



CANADIAN COUNCIL FOR
**INDIGENOUS
BUSINESS**

FAQ for Indigenous Exporters Shipping to the U.S.

CCIB De Minimus FAQ

This FAQ is a simple guide to help Indigenous exporters in Canada deal with new U.S. trade rules that started on August 29, 2025. These rules ended the “de minimis” exemption, which let small shipments under \$800 enter the U.S. without duties, fees, or much paperwork. Now, every shipment needs more steps, but many Canadian-made Indigenous goods can still enter duty-free under the Canada-U.S.-Mexico Agreement (CUSMA) if you have the right papers. We’ll cover tariffs, fees, forms, and easy tips to keep costs low and sell to U.S. customers.

1. What’s New?

The U.S. added tariffs on goods from Canada and other countries in early 2025. These changes were rolled out slowly to give businesses time to get ready. The big shift is the end of the de minimis rule. Before, shipments under \$800 could skip duties, fees, and detailed forms. Now, every business shipment—no matter how small—needs formal customs entry, full paperwork, and fees like the Merchandise Processing Fee (MPF, at least \$31.67 USD). You also need a 10-digit Harmonized Tariff Schedule of the United States (HTSUS) code on your forms to classify your goods correctly. This applies to all shippers, like Canada Post or UPS. For example, a \$50 piece of clothing now requires the HTSUS code, forms, and fees.

2. Why Did This Change Happen?

The U.S. made these changes for two main reasons:

- **Safety and Health:** The de minimis rule was used by bad actors to sneak in drugs like fentanyl and fake goods in small packages. Most seized drugs in 2024 came in these low-value shipments. The new rules help with better checks at the border.
- **Help U.S. Businesses:** Foreign online sellers (like Shein or Temu) had an edge by shipping duty-free, hurting American companies. Now, tariffs (25–50% on non-CUSMA goods) level things out and bring in money for the U.S.

More details are available from U.S. Customs and Border Protection (CBP).

3. Why Does This Matter to Me?

These rules add more forms and costs, like the \$31.67 minimum MPF for every package. The changes started August 29, 2025, with a grace period until February 26, 2026, to help you adjust. The upside: Most Indigenous goods can skip high tariffs under CUSMA with good paperwork, including the 10-digit HTSUS code.

4. What Is the Grace Period?

This 6-month window until February 26, 2026, lets you get used to the rules without full strict enforcement right away. Use it to set up your shipping. During this time:

- All shipments need detailed forms, like a commercial invoice with the 10-digit HTSUS code and proof of where it's made.
- Pay fees like the \$31.67 minimum MPF.
- Tariffs apply (25–50% if not CUSMA-eligible), but CUSMA can make them zero.
- Shipping might take 3–7 days longer due to checks.

After February 26, 2026, these are the normal rules. Test your setup now, prove CUSMA eligibility, and budget for extra costs.

Example: For a \$75 Indigenous item before: \$15 shipping, no fees. Now: Add \$31.67 MPF + \$20 shipping = \$51.67 (plus tariffs if not CUSMA-eligible, like +\$26.25 = \$77.92).

5. How Will This Affect My Business?

These rules make shipping to the U.S. tougher and pricier, especially for small Indigenous sellers in remote areas. You'll have less profit per sale because of:

- **Extra Costs:** At least \$31.67 MPF per package, plus higher shipping (~\$20 instead of \$15). For a \$100 necklace: Add \$31.67 + \$20 = \$51.67. If not CUSMA-eligible, add 25–50% tariffs (\$25–\$50 more).
- **More Forms:** Every shipment needs details like the 10-digit HTSUS code and origin proof. This takes time, and errors can hold up packages.
- **Delays:** Missing info means waits of days or weeks, which can upset buyers and hurt sales on sites like Etsy.
- **Harder for Small Sellers:** With tight budgets and limited access to help or internet, a \$50 sale might cost more than you make.

6. How Can I Cut Costs and Get Help?

Yes, there are ways to lower costs and get support:

- **Team Up or Bulk Ship:** Join with other sellers for one big shipment to share the \$31.67 MPF. Or sell more in Canada while you adjust.
- **Prove Canadian Origin:** Show your goods are made in Canada to qualify for CUSMA duty-free.

Government Programs for Funding:

- **Indigenous Services Canada (ISC) - Lands and Economic Development Services Program:** Grants for export costs like MPF, shipping, or training on HTSUS codes. Example: Cover \$500 in fees for several shipments. More at isc.gc.ca.
- **Export Development Canada (EDC):** Loans, insurance, and advice for exporters.
- **Export Guarantee Program:** Helps get bank loans for costs like MPF or brokers.
- **Trade Impact Program:** Financing for fees, shipping, or training (e.g., \$20,000 could cover MPF for ~600 shipments).
- **Inclusive Trade Investment Program:** Equity funding (no quick payback) for growing exporters. More at edc.ca.
- **CanExport SMEs:** Grants for market growth, run by Trade Commissioner Service with EDC support. More at tradecommissioner.gc.ca.

