



PROFESSIONAL ASSOCIATION  
*of Exporters and Importers*

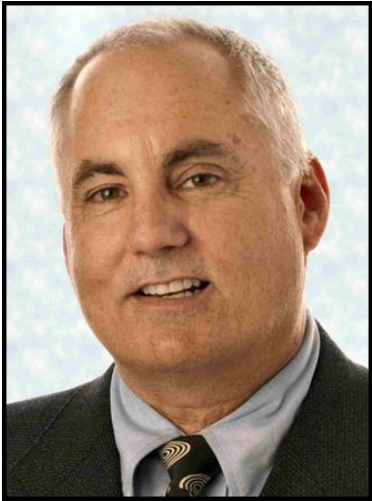


# Import Compliance Boot Camp Session I

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BY  
GEORGE R. TUTTLE, III  
GEORGE R. TUTTLE LAW OFFICES  
E-MAIL: [GEO@TUTTLELAW.COM](mailto:GEO@TUTTLELAW.COM)  
PHONE (415) 986-8780  
FAX (415) 986-0908

# About your Speaker



George Tuttle, III is an attorney with the law firm of George R Tuttle Law Offices in San Francisco. He has been in practice for over 30 years. George's practice emphasis is on Customs, international trade regulation, and export compliance. He works with both small and large importers, as well as customs brokers and freight forwarders on import and export related matters.

He assists companies with compliance audits and to develop effective compliance programs; determine correct customs duties, values, product classifications, and duty preference eligibility; obtain rulings, file protests; and resolve penalty, seizure and enforcement cases.

Recently, he was an editor and a principal author for Chapter 9 "Focused Assessments" – of the American Bar Association's publication U.S. Customs Law: A Practitioner's Guide. He has also contributed materials for the ABA's annual publication Customs Law Committee Year in Review for 2013, 2014 and 2015.

He and the firm also litigate matters before the United States Court of International Trade (CIT) and the Court of Appeals for the Federal Circuit (CAFC) in Washington D.C., on customs matters such as classification and valuation.

Additional information about Mr. Tuttle can be found at [www.tuttlelaw.com](http://www.tuttlelaw.com).

# Session I Agenda

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## ➤ Session 1: Import Basics

- The Import process and what you need to know
- Import Bond Obligations and Requirements
- The new ACE Program and types of Customs Entries
- Importer Security Filing (“10+2”) Requirements
- CBP Realignment – Centers of Excellence and Expertise (CEEs)



# Who can import goods?

## ➤ Importer of Record

- Only an owner, purchaser of the imported merchandise or licensed broker acting for the owner, purchaser or consignee of the merchandise has the right to make entry. 19 U.S.C. 1484
- Customs Directive CD 3530-002A, of June 27, 2001, defines "owner" and "purchaser" to include any party with a financial interest in underlying transaction, including:
  - the actual purchaser of the goods or
  - a person who imports on consignment
  - a buying or selling agent, a person or firm who imports under loan or lease,
  - a person or firm who imports for exhibition at a trade fair, a person or firm who imports goods for repair or alteration or further fabrication, etc.
- <https://www.cbp.gov/document/directives/3530-002a-right-make-entry>



# Responsibilities of Importer of Record

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- Importer of Record is legally responsible for
  - preparing and filing entry documents (even if done by 3<sup>rd</sup> party, i.e., a licensed customs broker)
  - accuracy of all information (i.e., tariff classification, value, origin)
  - payment of all duties and fees found owing by Customs (19 C.F.R. 141.1).



# Who can import goods?

## ➤ Broker as Importer of Record

- If a consignee designates a Customs broker to make entry on his behalf, the broker is listed as Importer of Record, both on the entry and entry summary.
- The broker's bond is liable for subsequent filing of the entry summary and payment of estimated duties.
- Broker may later transfer any liability to the actual owner provided a superseding bond in the name of the owner is given. 19 CFR 141.20

## ➤ Non-Resident Importers (19 CFR 141.17, -.18 and 141.36 and .37)

- Must have as a resident agent in U.S. authorized to accept service of process either in the State where the port of entry is located or in the State from which the remote location filing originates; and
- Obtains a customs import bond issued by a U.S. resident surety to secure the payment of any increased and additional duties which may be found due.

# Who can be an Importer of Record?

- ✓ Completed Customs Bond Form 301
- ✓ Completed Customs bond application
- ✓ CBP Form 5106 – (if applicable)
- ✓ Other applicable documentation, i.e. partnership papers, Power of Attorney (POA), etc.

<https://www.cbp.gov/trade/trade-community/programs-outreach/bonds/news-and-developments-continuous-bonds>

[https://www.cbp.gov/trade/trade\\_community/cbp-publishes-federal-register-notice-proposing-revisions-cbp-form-5106](https://www.cbp.gov/trade/trade_community/cbp-publishes-federal-register-notice-proposing-revisions-cbp-form-5106)

## IMPORTER ID INPUT RECORD FORM 5106

Approved OMB NO. 1551-0064  
Exp. 03-31-2014  
See back of form for Paperwork Reduction Act Notice.

DEPARTMENT OF HOMELAND SECURITY  
U.S. Customs and Border Protection  
**IMPORTER ID INPUT RECORD**  
19 CFR 24.5

1. TYPE OF ACTION (Mark all applicable)  
☒ Notification of importer's number  
☒ Change of address\*  
☒ Change of name\*  
☐ Check here if you also want your address updated in the Fines, Penalties, and Forfeitures Office.  
\*NOTE--If a continuous bond is on file, a rider must accompany this change document.

