



Softwood Lumber Products Export Charge Notice

SWLN12

December 2008

Third Country Adjustment Refund (October 2007 to March 2008)

The purpose of this notice is to provide exporters of softwood lumber products under the *Softwood Lumber Products Export Charge Act, 2006* (the Act) with information on the third country adjustment refund for the period of October 2007 to March 2008.

The information in this notice is for reference purposes only and does not replace the Act or its regulations. Should there be any discrepancy between the information in this notice and that contained in the Act or its regulations, the legislative provisions apply. As the information in this publication may not completely address your particular situation, you may wish to refer to the relevant Act or regulations, or call the number at the end of this document for additional information.

Pursuant to the third country adjustment refund described in subsection 40(1) of the *Softwood Lumber Products Export Charge Act, 2006* (the Act), softwood lumber exporters are eligible to claim a refund of the export charges paid in two consecutive calendar quarters if all of the following conditions occur in each of these two calendar quarters when compared respectively with each of the same calendar quarters from the preceding year:

- the share of American consumption of softwood lumber products from imports not originating in Canada is at least 20% greater;
- the Canadian market share of American consumption of softwood lumber products has decreased; and
- the American market share of American consumption of softwood lumber products has increased.

Currently available trade data indicate that the market conditions described in subsection 40(1) of the Act have been satisfied for the period October 2007 to March 2008, and a refund resulting from the third country adjustment is therefore available. To apply for the third country adjustment refund, an exporter must complete forms B278, *Softwood Lumber Products Export Charge Act, 2006 – Application for Refund* and B278-1, *Softwood Lumber Products Export Charge – Supplementary Information – Third Country Adjustment*. The application must be filed within two years after the day on which the exporter originally paid the export charge.

In determining whether the market conditions exist to make the third country adjustment refund under subsection 40(1) of the Act, the use of various sources of trade data is required. These sources are identified in the *American Consumption of Softwood Lumber Products Regulations* as Statistics Canada, the United States Census Bureau and the American based Western Wood Products Association's monthly publication "Lumber Track". This data is used in the formulae set out in the Regulations to determine the market shares. The available trade data indicates that a refund is required to be paid under subsection 40(1) of the Act. It should be noted that, at the Minister's discretion, refunds paid under subsection 40(1) of the Act may be subject to reassessment under subsection 51(2) of the Act, including in the event that a material revision of the data affects the eligibility for a refund.

For more detailed information on the third country adjustment refund, please refer to the Softwood Lumber Products Export Charge Notice SWLN11, *Third Country Adjustment Refund*.

La version française de la présente publication est intitulée *Un remboursement par suite du mécanisme d'ajustement pour les pays tiers est disponible pour la période d'octobre 2007 à mars 2008*.



Canada Revenue
Agency

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Enquiries

For questions about filing a third country adjustment refund application, please call 1-800-935-0313.

For technical enquiries about the *Softwood Lumber Products Export Charge Act, 2006*, please call 1-866-330-3304.

Information on export volumes and export permits may be found on the Web site of the Department of Foreign Affairs and International Trade at www.softwoodlumber.gc.ca.

All technical publications on the softwood lumber products export charge are available on the CRA Web site at www.cra.gc.ca/softwood.