



BORDER BITES

IMPORTER'S QUICK-START GUIDE

**5 SNACK-SIZE
CUSTOMS TIPS TO
KEEP YOUR
SHIPMENTS SMOOTH**

IMPORTER OF RECORD

1



YOUR LEGAL ROLE IN EVERY SHIPMENT

If you're hiring a customs broker, you are likely the Importer of Record (IOR) — the person or business legally responsible for the shipment.

Your responsibilities:

- Provide accurate and complete information for customs entry — including product classification, valuation, country of origin, and any required permits or licenses.
- The IOR can be the buyer, seller, or a designated third party, but must have a financial interest in the shipment.
- When registering with your customs broker, use your exact legal name and registered address - these must match your commercial invoice, bill of lading, and all other shipping documents.



TIP BOX:

EVEN IF YOUR SHIPMENT IS DELIVERED TO ANOTHER ADDRESS, THE IMPORTER OF RECORD MUST MATCH WHAT APPEARS ON THE OFFICIAL DOCUMENTS - OR YOU RISK CLEARANCE DELAYS AND FINES.

CUSTOMS BONDS

2



THINK OF IT AS “CUSTOMS INSURANCE”

A customs bond is a financial guarantee that ensures duties, taxes, and penalties will be paid to Customs. It's required for most formal imports.

- **US** Annual Bond: Covers all imports for one year. Ideal for frequent or high-value shippers.
- **US** Single Entry Bond: Covers one shipment only. Best for occasional or low-value imports.
- **CA** Annual Bond: Covers one year of imports. Recommended for those with >3 shipments/year or >\$10,000 value.
- **CA** Term Bond: Short-term (7–14 days). Best for smaller or infrequent shipments.



TIP BOX:

IF YOU IMPORT QUARTERLY OR MORE, ANNUAL COVERAGE IS CHEAPER AND EASIER. OCCASIONAL IMPORTERS CAN START WITH SINGLE-ENTRY OR TERM BONDS AND UPGRADE LATER.

INCOTERMS

3



WHO PAYS, WHO DELIVERS, WHO'S RESPONSIBLE

Incoterms are international rules that define who handles shipping, insurance, customs clearance, and risk at each step. This is an important piece in the logistics puzzle.

Most Common Terms:

- **EXW (Ex Works):** Buyer handles almost everything, including pickup and export.
- **FOB (Free on Board):** Seller delivers to export port; buyer takes over from there.
- **CIF (Cost, Insurance & Freight):** Seller covers shipping and insurance to destination port; buyer handles import.
- **DAP (Delivered at Place):** Seller handles nearly everything except customs clearance and duties.
- **DDP (Delivered Duty Paid):** Seller handles it all — including duties and taxes.



TIP BOX:

AGREE ON THE INCOTERM WITH YOUR SELLER OR BUYER *BEFORE* YOU SHIP. MISUNDERSTANDINGS HERE CAN LEAD TO SURPRISE COSTS AND CLEARANCE ISSUES.

HTS CODES

4

YOUR PRODUCT'S CUSTOMS DNA

HTS codes are the universal language of international trade: a 10-digit number that tells Customs exactly what your product is. Using the correct code ensures you pay the right duty rate, meet import regulations, and avoid costly delays or penalties.

- **First 6 digits:** Global classification standard.
- **Last 4 digits:** Country-specific (defines exact duty rate and regulations).

The correct code determines:

- Duty rate and taxes
- Eligibility for trade programs (e.g., USMCA)
- Required permits or declarations



TIP BOX:

CONFIRM YOUR HTS CODES WITH YOUR CUSTOMS BROKER OR REQUEST A BINDING RULING FROM CUSTOMS FOR HIGH-VALUE OR RECURRING IMPORTS. INCORRECT CODES = PENALTIES AND DELAYS.

COMMERCIAL INVOICE

5



THE BACKBONE OF CUSTOMS CLEARANCE

Think of it like your shipment's passport — a clear, accurate commercial invoice ensures smooth customs clearance by showing what you're importing, its value, and origin.

Must include:

- Exporter and importer's full legal name & address
- Invoice date and unique invoice number
- Detailed product description (what it is, what it's made of, and its use)
- Quantity, unit price, total value
- Currency (USD, CAD, etc.)
- Country of origin (where it was made, not shipped from)
- HTS code(s)



TIP BOX:

**ENSURE ALL DOCUMENTS MATCH -
COMMERCIAL INVOICE, PACKING
LIST, AND SHIPPING LABELS.
INCONSISTENCIES ARE THE #1
CAUSE OF CLEARANCE DELAYS.**

ADDITIONAL QUICK TIPS



✓ **Prepare Early:** Send your documents to your broker before your shipment arrives.

✓ **Know Your Commodity:** Some products require extra filings (e.g., FDA, CFIA, Lacey Act, etc.).

✓ **Communicate Changes:** If values, destinations, or suppliers change, inform your broker immediately.

✓ **Stay Compliant:** Customs audits happen. Keep all records for at least 5 years (U.S.) or 6 years (Canada).

Watch all five Border Bites videos on YouTube for quick customs tips from our Founder Adam Lewis.



TIP BOX:

**BOOKMARK THESE EPISODES -
THEY'RE PERFECT FOR A QUICK
REFRESH WHENEVER YOU'RE
PLANNING YOUR NEXT
SHIPMENT.**

Links:

- [Importer of Record](#)
- [Customs Bonds](#)
- [Incoterms](#)
- [HTS Codes](#)
- [Commercial Invoice](#)