

## **Parcel Services**

## Overview of changes

## Effective August 29, 2025, goods valued at US\$800 or less entering the U.S. must have duties assessed and prepaid before crossing the border.

This overview serves as a notice of the changes that affect services you or an authorized user of your Agreement with Canada Post use.

## **U.S. duties compliance requirement**

The United States has suspended its duty free de minimis threshold of US\$800 for all countries, including Canada.

This change, mandated under U.S. Executive Order 14324, applies to all business shipments from Canada, whether sent through the postal system, a Canadian courier, freight provider, or any commercial channel.

Goods valued at US\$800 or less that are shipped to the United States through the postal network will be subject to *International Emergency Economic Powers Act* (IEEPA) tariff rates based on the product's country of origin. For items manufactured in China, for example, the current IEEPA rate is 34% for most products.

Starting August 29, 2025, packages shipped from Canada to the U.S. must show proof that duties have been assessed and prepaid before the shipment can be accepted for delivery.

After this date, Canada Post will only accept U.S.-bound label requests that include a valid Declaration ID – a 13-character code that confirms duties have been assessed and secured before the shipment is accepted.

To meet the new U.S. requirements, we're partnering with Zonos® to collect duties before they enter our network and remit them directly to U.S. Customs and Border Protection (CBP).

We recognize that this change presents challenges for Canadian businesses. We're committed to ensuring our southbound services remain accessible with a seamless Delivery Duties Paid (DDP) solution.

For more information, please visit <u>Ship to the United States</u>. Please share this information with the appropriate representative within your organization.

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