govern the goods' valuation for customs purposes.

Canada Clarifies Origin Documentation Requirements

The Canada Border Services Agency recently issued a revised D-Memorandum regarding proof of origin required for imported merchandise, setting forth the documentation requirements for each type of tariff treatment, including free trade agreements and special trade programs such as the General Preferential Tariff, Least Developed Country Tariff, etc. Copies of this handy reference guide and examples of the origin documents are available upon request.

For information on shipping to the EU, Canada, and/or other areas, please contact Gail T. Cumins at gcumins@spcblaw.com, Alli Baron at abaron@spcblaw.com, Donna Shira at dshira@spcblaw.com, or Ken Paley at kpaley@spcblaw.com, or call us at 212-425-0055.

Sharretts, Paley, Carter & Blauvelt, P.C.
75 Broad Street, 5th Floor
New York, NY 10004
212-425-0055
customs@sharretts-paley.com

For more than sixty years, Sharretts, Paley, Carter & Blauvelt, P.C. has been one of the preeminent firms in the fields of global customs law, international trade law, and compliance. Our mission is to provide our clients with the personalized, focused service of a small-sized firm while offering the advantages of a top national law firm.

Attorney Advertising pursuant to New York RPC 7.1. This newsletter is provided for information purposes only.