



Canada Border
Services Agency

Agence des services
frontaliers du Canada

CARM Solution Spotlight – Billing Cycles

Updated: November 2020

Canada

CARM | CBSA Assessment and
Revenue Management

CARM billing cycle changes will come into effect with Release 2

Release 0

Upgrade – Accounts Receivable Ledger (ARL)

- ✓ No action required from Trade Chain Partners*

*Recipients of Daily Notices may experience a delay in receiving them during the implementation, similar to other ARL updates.

Release 1

Basic Functions CARM Client Portal

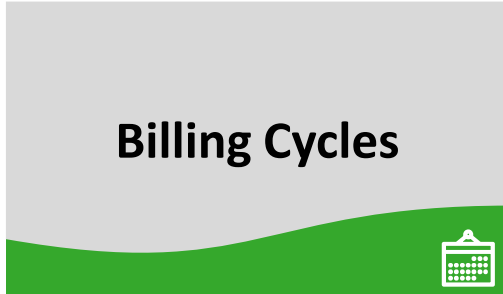
- ✓ Open to importers, customs brokers and trade consultants (all other clients will gain access with Release 2)
- ✓ Ability to grant access to your portal account to third-party service providers (customs broker, trade consultant)
- ✓ New online payment options (credit card payments, pre-authorized debit, etc.)
- ✓ Tools to help classify goods and estimate duties and taxes
- ✓ Application Program Interface (API) to retrieve tariff data
- ✓ Ability to electronically request rulings and track their progress

Release 2

All Functions CARM Client Portal

- ✓ Open to all trade community.
- ✓ Business registration and program enrolment
- ✓ Electronic commercial accounting declarations with ability for corrections and adjustments (to replace current B3 Customs Coding and B2 Request for Adjustment forms)
- ✓ Changes to Release Prior to Payment requirements for bonds
- ✓ **Harmonized billing cycles**
- ✓ New offsetting options
- ✓ Electronic management for appeals and compliance actions

Billing Cycles



Key Benefits

- ✓ Harmonized payment due dates will simplify the management of accounts receivable for trade chain partners
- ✓ Introduction of a new interest-free correction period

The introduction of new billing cycles and alignment of payment due dates will address current complexities of revenue management for businesses and the CBSA.

The following billing cycles and payment due dates will be affected by CARM:

- High Value Shipments (HVS) / Low Value Shipments (LVS)
- Courier Low Value Shipments (CLVS)
- Continuous Transmission Commodities (CTC)
- Customs Self-Assessment (CSA) Program
- CBSA commercial invoices (e.g. NPAs, K23s, K32s), in alignment with commercial invoice payment due dates

LVS goods released in the regular commercial stream will follow the standard HVS billing cycle.

Billing Cycle Summary

Timing for:	HVS/LVS	CLVS	CSA (Option 1)	CSA (Option 2)	CTC
Commercial Accounting Declaration (CAD)	5 business days after release	24 th of calendar month 2	Until payment due date	Until payment due date	24 th of calendar month 2
Statement of Account (SOA)	25 th of calendar month 2 for all goods released between the 18 th of calendar month 1 to the 17 th of calendar month 2*	25 th of calendar month 2 for all goods released in calendar month 1*	25 th of calendar month 2 for all goods released in calendar month 1*	25 th of calendar month 2 for all goods released between the 18 th of calendar month 1 to the 17 th of calendar month 2*	25 th of calendar month 2 for all commodities crossing the border in calendar month 1*
Payment Due Date	10 weekdays after the 17 th of calendar month 2				
Correction Period	From CAD submission date to payment due date				
Adjustment Period	From payment due date onward				

Frequently Asked Questions

The following represents responses to frequently asked questions related to this aspect of the CARM solution.



1. **Will the statement of account be produced at the legal entity level (BN9) or at program level (BN15)?**
 - Trade chain partners will have the option to set their statement of account at either the BN9, or BN15 level.
2. **If I have a correction on the day after my Statement of Account (SOA) date, when will I have to pay?**
 - Transaction history will be available on the CARM Client Portal and will provide up-to-date account balance, payable balance and payment due dates, including any corrections posted after the statement of account is generated but prior to payment due date. Corrections made after the SOA date, and prior to payment due date, must be paid by the payment due date (10 weekdays after the 17th of calendar month 2) within that same billing cycle.
3. **For an adjustment resulting in an amount owing to the CBSA, that is approved on the 18th of a month, when will the amount be due?**
 - Any adjustments processed between the 18th of calendar month 1 and the 17th of calendar month 2 will be due 10 weekdays (defined as Monday to Friday, inclusive of holidays) after the 17th of calendar month 2.
4. **Where do audit assessments fall under the proposed billing process?**
 - All accounting transactions will be rolled up to provide account balance and payment due date. Results from audit assessments, including interest, will be posted on the account on the date of decision, and will be payable on the billing period's due date.

Frequently Asked Questions

The following represents responses to frequently asked questions related to this aspect of the CARM solution.



5. **Will payment due date be ten working days or calendar days after the 17th of the month?**
 - The payment due date will be 10 week days (defined as Monday to Friday, inclusive of holidays) after the 17th of the calendar month.
6. **Can we make a payment to one specific transaction to stop the interest from accruing?**
 - The CBSA is moving from a transactional payment allocation method to an account-based payment allocation method to align to accounting leading practices. Transactional allocation is only possible for select transaction types, such as appeals.
7. **When will the CBSA apply interest to import transactions?**
 - Trade Chain Partners may incur interest charges on outstanding balances after the payment due date.
8. **Will the new CARM billing cycles change the release process?**
 - The new CARM billing cycle will not change the current release process. However, for cash entries (currently referred to as a "C" type entry), trade chain partners will be able to prepare a fully completed commercial accounting declaration (CAD) in the CARM Client Portal, rather than submit a B3 (Customs Coding Form) for release at the port of entry.

More information on CARM

For further details on the project:

- ✓ Visit the [CARM section of the CBSA website](#)
- ✓ Email: [CBSA.CARM Engagement-Engagement de la GCRA.ASFC@cbsa-asfc.gc.ca](mailto:CBSA.CARM_Engagement-Engagement_de_la_GCRA.ASFC@cbsa-asfc.gc.ca)
- ✓ Follow CARM on [LinkedIn \(CBSA Assessment and Revenue Management group\)](#)
- ✓ Join the [CARM group on GCcollab](#)