2. IMPORTER NUMBER (Fill in one format):--  
2A. I.R.S. Number  
99-111233300  
2B. Social Security Number

2C. ☐ Check here if requesting a CBP-assigned number and indicate reason(s). (Check all that apply.)  
☐ I have no IRS No. ☐ I have no Social Security No. ☐ I have not applied for either number. ☐ I am not a U.S. resident  
2D. CBP-Assigned Number

3. Importer Name  
ABC Corp. of America  
4. DIV/AKA/DBA  
☐ DIV ☐ AKA ☐ DBA  
5. DIV/AKA/DBA Name

6. Type  
☒ Corporation ☐ Partnership ☐ Sole Proprietorship ☐ Individual ☐ U.S. Government ☐ State/Local Governments ☐ Foreign Governments

7. Importer Mailing Address (2 32-character lines maximum)  
P.O. Box 301  
8. City  
Lawrence  
9. State Code  
OH  
10. ZIP  
72483  
11. Country ISO Code (Non-U.S. Only)

12. Importer Physical Location Address (2 32-character lines maximum, see instructions)  
123 Appletree Lane  
13. City  
Lawrence  
14. State Code  
OH  
15. ZIP  
72480  
16. Country ISO Code (Non-U.S. Only)

17a. Has importer ever been assigned a CBP Importer Number using the same name as in Block 3?  
☒ No ☐ Yes (List number(s) and/or name(s) in Block 17c.)  
17b. Has importer ever been assigned a CBP Importer Number using a name different from that in Block 3?  
☒ No ☐ Yes (List number(s) and/or name(s) in Block 17c.)  
17c. If "Yes" to 17a and/or 17b, list number(s) and/or name(s)

I CERTIFY: That the information presented herein is correct; that if my Social Security Number is used it is because I have no IRS Employer Number, that if my CBP assigned number is used it is because I have neither a Social Security Number nor an IRS Employer Number, that if none of these numbers is used, it is because I have none, and my signature constitutes a request for assignment of a number by CBP.

18. Printed or Typed Name and Title  
Jane Doe, AIF  
19. Telephone No. Including Area Code  
(890)555-9311  
20. Signature  
X Jane Doe  
21. Date  
01/01/2013  
22. Broker Use Only

Previous Editions are Obsolete  
CBP Form 5106 (05/13)



# Who can import goods?

## ➤ Powers of Attorney (CR 141.31)

- A POA is required for any entity other than IOR prepare and or file a customs entry, or to conduct “customs business” on behalf of importer (only a licensed customs broker may file an entry or conduct “customs business,” as defined in 19 CFR 111.1
- A POA may grant 3<sup>rd</sup> party limited or general powers to act on behalf of principal.
- 19 CFR 141.32 Form for power of attorney. Customs Form 5291 may be used for giving power of attorney to transact Customs business.
- POA’s offered by Freight Forwarders or Customs Brokers are general POA and include or incorporate more terms and conditions than Customs Form 5291, and limit liability.
- Except for partnerships (limited to a period not to exceed 2 years from the date of execution) all other powers of attorney may be granted for an unlimited period
- power of attorney shall be subject to revocation at any time by written notice given to the CBP port director.
- <https://www.cbp.gov/trade/programs-administration/customs-brokers/validating-power-attorney>





# Who can import goods?

- Where are refunds, bills, or notices of liquidation mailed ?
- Address on 5106 unless
  - a CBP Form 4811 authorizing the mailing of refunds, bills, or notices of liquidation to the agent is filed with CBP
  - Brokers will frequently file a CBP Form 4811 with CBP

<p>DEPARTMENT OF HOMELAND SECURITY</p> <p>U.S. Customs and Border Protection</p> <p><b>SPECIAL ADDRESS NOTIFICATION</b></p> <p><b>Note:</b> A Report of Importer Number (CBP 5106) must be on file for each Importer Number appearing on this form.</p>	<p>I request that: (Mark only one code )</p> <table><tr><td><b>10</b> <input type="checkbox"/> Bills, Refunds and Notices of Liquidation</td><td><b>40</b> <input type="checkbox"/> Bills and Notices</td><td><b>34</b> <input type="checkbox"/> Checks and Notices</td></tr><tr><td><b>20</b> <input type="checkbox"/> Checks for Refunds or Drawback only</td><td><b>23</b> <input type="checkbox"/> Bills and Checks</td><td></td></tr><tr><td><b>30</b> <input type="checkbox"/> Bills Only</td><td><b>24</b> <input type="checkbox"/> Notices of Liquidation only</td><td></td></tr></table> <p>be addressed to the undersigned in care of the agent whose Importer Number is shown below whenever it appears as Reference Number on an Entry Summary (CBP 7501) for which I am (my organization is) the Importer of Record.</p> <p>Agent's Name _____ Agent's Number _____ <small>(Show hyphens)</small></p> <table><tr><td>My (organization's) Importer No. <small>(Show hyphens)</small></td><td><input type="checkbox"/> Principal</td></tr><tr><td></td><td><input type="checkbox"/> Member of Firm</td></tr><tr><td></td><td><input type="checkbox"/> _____ of the Corp.</td></tr></table> <p>_____ <small>(Signature)</small></p> <p>_____ <small>(Date)</small></p> <p>_____ <small>(Title)</small></p>	<b>10</b> <input type="checkbox"/> Bills, Refunds and Notices of Liquidation	<b>40</b> <input type="checkbox"/> Bills and Notices	<b>34</b> <input type="checkbox"/> Checks and Notices	<b>20</b> <input type="checkbox"/> Checks for Refunds or Drawback only	<b>23</b> <input type="checkbox"/> Bills and Checks		<b>30</b> <input type="checkbox"/> Bills Only	<b>24</b> <input type="checkbox"/> Notices of Liquidation only		My (organization's) Importer No. <small>(Show hyphens)</small>	<input type="checkbox"/> Principal		<input type="checkbox"/> Member of Firm		<input type="checkbox"/> _____ of the Corp.
	<b>10</b> <input type="checkbox"/> Bills, Refunds and Notices of Liquidation	<b>40</b> <input type="checkbox"/> Bills and Notices	<b>34</b> <input type="checkbox"/> Checks and Notices													
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My (organization's) Importer No. <small>(Show hyphens)</small>	<input type="checkbox"/> Principal															
	<input type="checkbox"/> Member of Firm															
	<input type="checkbox"/> _____ of the Corp.															
	<p>CBP Form 4811 (10/01)</p>															