Tips: Use the grace period to try bulk shipping. Get free help from Canadian Council for Indigenous Business (CCIB) or Trade Commissioner Service (TCS), especially for cultural items needing permits. Save receipts for grant applications.

7. What Is the Merchandise Processing Fee (MPF)?

The MPF is a required U.S. CBP fee to cover checks on every business shipment. It applies even if duties are zero under CUSMA. Before the changes, small shipments skipped it; now, all do. Pay it or your package won't enter the U.S. The 10-digit HTSUS code helps process it right.

8. How Is MPF Calculated?

It's 0.3464% of your shipment's value, but at least \$31.67 USD and up to \$614.35 (updated yearly). For most Indigenous goods under \$9,150, it's the \$31.67 minimum.

Examples:

- \$50 item: $0.3464\% = \$0.17 \rightarrow$ Pay \$31.67.
- \$500 item: $\$1.73 \rightarrow$ Pay \$31.67.
- \$10,000 item: $\$34.64 \rightarrow$ Pay \$34.64.

Pay through Zonos (with Canada Post) or couriers.

9. What's the Difference Between Tariffs and MPF?

- **Tariffs (Duties):** Taxes on imports, often 25–50% if not CUSMA-eligible. CUSMA can make them zero for Canadian-made goods.
- **MPF:** A fee for processing, not a tax. It always applies, even for duty-free items.

Note: Gifts might skip MPF, but business sales don't.

Example: \$75 CUSMA-eligible craft: \$0 tariffs + \$31.67 MPF + shipping.

10. Can My Goods Enter Duty-Free?

Yes, under CUSMA if made in Canada with mostly Canadian or North American materials. Examples: Handmade crafts from local materials, or foods like wild rice processed in Canada. If using imported materials, add enough Canadian work to qualify. If not, pay tariffs—raise prices, bulk ship, or use programs from question 6.

11. What Is a CUSMA Certification?

It's a note proving your goods are Canadian-made for duty-free entry. Add it to your invoice with:

- ✓ Your details, buyer's details, maker's details.
- ✓ 6-digit HS code (but use full 10-digit HTSUS for U.S. forms).
- ✓ Origin rule (A, B, or C based on how it's made).
- ✓ Signature saying it's true.

Sample form: [\[link to PDF\]](#).

Tips: For under \$2,500, use a short version. For repeats, a 12-month blanket one. Keep records for checks.

12. What If My Goods Don't Qualify for CUSMA?

You'll pay tariffs (25–50%) plus MPF and shipping. Example: \$100 item = \$25–\$50 tariffs + \$31.67 MPF.

Why? CUSMA needs 60–75% North American content. Imported beads or fabrics might disqualify unless you add lots of Canadian labor.

What to do:

- **Raise prices:** Sell \$100 item for \$125 to cover \$25 tariff.
- **Bulk to U.S. partner:** Pay MPF once on a big load (e.g., \$5,000 shipment = one \$31.67 fee).
- **Use programs from question 6.**
- **Sell elsewhere:** More in Canada or to Europe/Asia under other deals.
- **Switch materials:** Use more Canadian ones for CUSMA.

This helps keep profits, especially for small businesses.

13. What Is an HS Code, and How Do I Find It?

An HS code is a 6-digit number to classify goods worldwide (e.g., 7113.19 for jewelry). For U.S., you need the 10-digit HTSUS version for tariffs and rules. Wrong code = delays or fines.

Find it:

- Start with 6-digit: Use tarifffinder.ca by keyword.
- Get 10-digit: hts.usitc.gov search (e.g., “beaded jewelry” → 7113.19.5000).

Help: Ask CBP for a ruling, use a broker, or TCS for free Indigenous support.

Tips: Describe fully, check similar items on CBP’s CROSS database, update yearly.

14. What Forms Do I Need?

- **Commercial Invoice:** Item details (e.g., “handmade cedar carving”), value, quantity, 10-digit HTSUS code, origin (Canada).
- **CUSMA Certification:** If eligible, on the invoice.
- **Carrier Info:** Like Declaration ID for Canada Post.
- **Permits:** For cultural items (e.g., eagle feathers), get from Global Affairs Canada.

15. What Records Do I Keep?

It is a good idea to save records 5 years in case of audits:

- ✓ Material bills (show Canadian sources).
- ✓ Photos/notes on making (prove Canadian work).
- ✓ Invoices and CUSMA certs.
- ✓ Permits for special items.
- ✓ Shipping/fee receipts (for grants).

