

Administrative Monetary Penalty System A.M.P.S.

The Administrative Monetary Penalty System (AMPS) has been established to detect virtually any violation or failure to comply with laws or regulations made under the Customs Act, Customs Tariff or the Special Import Measure Act (SIMA).

The Canada Border Services Agency has designed AMPS to be a remedial rather than a punitive enforcement program and, it will be the Agency's policy to use AMPS as a first response mechanism for acts of non-compliance in the vast majority of cases.

Broad in scope, AMPS will **impose** penalties ranging from a warning, a moderate dollar amount to a maximum of \$25,000.00 per single contravention. Issues such as compliance history now become a factor in considering penalty assessment. Repeated violations or non-compliance can and will result in higher penalties.

Implementation

AMPS penalties relating to Customs Self-Assessment contraventions became effective on December 3, 2001. All other AMPS penalties relating to the commercial stream will be introduced on October 7, 2002.

Penalty Examples

Failure to report imported goods to Customs - Goods Values over \$1,600 Canadian

- **First occurrence**

\$1,000 or 5 percent of value for duty - whichever is greater

- **Second occurrence**

\$2,000 or 10 percent of value for duty - whichever is greater

- **Third and subsequent occurrence**

\$3,000 or 20 percent of value for duty - whichever is greater

Goods valued under \$1,600 Canadian

- **First occurrence**

\$100 or 5 percent of value for duty - whichever is greater

- **Second occurrence**

\$200 or 10 percent of value for duty - whichever is greater

- **Third and subsequent occurrence**

\$300 or 20 percent of value for duty - whichever is greater

Trade Data

Failure to correct declaration of tariff classification, value for duty or origin where importer has reason to believe the declaration was incorrect.

- **First occurrence**

5 percent of the value for duty or \$100, whichever is greater

- **Second occurrence**

10 percent of the value for duty or \$200, whichever is greater

- **Third and subsequent occurrence**

20 percent or \$400, whichever is greater

NOTE: Penalty will be assessed on a transaction by transaction basis.

Appeal

Importers may file a written request for a review of any penalty assessed. Notice of intent to appeal must be made to the Minister of National Revenue within 90 days of the date of the contravention.

Are you ready for implementation?

Traders involved in the importation or exportation of commercial goods should review their business systems and procedures to ensure that they are fully compliant with present and future Customs requirements.

Specific details regarding import of AMPS may be obtained by contacting PBB trade professionals.