

## Duty Clear Terms and Conditions

Last updated on June 30, 2026

### Introduction

These Duty Clear Terms form part of the [PayPal User Agreement](#) and the other applicable documents on the [Legal Agreements page](#). They apply if you enable and use Duty Clear with your PayPal business account. If there is a conflict between these terms and the User Agreement, these terms apply for Duty Clear.

For current eligibility criteria and the supported shipments, carriers, integrations and checkout flows for Duty Clear, see PayPal's developer documentation and help pages for Duty Clear.

### What Duty Clear does

Duty Clear is a service PayPal provides to you for eligible sales to buyers in the United States. PayPal provides Duty Clear using third-party customs calculation and prepayment service providers.

Duty Clear lets PayPal:

- give you a quote (a **Duty Quote**) for customs duties, tariffs, taxes, fees and other charges applicable to international shipments under the laws of the United States of America (**Duties**) and other Duty Clear fees;
- where available, show the Duty Quote separately to the buyer; and
- subject to these Duty Clear Terms, if you give PayPal a valid tracking ID for an eligible shipment, arrange prepayment of Duties with U.S. Customs and Border Protection.

PayPal provides Duty Clear to you, not to the buyer. When the transaction is completed, the Duty Quote becomes payable by you to PayPal. If the Duty Quote is shown separately to the buyer and collected through checkout, it forms part of the transaction total amount for your sale and PayPal may apply that amount toward what you owe us for Duty Clear. We may deduct the Duty Quote from the transaction proceeds, your PayPal balance or other amounts we owe you.

### Using Duty Clear

Duty Clear is only available for supported shipments, carriers, integrations and checkout flows, and only for shipments to the United States.

To use Duty Clear, you must keep your PayPal business account in good standing and give PayPal the product, origin, value, shipping and other information we reasonably need. You can do this through a supported integration or, where PayPal allows, by giving us default carrier, origin and catalogue information for us to use.

If you change your Duty Clear settings or default information, the change only applies to new orders.

Duty Clear allows you to choose whether to show the Duty Quote to the buyer. If the Duty Quote is not shown separately, it is treated as included in the price you charge the buyer.

If the Duty Quote is shown separately, you must clearly tell the buyer that it will generally not be refundable once the goods are shipped. If the Duty Quote is not shown separately, or you do not give any disclosure PayPal requires, you are responsible for any Duty Quote amount that is treated as included in the price that PayPal refunds, reverses or credits to the buyer.

You can stop using Duty Clear at any time by following the steps PayPal makes available to you. If you stop using Duty Clear, these terms continue to apply to any order already being processed through Duty Clear.

## Tracking and eligible shipments

To use Duty Clear for a shipment, you must use an eligible carrier and give PayPal a valid tracking ID within 24 hours after shipment.

If you do not do this, Duty Clear will not apply to that shipment, the Duty Quote may be credited to your PayPal account and PayPal will not be responsible for any Duties for that shipment.

## If the customs amount is higher than the Duty Quote

The Duty Quote is fixed for 90 days from the date of the quote for eligible transactions processed through Duty Clear. If, within that 90-day period, the amount required by U.S. Customs and Border Protection is higher than the Duty Quote, PayPal will cover the difference unless the difference was caused by:

- inaccurate or incomplete information from you;
- missing shipping or customs information;
- items not included in the Duty Quote;
- commercially unreasonable values declared by you;
- transactions processed outside Duty Clear; or
- changes in duties, tariffs, taxes or related fees 90 days or more after the date of the Duty Quote.

If the guarantee does not apply, you are responsible for any shortfall and dealing directly with any related customs process, delay, non-delivery, penalty, fee or charge. The original Duty Quote will not be refunded to you.

PayPal will not owe you any amount if the Duty Quote is more than the amount actually paid.

## Refunds, reversals, claims and chargebacks

The User Agreement applies to refunds, reversals, claims, chargebacks, PayPal's Seller Protection program, Unauthorized Transactions and recovery. This section explains how the Duty Quote is treated under Duty Clear.

### **Before PayPal receives a valid tracking ID**

#### **Refunds**

If you issue a full refund before PayPal receives a valid tracking ID for the shipment, PayPal will credit the full Duty Quote to your PayPal account. If the Duty Quote was shown separately to the buyer, PayPal will also refund the Duty Quote to the buyer as part of the refund.

If you issue a partial refund before PayPal receives a valid tracking ID, PayPal will recalculate the Duty Quote based on the remaining items. PayPal will credit the difference between the original Duty Quote and the recalculated Duty Quote to your PayPal account. If the Duty Quote was shown separately to the buyer, PayPal will refund that difference to the buyer as part of the refund.