# Customs' Invoice Requirements

## ➤ Invoice Requirements-- Section 141.81 through 141.89; 142.6

- A commercial invoice is required for almost all shipments. See 19 CFR § 141.83.
  - Merchandise returned to the United States after having been exported for repairs or alteration under subheadings 9802.00.40 and 9802.00.60
  - If no invoice or bill is available, a pro forma (or substitute) invoice, as provided for in §141.85, must be filed.
- Invoices are to include all information required by 19 CFR 141.86
- There are additional invoice requirements for special classes of merchandise, listed in 141.89
  - Aluminum and alloys
  - textile materials, coated or laminated with plastics or rubber
  - Bags manufactured of plastic sheeting.
  - Ball or roller bearings
  - Beads
  - Bed linen and Bedspreads.

# Customs' Additional Invoice Requirements (CR 141.89)



- **Chemicals**
- Colors, dyes, stains and related products
- Copper, and Copper ores
- Cotton fabrics/ Cotton raw /Cotton waste
- Earthenware or crockeryware
- Fish or fish livers
- **Footwear**
- Fur products and furs.
- Glassware and other glass products.
- Gloves
- Grain or grain and screenings
- Handkerchiefs
- Hats or headgear
- Hosiery
- **Iron or steel classifiable in Chapter 72 or headings 7301 to 7307,**
- Machines, equipment and apparatus—Chapters 84 and 85, HTSUS
- Machine parts
- Machine tools
- Madeira
- Motion-picture films
- Paper classifiable in Chapter 48
- Plastic plates, sheets, film, foil and strip of headings 3920 and 3921.
- Printed matter classifiable in Chapter 49
- Pulp classifiable in Chapter 47
- Refrigeration equipment
- Rolling Mills/ Rolls for rolling mills
- Rubber products of Chapter 40.
- Screenings or scalplings of grains or seeds
- Textile fiber products
- Tires and tubes for tires, of rubber or plastics
- Tobacco
- Watches and watch movements classifiable in Chapter 91
- **Wearing apparel**
- Wood products—
- Wool and hair
- Wool products
- Woven fabric of man-made fibers
- Yarns



# Customs' Invoice Requirements

## ➤ Contents of Invoices(19 C.F.R. 141.86; 142.6)

### ■ Each commercial invoice is to specify:

- All parties to the transaction (buyer/ seller, etc.)
- When and where the merchandise was sold or agreed to be sold
- A detailed description of the merchandise
- Quantities
- Purchase price of each item and currency of exchange
- If the merchandise is shipped otherwise than in pursuance of a purchase or an agreement to purchase, the value for each item
- Non-purchased merchandise shipped by other than manufacturer. — the time, the place, person from whom such merchandise was purchased, and the price paid
- Itemized list of additional charges including freight, insurance, commissions, cases, containers, and cost of packing.
- Commissions
- All charges, costs, and expenses incurred in bringing merchandise to point of exportation (NDC deductions)
- All rebates, drawbacks allowed on the exportation of the merchandise
- The country of origin of the merchandise
- Any goods or services furnished for the production of merchandise (such as assists for tools, dies, molds, components and foreign engineering) not included in the price
- Discounts in list or base price
- Any information required on an invoice by 141.86 may be set forth either on the invoice or on an attachment thereto



# The Entry Declaration

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## ➤ 19 U.S. Code § 1485

- Every importer of record making an entry . . . shall file a declaration stating—
- That the prices set forth in the invoice are true, ... that the statements in such invoice as to value or price are true to the best of his knowledge and belief;
- That all other statements in the invoice or other documents filed with the entry, or in the entry itself, are true and correct; and ...



# Customs' Invoice Requirements

- Notation of Tariff Classification & Value (19 C.F.R. 141.90)
  - The appropriate tariff classification and rate of duty is to be noted by the importer (or broker) for each item (referred to as a “rated” invoice.)
  - Importer shall show on the invoice or on an attached statement:
    - All deductions from the total invoice value, such as non-dutiable charges
    - All additions to the invoice value to make the correct entered value
- Entry without invoices (19 C.F.R. 141.91)
  - Prepare a “pro forma” invoice with information required by 19 C.F.R. 141.85
  - Submit other documents that contain adequate information for the examination and determination of estimated duties
  - Posts a bond with Customs for the missing document (see CR 113.63) and/ or requests a waiver of the invoice (19 C.F.R. 141.92)



# Customs Import Bonds

## ➤ Customs Bonds (19 CFR Part 113)

- A bond is a contract that is given to insure the performance of an obligation imposed by law or regulation.
- It is a guarantee to CBP if a required act is not performed, CBP may extract an agreed upon amount of money for the breach of the condition.
- Bonds have many uses for CBP. The most common use allows importers to take possession of their goods before all CBP entry formalities are completed.
- Allows a carrier to move goods under bond from one place to another before the goods are actually entered for consumption with duties paid.
- All parties that import merchandise into the United States for commercial purposes or transport merchandise through the United States that has not "cleared" customs must have a CBP Bond.
- Almost import transactions will require an import bond.
- Informal entries do not required an import bond since they liquidate immediately.



