



AUTHORIZATION TO USE AN EXPORT DISTRIBUTION CENTRE CERTIFICATE

Use this form to apply for a new authorization, or to renew or revoke an existing authorization to use an Export Distribution Centre Program (EDCP) certificate. An EDCP certificate allows eligible export-oriented businesses that do not manufacture or produce goods and that add limited value to goods in the course of their processing or distribution activities to use an EDCP certificate to acquire or import, without having to pay goods and services tax/harmonized sales tax (GST/HST), most inventory, property to be added to other goods in the course of processing, and customers' goods on which processing services are provided. See the back of this form for definitions and eligibility criteria.

For more information, see Technical Information Bulletin B-088, *Export Distribution Centre Program*, or call 1-800-959-5525.

You have to be registered for GST/HST to apply. This form must be completed by your head office.

A – Identification

Name and operating, trading, or partnership name (if different from name)		Business Number									
		R T									
Mailing address (Apt No - Street No Street name, PO Box, RR)											
City				Province or territory				Postal code			
Contact person						Telephone number					
						- -					

B – Eligibility – To determine if you are eligible to apply for a new authorization or to renew an existing authorization

Tick the box for each of the following statements that is **true**:

- You are engaged exclusively (90% or more) in commercial activities.
- It can reasonably be expected that during the fiscal year in which the authorization will be in effect:
 - Your export revenue percentage will be 90% or more.
 - You will **not** engage in substantial alteration of property.
 - The value you add to your customers' goods from the provision of non-basic services will be 10% or less, **or** the total value you add to your customers' goods will be 20% or less. (Tick this box if you do not take possession of **any** customers' goods.)

If you ticked all four boxes, you are eligible to apply for new authorization, or to renew an existing authorization to use an EDCP certificate.

C – Authorization – To apply for a new authorization, or to renew or revoke an existing authorization

Tick one of the boxes below to indicate whether you are applying for a new authorization, or renewing or revoking an existing authorization to use an EDCP certificate.

- New authorization Renewal Revocation

Effective date of this application or revocation:

Year	Month	Day

When your application for authorization to use an EDCP certificate is approved, we will confirm to you in writing the effective date and expiry date of the authorization. If you are applying to renew an existing authorization, the effective date will be the expiry date of your existing authorization.

D – Certification

I, _____, certify that the information given on this form and on any attached document is, to the best of my knowledge, true, correct, and complete, and that I am authorized to sign on behalf of the registrant.

Signature of authorized person	Date



GENERAL INFORMATION

Eligibility

Complete section B on the front of this form to determine if you are eligible to be authorized to use an Export Distribution Centre Program (EDCP) certificate.

You can apply for authorization to use an EDCP certificate if you are registered for GST/HST, engaged exclusively in commercial activities, and during the fiscal year in which the authorization will be in effect it can reasonably be expected that:

- your export revenue percentage will be 90% or more;
- you will **not** engage in substantial alteration of property; and
- the value you add to your customers' goods from the provision of non-basic services will be 10% or less, **or** the total value you add to your customers' goods will be 20% or less.

Revocation

You can use this form to revoke your authorization to use an EDCP certificate. Complete sections A, C, and D.

How to apply

Send this completed form to your tax services office.

Renewal

To renew your authorization, send this completed form to your tax services office at least three months before the expiry date of your existing authorization.

Definitions

Added property – means goods or software that:

- you incorporate, combine, or assemble with other goods;
- you attach to other goods; or
- you use to pack other goods.

It does not include goods or software added to capital property you own or to any of your property that is not for sale.

Basic service – means a type of service that could be performed in a customs bonded warehouse. You do not have to actually perform the service in a customs bonded warehouse, but you should be able to perform it on the goods in their present stage of processing, and in a customs bonded warehouse. Basic services include the following:

- disassembling or reassembling the goods if they have been assembled or disassembled for packing, handling, or transport;
- displaying, inspecting, labelling, packing, storing, or testing the goods;
- removing a sample of the goods for soliciting orders; and
- cleaning, diluting, normal maintenance and servicing, preserving, separating defective goods from prime quality goods, sorting or grading, trimming, filing, slitting, cutting, and complying with any applicable law of Canada or a province or territory, as long as the characteristics of the goods are not materially altered.

Customer's good – means another person's good that you import or take possession of in Canada on which you provide a service or process with added property.

Commercial activity – means any business or adventure or concern in the nature of trade carried on by certain persons, but does not include:

- the making of exempt supplies; or
- any business or adventure or concern in the nature of trade carried on without a reasonable expectation of profit by an individual, a personal trust, or a partnership, where all the members are individuals.

Commercial activity also includes a supply of real property, other than an exempt supply, made by any person, whether or not there is reasonable expectation of profit, and anything done in the course of making the supply or in connection with the making of the supply.

Domestic inventory – means goods that you acquire in Canada or that you acquire outside Canada and import into Canada to be sold separately in the course of your business.

Export revenue – means revenue from:

- domestic inventory you sell outside Canada;
- zero-rated exports;
- sales of added property you acquired for use in processing property for export; and
- sales of services of processing, storing, or distributing goods of other persons where the property is exported after the service is completed.

Export revenue does **not** include revenue from the sales of:

- fuel you sell to registered international carriers for the transportation of people or goods by ship, aircraft, or railway;
- excisable goods, such as alcohol or tobacco, when the purchaser exports them in bond;
- goods from duty-free shops you sell to individuals for export;
- a jig, die, mould, tool, or fixture (or an interest in one) to a non-registered non-resident when it will be used to manufacture or produce goods for the non-resident; and
- a continuous transmission commodity transported by pipeline or powerline, such as oil, natural gas, or electricity, that you sell to a non-registered person who exchanges the good with a registrant in Canada for an identical good that is not in Canada.

Export revenue percentage – is your total export revenue divided by your specified total revenue.

Finished inventory – means goods that are in the state in which you will sell them or use them as added property in the course of your business.

Specified total revenue – means revenue from sales you have made in a year, except sales of:

- services you provide on goods you did not import or obtain physical possession of in Canada;
- goods that you did not acquire in Canada or import into Canada;
- added property that you used to process goods that you did not import into Canada or take physical possession of in Canada; and
- your own capital property.

Substantial alteration of property – means:

- you manufacture or produce goods (or have another person manufacture or produce goods for you); or
- you process goods (or have another person process goods for you) and by doing so, you bring the goods to the state of finished inventory if:
 - the value that is added to the goods is more than 10% from non-basic services, and
 - the total value added from all processing services is more than 20%.

You can use any reasonable method for valuing the goods in finished inventory. However, once you choose a method, you have to use that method each year.