

Compliance Auditing and The Administrative Monetary Penalty System (AMPS)

The Administrative Monetary Penalty System (**AMPS**) is the most important initiative implemented by the Canada Customs and Revenue Agency (CCRA) in that there are serious financial implications that can affect an importer's or exporter's bottom line.

The CCRA has stated that the current penalty system no longer meets their needs and **AMPS** will provide Customs with a program that has graduated monetary penalties for those who are non-compliant. For an importer, or a Non-Resident Importer (**NRI**), you can be penalized for simply having the wrong tariff applied to a good - even though the duty rate is a non-revenue issue. The current draft of contraventions lists 174 areas of concern to both importers and exporters.

Although some basic fines start at \$100.00, most start at \$1,000.00 for the first infraction and graduate to \$5,000.00 for the second infraction, \$10,000.00 for the third infraction, and \$25,000.00 for the fourth infraction.

There are penalties for failure to provide a certificate (NAFTA etc.) or if one is supplied that is knowingly falsified to either the exporter or importer. A detailed audit by the Verification Services Office of the CCRA, may require an importer to provide a full paper-trail from purchase order to cheque issue.

Trillium Customs Brokers Inc., can assist importers and exporters prepare and organize their records for inquiries and/or inspections by the Verification Services Office of the CCRA.

Our team of qualified professionals can review a portion of your records to advise you on areas of non-compliance or concern and offer the necessary steps to help you bring your procedures and customs documentation into compliance.

Simply call **Trillium Customs Brokers Inc.**, for a consultation.

Can you afford to be non-compliant?



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