## Trade

[Basic Import and Export](#)[> ACE and Automated Systems](#)[Border Interagency Executive  
Council](#)[Programs and Administration](#)[Account Management](#)[> Audits](#)[Bonds](#)

## Bonds

- [Bond Centralization Program](#)
- [eBond \(New!\)](#)
- [CBP Bond Frequently Asked Questions](#)
- [IPR Continuous Bonds for Samples](#)
  - [CBP Announces Continuous Bond Option for IPR Sample Bonds](#)
  - [Sample Type 15 - IPR BOND TEMPLATE](#)
- [Revised Reconciliation Bond Rider SOP](#)
- [T.D. 85-145: ADCVD; Acceptance of Cash Deposits; Bonds, or Other Security to Obtain Release of Merchandise is the revision of T.D. 82-56](#)

Tags: [Trade](#) [eBond](#)

### Related Content:

[CBP Form 301 - Customs Bond](#)[CBP Form 301A, Addendum to CBP  
Form 301](#)[Paperless Bond Process](#)



Account Management

› Audits

Bonds

eBond

**Bond Centralization  
Program**

Brokers

Determining Duty Rates

› Entry Summary

Importer Self  
Assessment

› Kimberley Diamonds

Penalties

Trade Program Contacts

› Quotas

Revenue

Trade Compliance

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› Priority Trade Issues

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› Rulings and Legal Decisions

processing of new Activity Code 1  
continuous bonds.

[CBP Form 5106 - Importer ID Input Record](#)

[CTB Naming Conventions – Email Subject Line](#) Instructions on how the subject  
line should be displayed for all emails submitted to  
[cbp.bondquestions@dhs.gov](mailto:cbp.bondquestions@dhs.gov).

[Current Bond Formulas](#)

[Updated CBP Forms 301 & 301A](#)

- [CBP Form 301 - Customs Bond](#)
- [CBP Form 301A, Addendum to CBP Form 301](#)

[Paperless Bonds Process](#) - Read about current information and procedures  
regarding Paperless Bonds in the Office of Administration, Revenue Division.

[Centralized Filing of All Continuous Bonds](#)

[Insufficient Bonds Information](#) - Read about current issues and procedures  
impacting insufficient continuous bonds in the Office of Administration, Revenue  
Division.

- [Insufficient Bonds](#)
- [Insufficient Bonds Related to Returned Mail](#)

[News and Developments - Continuous Bonds](#) - Read about current issues and  
procedures impacting continuous bond processing in the Office of  
Administration, Revenue Division.

[Bond Centralization Program Contacts](#) - Bond Team contact information for the  
Trade Community and CBP personnel.

[Inactive or Voided Importer Record FAQs](#) - Assistance with voided importer  
records.



# Customs Import Bonds

- Who are the parties to a Customs bond?
  - There are three parties to a CBP bond: the *principal*, the *surety* and the *beneficiary*.
  - The principal on a bond is the importer, broker, carrier, bonded warehouse proprietor, or any number of other parties that seek to do business with CBP.
  - The principal gives the bond to CBP to insure satisfactory performance of obligations that it agrees to (the bond conditions).
  - The surety is normally an insurance company that has been authorized by the Department of the Treasury to write CBP bonds.
  - The surety agrees to pay any liability that might arise from the principal's failure to perform its obligations.



# Customs Import Bonds

- What are the main types of importer bonds?
  - **Continuous Transaction Bond**
    - A continuous bond is normally obtained by importers who have a large number of entries and/or imports through several ports of entry during a given year.
    - It has a term of one year and is (generally) automatically renewed each year. A continuous bond is valid until it is terminated by the surety or the principal.
  - **Single Entry Bonds**
    - Importers can also obtain a single entry bond for a single shipment. It covers only the entry or transaction for which it was written.
  - **AD/CVD Entries.** In addition to a continuous bond, CBP can require an importer to post an additional SEB when there are concerns over whether the continuous bond would place the revenue in jeopardy because of Anti-dumping/Countervailing Duty (AD/CVD) concerns. <https://www.cbp.gov/trade/priority-issues/adcvd/bonds>



# Customs Import Bonds

## ➤ How are the bond amounts set?

### ■ Continuous Transaction Bonds

- For importers, the minimum continuous bond amount is \$50,000 or 10 percent of the total taxes and fees paid in the previous 12-month period whichever is greater.
- Continuous Transaction Bond amounts are set by the Revenue Division of the National Finance Center in Indianapolis, Indiana. Monetary Guidelines For Setting Bond Amounts are on the CBP website at <http://www.cbp.gov/linkhandler/cgov/toolbox/legal/directives/3510-004.ctt/3510-004.txt>.

