

## **Amendments to the Administrative Monetary Penalty System (AMPS)**

February 25, 2010

*The following is reproduced from a notice received from the Canada Border Services Agency and distributed by the Canadian Society of Customs Brokers.*

In 2006, a committee was formed to undertake a fundamental **review of the CBSA Administrative Monetary Penalty System (AMPS)**. The purpose of the review was to make amendments to AMPS to **ensure it was fair, consistent, and transparent, and was easy to administer**. Streamlining the penalty regime and reducing the number of contraventions was also part of the committee's mandate.

Some of the changes to AMPS will be **implemented on April 14th of this year** and include:

- a new penalty amount structure, based on risk;
- new penalty amounts; and
- a 30-day delay in the escalation of certain penalty levels.

The collapsing and renumbering of penalties will take place at a later date.

Available at this time is a Customs Notice highlighting the phases of implementation; a short document listing all current and revised penalty amounts; a summary of the 30-day escalation of certain penalty levels; and the penalty grid. This information can be provided upon request.

A few contraventions have penalty amounts that are outside the grid as penalty escalation was not considered suitable, for example, failure to keep any records at all which attracts a flat penalty amount. Note that most of the penalty amounts based on percentage of value for duty have been eliminated, as well as penalty amounts based on the value for duty less than \$1,600. Consequently, this resulted in the elimination of a number of contraventions.

Changes to the penalty amounts for two contraventions should be noted in particular:

- 1) late accounting and
- 2) failing to provide a certificate, licence, permit or information that is required before interim or final accounting, and before the goods are released (C071).

The penalty for 1) late accounting has increased from \$25.00 to \$100.00 per contravention; the penalty for for 2) C071 has increased from \$100 to \$500 for the first infraction.

To improve access to the corrections process, regions have been advised to include the issuing office fax number on the Notices of Penalty Assessment for a faster application process.

Clients with an interest in these changes are invited to call your regular contact for further information.