### **Reversals, claims and chargebacks**

If a claim, chargeback or reversal is filed before PayPal receives a valid tracking ID for the shipment, PayPal will credit the Duty Quote to your PayPal account.

If you subsequently ship any of the goods in respect of which the Duty Quote was calculated, you are responsible for ensuring that all applicable Duties are paid on those goods. If you fail to do so, PayPal may recover the Duty Quote (or the relevant portion) from your PayPal account as a reversal under the User Agreement.

### **After PayPal receives a valid tracking ID**

Once PayPal has received a valid tracking ID, the Duty Quote is not refundable by PayPal. This includes where you issue a refund after that point.

If a refund is accepted or a reversal, claim or chargeback is decided against you after that point, the Duty Quote will form part of any amount you owe PayPal under the User Agreement, except to the extent that:

- a. PayPal determines the transaction is covered by PayPal's Seller Protection program; or
- b. PayPal is liable for the loss under the User Agreement as an Unauthorized Transaction or other applicable security or fraud matter, in which case the Duty Quote (or the protected portion of it) will not form part of the amount you owe.

## Your responsibilities

You must:

- give PayPal accurate and complete product, origin, value, shipping and other customs information;
- use an eligible carrier and submit valid tracking within 24 hours after shipment;
- if the Duty Quote is shown separately to the buyer, clearly tell the buyer it will not be refundable once the goods are shipped. If PayPal gives you wording or tools for that disclosure, including in checkout or through a supported integration, you must use them as PayPal reasonably requires and must not change them in a misleading way;
- not make statements to buyers about customs clearance or duty refunds that conflict with these terms;
- keep records and supporting documents about the goods, their classification, value, origin, shipping and any customs communications for as long as applicable law requires, and give copies to PayPal if we reasonably ask for them in connection with Duty Clear, a buyer dispute, or a customs or regulatory inquiry; and
- comply with the customs, trade, tax, sanctions and export laws that apply to your goods and sales.

Neither PayPal nor PayPal's customs calculation and prepayment service providers are the importer of record, customs broker, freight forwarder or declarant for your shipments. You must not identify, or allow any carrier, buyer or other person to identify PayPal or any of PayPal's customs calculation or prepayment service providers as the importer of record, consignee for customs purposes, customs broker, declarant or customs agent or representative for any shipment unless PayPal agrees in writing. You are responsible for making sure that your shipping and customs documents correctly identify the relevant importer of record and any customs representative for the shipment.

If PayPal incurs any shortfall, refund, penalty, fee, charge or other liability because you gave inaccurate or incomplete information, failed to provide required information, failed to disclose the Duty Quote as required, or otherwise did not follow these terms, you must reimburse PayPal under the User Agreement.

PayPal may suspend or remove your access to Duty Clear if you repeatedly do not meet these requirements.

If you stop using Duty Clear or we suspend or end your access to it, these terms will still apply to any Duty Clear transactions already processed and to any amounts you still owe us in relation to them.

## Fees

PayPal transaction fees are calculated under the User Agreement and the Merchant Fees page on the total transaction amount, including any Duty Quote shown separately to the buyer.

Duty Clear fees and the Duty Quote are exclusive of any GST, HST, QST or other taxes, charges or similar assessments unless we state otherwise. The "Taxes and Information Reporting" section of the User Agreement applies.

## Data

You authorize PayPal and its service providers (including PayPal's customs calculation and prepayment service providers) to use and share the order, shipment and buyer data reasonably needed to provide Duty Clear, including with carriers, customs authorities (including U.S. Customs and Border Protection) and other service providers involved in customs clearance. You also authorize PayPal and its service providers to correct shipment or customs information where reasonably needed for accuracy or compliance. The PayPal Privacy Statement applies.

You acknowledge that the provision of Duty Clear requires the transfer of order, shipment and buyer personal information outside of Canada, including to the United States, where it may be subject to access by U.S. authorities under U.S. law. PayPal's customs calculation and prepayment service providers are located in the United States.

You and PayPal will each be an independent data controller for the personal information you process in connection with Duty Clear, in accordance with the "Your use (as a seller) of personal data; Data protection laws" section of the User Agreement.

## Other terms

PayPal may recover any Duty Quote or other amount you owe us for Duty Clear by deduction from transaction proceeds, your PayPal balance or other amounts we owe you, or by set-off under the User Agreement (including the "Amounts owed to PayPal" section).

The User Agreement applies to liability, indemnification, set-off, security interest in your PayPal balance, changes to these terms, language of agreement, governing law and jurisdiction, and all other matters not covered here. Nothing in these terms limits any rights you have under the User Agreement or under applicable law that cannot be excluded.