### ■ Single Entry Bonds

- Single Entry Bond amounts are set by the port director who accepts the bond. The bond amount for a single entry bond generally is not less than the total entered value plus all duties, taxes, and fees.
- If merchandise is subject to other federal agency requirements or is restricted merchandise, the bond amount set is not less than three times the total entered value of the merchandise.

# Customs Import Bonds

- The CBP Form 301 is the bond form that is signed by the bond principal and surety.
- A corporate officer, whose authority to sign for the corporation is shown by a document known as a **power of attorney**, may sign a CBP bond for the corporation.
- Multiple parties may be required to co-sign the bond if the company is an LLC, partnership or joint venture.

DEPARTMENT OF HOMELAND SECURITY U.S. Customs and Border Protection				OMB No. 1651-0050 Exp. 05/31/2017	
<b>CUSTOMS BOND</b> 19 CFR Part 113			<b>CBP USE ONLY</b>	BOND NUMBER (Assigned by CBP)	
Broker Filer Code: _____			Surety Reference Number: _____		
In order to secure payment of any duty, tax or charge and compliance with law or regulation as a result of activity covered by any condition referenced below, we, the below name principal(s) and surety(ies), bind ourselves to the United States in the amount or amounts, as set forth below.					Execution Date _____
<b>SECTION I – Select Single Transaction OR Continuous Bond (not both) and fill in the applicable blank spaces.</b>					
<input type="checkbox"/> <b>SINGLE TRANSACTION BOND</b>	Identification of transaction secured by this bond (e.g., entry number, seizure number, etc.) _____		Transaction Date _____		Port Code _____
<input type="checkbox"/> <b>CONTINUOUS BOND</b>	Effective Date _____	This bond remains in force for one year beginning with the effective date and for each succeeding annual period, or until terminated. This bond constitutes a separate bond for each period in the amounts listed below for liabilities that accrue in each period. The intention to terminate this bond must be conveyed within the period and manner prescribed in the CBP Regulations.			
<b>SECTION II – This bond includes the following agreements. Check one box only. (Except 3a may be checked independently or with 3.)</b>					
Activity Code	Activity Name and CBP Regulations in which conditions codified	Limit of Liability	Activity Code	Activity Name and CBP Regulations in which conditions codified	Limit of Liability
<input type="checkbox"/> 1	Importer or broker ..... §113.62		<input type="checkbox"/> 8	Detention of Copyrighted Material ..... §113.70 -Single Transaction Only-	
<input type="checkbox"/> 1a	Drawback Payments Refunds ..... §113.65		<input type="checkbox"/> 9	Neutrality ..... §113.71 -Single Transaction Only-	
<input type="checkbox"/> 2	Custodian of Bonded Merchandise §113.63 (Includes bonded carriers, freight forwarders, cartmen and lightermen, all classes of warehouse, container station operators) -Continuous Bond Only-		<input type="checkbox"/> 10	Court Costs for Condemned Goods ..... §113.72 -Single Transaction Only-	
<input type="checkbox"/> 3	International Carrier ..... §113.64		<input type="checkbox"/> 11	Airport Security Bond ..... Part 113 App A	
<input type="checkbox"/> 3a	Instruments of International Traffic... §113.66 -Continuous Bond Only-		<input type="checkbox"/> 12	International Trade Commission (ITC) Exclusion Bond ..... Part 113 App B	
<input type="checkbox"/> 4	Foreign Trade Zone ..... §113.73 -Continuous Bond Only-		<input type="checkbox"/> 14	In-Bond Export Consolidation Bond	
<input type="checkbox"/> 5	Public Gauger ..... §113.67		<input type="checkbox"/> 15	Intellectual Property Rights (IPR)	
<input type="checkbox"/> 6	Wool & Fur Products ..... §113.68		<input type="checkbox"/> 16	Importer Security Filing (ISF)	



# Customs Import Bonds

- Obligations, terms and conditions of an import bond
  - the importer's obligations are set by regulation and require, among other things, to
    - Pay all duties, taxes and fees determined by CBP to be owing
    - Submit entry summary documentation when and as required by law
    - Submit information or documentation necessary to determine entry and admissibility of merchandise
    - Proper marking of goods with country of origin
    - Redeliver merchandise to CBP upon a lawful demand within the time required.
    - Other Bond obligations see CR 113.62
  - All provisions of CR 113.62 are incorporated by reference



# Customs Import Bonds

## ➤ Bond Riders -- Changes to a Bond

- Name change of principal
- Address of change
- Addition or deletion of trade names and unincorporated divisions of a corporate principal
- Entry Reconciliation Program

## ➤ New Bonds

- Insufficient continuous bond amount
- Change in legal status of principal
- Inclusion of incorporated divisions of a corporate principal
- CBP periodically reviews sufficiency of importer bonds and can require increase in bond amount or additional STB



# Customs Import Bonds

## ➤ Consequence of default

- If the principal defaults on bond conditions, the bond obligor agree to pay liquidated damages (LD) equal to:
  - the value of the merchandise involved in the default, or
  - three times the value of the merchandise involved in the default if the merchandise is restricted or prohibited merchandise or alcoholic beverages.
  - For most non-merchandise related bond violations (i.e., missing documents or untimely entry summary filing or payment) the penalty is generally \$1,000.
- Importer and surety are jointly and severally liable for LD claims
- Surety, as well as the principal, remain liable on a terminated bond for obligations incurred prior to termination up to face amount.
- Statute of limitations on a breach of bond is 6 years from the date of the breach, not withstanding liquidation of entry.