Digital copies are easy. This avoids fines and helps with funding.

16. What Steps are needed to Ship?

1. **Get HTSUS Code:** Use tarifffinder.ca or hts.usitc.gov. Ask Canada Post, broker, or TCS.
2. **Make Invoice:** Item description, value (USD/CAD), quantity, HTSUS code, origin. Add CUSMA if eligible.
3. **Prove CUSMA:** Certification on invoice, keep backups.
4. **Pay Fees:** \$31.67 min MPF via Zonos or broker (\$50–\$200 for complex).
5. **Pick Shipper:** Canada Post/Zonos for small; couriers for fast; cross-border for cheap; U.S. warehouse for bulk.
6. **Ship:** Attach forms/permits, pay, track.

Example: \$50 CUSMA item = \$31.67 MPF + \$20 shipping = \$51.67.

Tips: Test during grace period. Get permits early.

17. What Does Canada Post Need?

For U.S. shipments:

- **Invoice:** Description (e.g., “Cree beaded moc-casins”), value, quantity, 10-digit HTSUS code, origin. Note Indigenous details for CUSMA.
- **CUSMA Cert:** On invoice if eligible; short for under \$2,500; blanket for repeats.
- **Declaration ID:** 13-char code from Zonos showing fees paid.
- **Shipper/Buyer Info:** Full addresses, contacts; importer (usually buyer).
- **Duty Proof:** Show MPF/duties paid via Zonos.
- **For Cultural Goods:** Extra permits from Canada/U.S.

Submit via SnapShip™ or Shipping Manager. Attach papers. If your information is wrong or incomplete, your product won't be permitted entry.

Tips: Describe culture for support.
Save records for funding.
Call 1-866-607-6301.

18. How do I Use Zonos for a Declaration ID with Canada Post?

Zonos handles fees for Canada Post. You need the ID on labels.

Option 1: Prepay App (for rare shippers)

- Download from zonos.com or canadapost.ca (English/French + more).
- Sign up with email/Google/Apple—no business needed.
- Enter item details, value, quantity, HTSUS (app suggests via photo).
- Pay fees (credit/PayPal/etc.).
- Get ID/QR for Canada Post.
- Ship with forms.

Option 2: Verified Account (for regulars)

- Register at zonos.com with Canada Post commercial account (call 1-866-757-5480).
- Link to SnapShip™.
- Use dashboard for codes/fees.
- Zonos pays CBP, bills you.

Tips: AI for codes, confirm with tools. Get TCS for CUSMA. Save receipts. Ask CCAB for setup help.

19. What other Shipping Choices Exist Besides Canada Post?

Many! You are best to pick an option below based on your needs:

- **Canada Post + Zonos:** Good for small/remote. **Pros:** Cheap, widespread. **Cons:** Paperwork errors delay.
- **Couriers (UPS/FedEx/DHL):** Auto customs. **Pros:** Fast, reliable. **Cons:** Costly.
- **Cross-Border (Chit Chats/DYK Post):** Drop in Canada for U.S. delivery, save 30–50%. **Pros:** Cheap. **Cons:** Drop-off spots limited.
- **U.S. Warehouses (ShipBob):** Store in U.S., ship domestic. **Pros:** No per-sale customs. **Cons:** Upfront cost.

Checklist: Include invoice, CUSMA, ID, permits. Save copies, track.

Example: \$50 CUSMA item = \$31.67 MPF + \$20 shipping.

20. How can I Prepare and Save Money?

- **Learn Codes/CUSMA:** Get HTSUS, prove origin to avoid tariffs.
- **Bulk/Team:** Share MPF with others.
Example: \$2,000 group shipment = one fee.
- **Alternatives:** Cross-border for savings; U.S. warehouses for volume.
- **Diversify:** Sell more in Canada or other countries.
- **Talk to Buyers:** Explain delays/duties upfront.

Tips: Use grace period to test. Rural? Use co-ops. Keep records. Check canadapost.ca/cbp.gov for updates. Join Indigenous networks.

21. Where can I get more help?

- **CCIB:** Free advice/funding links (ccib.ca).
- **TCS:** Indigenous help on codes/funding/markets (tradecommissioner.gc.ca).
- **ISC:** Grants for growth (isc.gc.ca).
- **EDC:** Financing/insurance (edc.ca).
- **Global Affairs Canada:** Permits (globalaffairs.gc.ca).
- **Canada Post:** 1-866-607-6301 or canadapost-postescanada.ca.
- **CBP:** Tools/rulings (cbp.gov).



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