

Report 120—9/28/25 Canada (Tariff) Surtax Update

Thank you to the National Association of Automobile Clubs of Canada Corporation (NAACC) for leading the lobby to bring 25-year-old or older vehicles into Canada Surtax, Duty and Tariff free.

Yes, the National Association of Automobile Clubs of Canada (NAACC) has been instrumental in preserving the 'Duty-free' import status of collector vehicles and their parts.

This has been a long-standing effort, with the NAACC successfully lobbying the federal government on multiple occasions for these exemptions.

Here's a breakdown of the NAACC's role:

- **Established the original exemption:** The NAACC successfully lobbied over 45 years ago to have the Customs Duty removed on collector vehicles and parts that are 25 years old or older.
- **Fought the recent Surtax:** More recently, in 2025, the NAACC was heavily involved in the lobbying efforts that led to the repeal of the retaliatory 25% surtax that was temporarily imposed on certain collector cars imported from the U.S.
- **Advocacy for the hobby:** The association consistently works with the government to ensure the collector car community is considered in customs regulations, often corresponding directly with officials to resolve issues that impact hobbyists across the country.

This advocacy has been a significant benefit for car enthusiasts, ensuring that collector vehicles over 25 years old can generally be imported into Canada without federal duty, as long as they meet CUSMA and other customs requirements.

Is there a 2% duty on collector car 25 years old or older imported to Canada?

There is generally **no 2% duty** on a collector car 25 years or older imported into Canada, assuming it originates from the U.S., Mexico, or Canada. However, the rules can be complex and were recently updated, so it's important to understand the specifics before you import. Here's a breakdown of the import costs and requirements for a collector car over 25 years old:

Duty and taxes

- **No CUSMA duty:** Under the Canada-United States-Mexico Agreement (CUSMA), a vehicle manufactured in one of these three countries can be imported duty-free. This is the most common scenario for collector cars.
- **Exception for non-CUSMA:** If your vehicle was originally manufactured outside of North America, it may be subject to a standard duty rate, often 2.5%, regardless of its age.
- **Recent surtax lifted:** A temporary 25% retaliatory surtax that was mistakenly applied to some classic cars imported from the U.S. between March and August 2025 has been repealed. This change took effect on September 1, 2025, and refunds can be claimed for surtax paid during that period.
- **Federal and provincial taxes:** You will still need to pay the applicable Goods and Services Tax (GST) and any provincial sales tax (PST), or the Harmonized Sales Tax (HST), on the vehicle's value.

Safety and import requirements

- **No RIV program:** Vehicles 15 years or older, based on the exact date of manufacture, are exempt from federal safety requirements and do not need to enter the Registrar of Imported Vehicles (RIV) program. You will need to prove the car's age with manufacturer documents.

- **Original condition:** To be considered exempt under tariff item 9966.00.00, the vehicle must generally conform to its original appearance and configuration from the time of manufacture.
- **Provincial licensing:** Even if a vehicle meets federal import rules, each province or territory has its own licensing and registration requirements. For example, some provinces will not license certain types of modified or right-hand-drive vehicles.

Thank you to all for your on-going support.

National Association of Automobile Clubs of Canada

Board of Directors

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