DEPARTMENT OF HOMELAND SECURITY U.S. CUSTOMS AND BORDER PROTECTION		CASE NUMBER 2015390120061601	
NOTICE OF PENALTY OR LIQUIDATED DAMAGES INCURRED AND DEMAND FOR PAYMENT		PORT CODE AND NAME 3901 CHICAGO, IL	
19 USC 1618, 19 USC 1623		INVESTIGATION FILE NO. ID: 132618812CH	
[REDACTED]			
DEMAND IS HEREBY MADE FOR PAYMENT OF \$14,145.00, REPRESENTING LIQUIDATED DAMAGES ASSESSED AGAINST YOU FOR VIOLATION OF LAW OR REGULATION, OR BREACH OF BOND, AS SET FORTH BELOW: SEE ATTACHED WORD DOCUMENT FOR FULL REMARKS  UNAUTHORIZED RELEASE OF MERCHANDISE FROM A CFS			
LAW OR REGULATION VIOLATED 19CFR113.63		BOND BREACHED BOND TYPE: 2	
DESCRIPTION OF BOND: CUSTODIAN		BOND#: 9911B8961	
FORM NUMBER: 9911B8961		AMOUNT: \$50,000.00	
DATE: 04/01/2011			
NAME AND ADDRESS OF PRINCIPAL ON BOND [REDACTED]			
NAME AND ADDRESS OF SURETY ON BOND GREAT AMERICAN ALLIANCE IN SURETY NO. 301 E 4TH ST, CINCINNATI, OH 452024245 035			
IF YOU FEEL THERE ARE EXTENUATING CIRCUMSTANCES, YOU HAVE THE RIGHT TO OBJECT TO THE ABOVE ACTION. YOUR PETITION SHOULD EXPLAIN WHY YOU SHOULD NOT BE PENALIZED FOR THE CITED VIOLATION. WRITE THE PETITION AS A LETTER OR IN LEGAL FORM; SUBMIT IN (DUPLICATE ) ADDRESSED TO THE COMMISSIONER OF CUSTOMS AND BORDER PROTECTION, AND FORWARD TO THE FP&F OFFICER AT: CBP FP&F OFFICE 610 SOUTH CANAL ST, RM 416, CHICAGO, IL 60607			
UNLESS THE AMOUNT HEREIN DEMANDED IS PAID OR A PETITION FOR RELIEF IS FILED WITH THE FP&F OFFICER WITHIN THE INDICATED TIME LIMIT, FURTHER ACTION WILL BE TAKEN IN CONNECTION WITH BOND OR MATTER WILL BE REFERRED TO US ATTORNEY.			
TIME LIMIT FOR PAYMENT OR FILING PETITION: 60 DAYS FROM DATE OF THIS NOTICE.			
SIGNATURE:  JOYCE R WOODS-JACKSON BY		TITLE FP&F OFFICER (312)983-1324 DATE 06/16/2015	



# The Entry Process and the ACE System



- Duties and liability for their payment accrue at the time of arrival within the Customs territory of the United States, when there is intent to unlade.
- Liability for duties constitute a personal debt of the Importer of Record, which can be discharged only by payment in full of all duties legally accruing, unless relieved by law or regulation.
- Payment to a broker covering duties does not relieve the importer of liability if the duties are not paid by the broker.
- Merchandise imported and afterwards exported, even though duty thereon may have been paid on the first importation, is liable for duty on every subsequent importation into the Customs territory of the United States. 19 CFR 141.2



# The Entry Process

- “Entry” means that documentation required by §142.3 to be filed to secure the release of merchandise from Customs custody, or the act of filing that documentation.
- “Entry summary” means any other documentation necessary to enable Customs to assess duties, and collect statistics on imported merchandise, and determine whether other requirements of law or regulation are met.
- “Released conditionally” means any release from Customs custody before liquidation.
- All merchandise imported into the United States is required to be entered, unless specifically excepted.
- exemptions are listed in General Note 3(e) to the Harmonized Tariff Schedule:
  - corpses, together with their coffins and accompanying flowers,
  - telecommunications transmissions,
  - records, diagrams and other data with regard to any business, engineering or exploration operation
  - articles returned from space



# The Entry Process

- Customs explained in C.S.D. 90-99 that a **conditional release period** is the period of time an importer is given to respond to a formal request for information or production of a sample (for example, a CF 28).
- By regulation, a CF 28 must be issued within 30 days of the actual release of the merchandise. Importer has 20 days to respond.
- For some classes of merchandise the conditional release period is longer (textile/apparel products and FDA regulated products).
- CBP may demand the re-delivery of goods prior to the end of the **conditional release period**

# Examination, Detention and Release



## ➤ 19 USC 1499

- Imported merchandise that must inspected or examined may not be delivered from customs custody except under bond.
- Customs must decide whether to release or detain the merchandise within 5 days of presentation or it is considered **detained**.
- Customs must issue a **notice** to the importer no later than 5 working days of detention, w/details
- Failure by Customs to make a final determination with respect to the admissibility of detained merchandise within 30 days of presentation (or longer period if specifically authorized by law), shall be treated as **excluded**
- **The exclusion of merchandise by CBP may be protested (19 USC 1514)**



# The Entry Process

- A **consumption entry** is a type of entry used when goods are imported for use in the United States and going directly into the commerce of the U.S. without any time or use restrictions placed on them.
- **Informal entries**, are usually valued at less than \$2,500 (value subject to change), and usually do not require a bond. Some products are restricted from informal entry (for example, high risk products), regardless of value.
- A **TIB** entry allows goods to be imported duty-free up to one year with a guarantee the goods will be exported or destroyed at the end of the bond period. The importer posts a **bond for twice the amount of the duty**. A TIB entry may be used when an article for repair is imported and will subsequently be exported, or for manufacturing and exportation.
- An **Immediate Transportation (IT)** entry allows bonded merchandise to arrive at a U.S. port, with another port in the U.S. as the final destination (the declared Port of Entry).
- **Transportation & Exportation (T&E)** allows goods to be transported through the CBP territory of the U.S. under bond and then exported intact.

