



AGREEMENT AND REVOCATION OF AN AGREEMENT BETWEEN SUPPLIER AND CONSTRUCTIVE IMPORTER

A GST/HST registrant who makes a taxable **specified supply** (defined on the back of this form) of goods and a **constructive importer** (defined on the back of this form) of the good, can use this form to agree:

- to allow the supplier to claim an input tax credit for the GST/HST payable on the importation of the goods; and
- to have the supplier collect the GST/HST on the supply of the goods.

For more information on the eligibility conditions and effects of this agreement, see the back of this form.

To make an agreement, complete Parts A, B, C, D, and E of this form. To revoke the agreement, complete Part F.

Part A – Identification of supplier (must be a GST/HST registrant)			
Legal name		Business Number R T	
Trading name (if different from legal name)			
Mailing address			
City	Province/State	Postal code/Zip code	Country
Part B – Identification of constructive importer (defined on the back of this form)			
Legal name		Business Number (if applicable) R T	
Trading name (if different from legal name)			
Mailing address			
City	Province/State	Postal code/Zip code	Country
Part C – Agreement			
Describe in detail the goods to which this agreement applies and how they will be supplied (i.e., by sale or lease). If the agreement will apply to all goods supplied to the constructive importer over an extended period of time shown below, clearly state this. If you need more space, attach a separate sheet.			
Indicate the scope of this agreement (tick one box only):			
<input type="checkbox"/>	Single supply (Agreement in effect for one specified supply of the goods described above.)	Date of transaction:	Year Month Day
<input type="checkbox"/>	Multiple supplies (Agreement in effect for multiple specified supplies of the goods described above.)	Date of transaction:	Year Month Day
<input type="checkbox"/>	Ongoing supplies (Agreement in effect for the specified supplies of the goods described above made from the effective date given until it is jointly revoked in writing by completing Part F.)	Effective date:	Year Month Day
<input type="checkbox"/>	Supplies made during a specific period (Agreement in effect for specified supplies of the goods described above made from the effective date to the end date given, unless it is jointly revoked in writing by completing Part F.)	Effective date:	Year Month Day to Year Month Day
Part D – Certification of agreement by supplier			
I, _____, certify that I have read and understand the eligibility conditions of this agreement as described (print)			
on this form and further certify that the information given on this form and in any attached document is, to the best of my knowledge, true, correct, and complete in every respect, and that I am the supplier or I am authorized to sign on behalf of the supplier.			
Signature of supplier or authorized person		Title	Year Month Day

Part E – Certification of agreement by constructive importer				
I, _____, certify that I have read and understand the eligibility conditions of this agreement as described (print) on this form and further certify that the information given on this form and in any attached document is, to the best of my knowledge, true, correct, and complete in every respect, and that I am the constructive importer or I am authorized to sign on behalf of the constructive importer.				
Signature of constructive importer or authorized person	Title	Year	Month	Day
Part F – Revocation of agreement				
We, the supplier and the constructive importer, agree to revoke the agreement as of:				
I, _____, certify that the information given on this form and in any attached document is, to the best of (print) my knowledge, true, correct, and complete in every respect, and that I am the supplier or I am authorized to sign on behalf of the supplier revoking this agreement.				
Signature of supplier or authorized person	Title	Year	Month	Day
I, _____, certify that the information given on this form and in any attached document is, to the best of (print) my knowledge, true, correct, and complete in every respect, and that I am the constructive importer or I am authorized to sign on behalf of the constructive importer revoking this agreement.				
Signature of constructive importer or authorized person	Title	Year	Month	Day

General information

Definitions

Constructive importer means the person to whom a specified supply of goods is made outside Canada and who does not supply the goods outside Canada before their release under the *Customs Act*.

Specified supply means a supply of goods that:

- are imported, at any time after the supply is made; or
- have been imported and are considered to have been supplied outside Canada because they are delivered or made available to the recipient before their release under the *Customs Act*.

General rule (without an agreement)

Where a specified supply of goods is made outside Canada and the goods are imported for the constructive importer's (CI) consumption, use, or supply, the CI is considered to be the only person to have imported the goods and on whose behalf the tax on the importation is paid or payable, regardless of whether the CI actually accounted for the importation. This means that the CI is the only person who can claim an input tax credit (ITC) or rebate for the tax due on the importation of the goods, as long as the CI meets all conditions for doing so. However, to make such a claim, the CI must have the necessary import documents, which may have to be obtained from another person, such as the supplier, who actually accounted for the importation of the goods.

Eligibility for and effects of the agreement

As an exception to the general rule, a registrant who makes a taxable specified supply of goods outside Canada and accounts for the importation of those goods can enter into this agreement at any time after the supply is made with the CI of the goods.

The main effects of entering into this agreement are as follows:

- The supplier can claim an ITC for the tax payable on the importation of the goods.
- The supplier has to collect GST/HST on its supply to the CI because the taxable specified supply that was made outside Canada is now considered to have been made in Canada and is subject to GST/HST. If the parties are dealing at arm's length, the value on which the GST/HST is charged has to include the amount of any customs duties or excise tax or duties on the importation of the goods that the CI has paid, or agreed to pay, to the supplier.

- The CI can claim an ITC or a rebate for the tax payable to the supplier, where all conditions for doing so are met.

Note

The deemed place of supply in Canada of the goods is generally the province in which the goods are released. However, if the CI is an individual to whom the goods are shipped by mail, courier, or other carrier, the place of supply is the province of the Canadian destination to which the goods are shipped.

Liability for payment of tax

This agreement does not change in any way the obligations or liabilities of any person for the payment of the tax at the time of the importation of the goods.

Leased goods

Where a CI who is a resident of Canada acquired imported goods under a lease from a supplier and they have entered into this agreement, the CI may have to self-assess tax in respect of the goods if the lease is ever sold or assigned to a new supplier who is not required to collect tax on the lease payments. This would be the case if the new supplier is an unregistered non-resident who does not carry on business in Canada and the constructive importer is not a registrant who is acquiring the goods exclusively for consumption, use or supply in the course of commercial activities.

To self-assess tax, the CI must complete line 405 of Form GST34, *Goods and Services Tax/Harmonized Sales Tax (GST/HST) Return for Registrants* or Form GST59, *GST/HST Return for Imported Taxable Supplies and Qualifying Consideration*, if the CI is a non-registrant.

Books and records

Do not send us this form. The supplier and the constructive importer must each keep a completed copy with their books and records while the agreement is in effect and for six years after the end of the year to which the agreement relates.

Do you need more information?

For more information, visit our Web site at www.cra.gc.ca/gsthst or call us at 1-800-959-5525.