# The Entry Process

- Until recently there were two major forms when submitting a customs entry:
- the Customs Release (CBP Form 3461) and
- the Customs Entry (CBP Form 7501)
- CBP Directive 3550-061 instructs importers and brokers how to prepare the Entry Summary CBP Form 7501
- <https://www.cbp.gov/document/guides/ace-entry-summary-instructions>
- ACE eliminated the paper 3461 cargo release

## Automated Commercial Environment (ACE) ENTRY SUMMARY INSTRUCTIONS

The purpose of this document is to provide guidance to ACE end users on what entry summary information to provide in ACE. The data elements that were originally on the paper CBP Form 7501 will be provided online via ACE. The purpose of ACE is to minimize the retention of paper entry summary packets. The ACE Entry Summary Instructions will make references to the ACE Automated Broker Interface (ABI) Customs and Trade Automated Interface Requirements (CATAIR).

### **ENTRY SUMMARY HEADER LEVEL INFORMATION**

#### **FILE/REMOTE PREPARER CODE**

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### **Cargo Release**

This section includes questions about filing entries in ACE.

#### **▼ With ACE cargo release there is no longer a paper 3461. How do I show proof of my release?**

CBP recognizes that a paperless environment will pose challenges to non-automated entities such as consolidated freight stations and terminals that do not receive electronic releases from CBP. Consequently, CBP will allow non-automated facilities, on an interim basis, to release cargo based on screen printouts presented to them by filers (importers, brokers, etc.). The printout should have at a minimum the shipment ID and quantity being released, the type of release as well as clear identification of who presented the release information. For audit purposes, this will satisfy due diligence on behalf of the non-automated facility.

For more information, please review the [full policy on Form 3461](#) or or download a copy of the [ACE Cargo Release Non-Automated Warehouse Policy](#).

#### **► When will CBP have cargo release/entry capabilities available that align**



ACE Sup



Training  
Referenc  
Guides



Frequent  
Asked  
Question




# Informal Entries

- 143.21 Merchandise eligible for informal entry
  - Shipments of merchandise not exceeding \$2,500 in value (except for articles valued in excess of \$250 classified in Chapter 99, Subchapters III and IV, HTSUS)
  - Household or personal effects or tools of trade entitled to free entry under Chapter 98
  - Products of the United States when the aggregate value of the shipment does not exceed \$10,000 and
  - Products imported for repair or alteration prior to re-exportation
  - Merchandise entered informally must be entered on a CBP Form 368 or 368A, or CBP Form 7501



# Section 321 Shipments

- ❖ The Trade Facilitation and Trade Enforcement Act of 2015 amended 19 U.S.C. § 1321 to increase the de minimis value exemption from payment of duties and taxes from \$200 to \$800.
- ❖ Conditions are specified in 10.153
- ❖ Must provide evidence by declaration, bill of lading (or other document filed as the entry) or manifest listing each bill of lading



U.S. Customs and  
Border Protection

## Trade Facilitation and Trade Enforcement Act of 2015

### *Increase in the De Minimis Value Exemption*

#### Background

On February 24, 2016, the President signed the [Trade Facilitation and Trade Enforcement Act of 2015](#), strengthening the capabilities of the U.S. Customs and Border Protection (CBP) to enforce U.S. trade laws and regulations, streamline and facilitate the movement of legitimate trade, and interdict non-compliant trade.

The Act of 2015 included an amendment of Section 321 of the Tariff Act of 1930, as amended (19 U.S.C. § 1321) to increase the de minimis value exemption from duties and taxes from \$200 to \$800, which CBP implemented on March 10, 2016.

#### What Changed?

The value of a shipment imported by one person on one day that generally may be imported free of duties and taxes has increased from \$200 to \$800. Shipments valued at \$800 or less for the de minimis exemption are eligible for release under the same processes and with the same restrictions that previously applied to shipments valued at \$200 or less.

#### What Remains the Same?

All existing processes and restrictions for merchandise shipments remain the same with the exception of increasing the de minimis value exemption.

Processes:	Conditions and Exceptions:
<ul style="list-style-type: none"><li>• <b>Manual Processing (all modes):</b> Importer may provide oral declaration or evidence document of fair retail value of \$800 or less</li><li>• <b>Land Border Truck:</b> Low value shipments may be released off of the electronic truck manifest by accepting the release on the primary lane</li><li>• <b>Rail, Sea, and Air (standard and express air):</b> CBP may release low value shipments after electronic manifest is reviewed in the Automated Commercial Environment (ACE) by manual posting, as appropriate</li></ul>	<ul style="list-style-type: none"><li>• Shipment must be imported by one person on one day</li><li>• Consolidated shipments addressed to one ultimate consignee are treated as one importation</li><li>• No alcoholic beverage, perfume containing alcohol (except where the aggregate fair retail value in the country of shipment of all merchandise contained in the shipment does not exceed \$5), cigars, or cigarettes will be exempted from duty and tax payment</li><li>• Exemption is not allowed if CBP believes that the shipment is one of several lots covered by a single order or contract, and that it was sent separately for the express purpose of securing free entry or for the purpose of avoiding compliance with any pertinent law or regulation</li><li>• Exemption is not allowed in the case of any merchandise of a class or kind provided for in any tariff-rate quota</li><li>• Exemption is not allowed if one or more Partner Government Agencies require information to fulfill their regulatory requirements</li></ul>

#### CBP Authority:

As a reminder, even in the case of low value shipment, CBP has the right to require a formal entry on any shipment where additional information, bonding, or protection is required. The administrative exemption may be denied if CBP believes that the shipment was sent as a low value shipment for the purpose of avoiding compliance with any pertinent law or regulation.

CBP Publication No. 0522-0516



# Automated Commercial Environment (ACE)



- The **Automated Commercial Environment (ACE)** is CBP's new system designed to facilitate trade while enhancing border security.
- ACE, and the **"single window"** will improve collection, sharing, and processing of information submitted to CBP and other "participating government agencies" (PGAs)
- By the end of 2016, the ACE will become the Single Window - the primary system through which the trade community will report **imports and exports** and the government will determine admissibility.



# Automated Commercial Environment (ACE)

ACE Implementation Schedule with PGA integration:

<https://www.cbp.gov/trade/automated/ace-mandatory-use-dates>


The screenshot shows the 'ACE Mandatory Use Dates' page on the CBP website. The left sidebar contains a 'Trade' menu with links to 'Basic Import and Export', 'ACE and Automated Systems', 'Getting Started with Automated Systems', 'Technical Documentation', 'ACE Features', 'ACE Federal Register Notices', 'Border Interagency Executive Council', 'Programs and Administration', 'Priority Trade Issues', and 'Rulings and Legal Decisions'. The main content area is titled 'ACE Mandatory Use Dates' and includes a section 'What are the ACE Mandatory Use dates?' with text about the transition to ACE and a 'Mandatory Date Transition Resources' sidebar. A red-bordered box at the bottom right contains a 'Notice of ACE Capabilities Deployed and Mandated on 7/23/16' and a reminder about updates.

The screenshot shows the 'Automated Commercial Environment (ACE) Features' page on the CBP website. The top navigation bar includes 'CBP', 'Newsroom', 'Travel', 'Trade', and 'Border Security'. The breadcrumb trail reads 'TRADE > ACE - AUTOMATED COMMERCIAL ENVIRONMENT TECHNICAL INFORMATION > AUTOMATED COMMERCIAL ENVIRONMENT'. The left sidebar lists various topics: 'Import and Export', 'Automated Systems', 'Getting Started with Automated Systems', 'Technical Documentation', 'Technical Information', 'Automated Commercial Environment/Broker Interface', 'Automated Export System', 'Features', 'Federal Register Notices', 'Border Interagency Executive Council', 'Programs and Administration', 'Trade Issues', and 'Rulings and Legal Decisions'. The main content area is titled 'Automated Commercial Environment (ACE) Features' and includes a paragraph about ACE modernizing trade processing, a paragraph about the 2016 completion timeline, and a list of resources. A 'Guidance on Recordkeeping in ACE' link is provided. Below this is a 'Features' section with a table of features: Manifest, Cargo Release, Post Release, Exports, Document Image System (DIS), PGA Integration, and ACE Portal. The 'Cargo Release' feature is highlighted. The text below the table states: 'Working with representatives of trade associations, CBP has undertaken steps to simplify the entry process. The result of this work is a new reduced data set, consisting of fewer data elements to be filed for electronic submissions.' The 'Benefits' section lists: 'Streamlined submission of data elements', 'Ability for PGA and CBP personnel to provide enhanced security, safety and compliance through faster processing', and 'No longer file CBP paper form 3461'.

## June 15, 2016

**In addition to what is required as of May 28** as explained above, filers will also be required to file in ACE and no longer permitted to file in ACS the following transactions:

-  Electronic **entries and corresponding entry summaries, associated with the following entry types**, with **Food and Drug Administration (FDA)** data:
  - 01 - Consumption
  - 03 - Consumption - Antidumping/Countervailing Duty (AD/CVD)
  - 06 - Consumption - Foreign Trade Zone (FTZ) (without quota merchandise and/or AD/CVD)
  - 11 - Informal
  - 23 - Temporary Importation Bond (TIB)
  - 51 - Defense Contract Administration Service Region (DCASR)
  - 52 - Government - Dutiable


-  The implementation of these capabilities through ACE means that the following transactions **will no longer be accepted** in ACS:
  1. Electronic entries and corresponding entry summaries (Entry types 01, 03, 06, 11, 23, 51 and 52) with FDA, APHIS Lacey Act or NHTSA data.


Effective 6/15/16 - ALL electronic entries and entry summaries for entry types 01, 03, 06\*, 11, 23, 51, and 52 *must* be filed in ACE, regardless of PGA requirements. If NHTSA, APHIS Lacey Act, and/or FDA data is required, that data must be filed via the PGA Message Set. All other PGA requirements must comply with instructions found in the interim guidance until the electronic filing of each remaining PGA Message Set in ACE is mandated (specific summer 2016 dates to be announced). The interim guidance is available on the [ACE PGA Forms](#) page.

As of 6/15/16, the only electronic entries and entry summaries that may be filed in ACS are those associated with entry types 02, 07, 12, 21, 22, 31, 32, 34, and 38.


## July 23, 2016

**In addition to what is required as of June 15** as explained above, filers will also be required to file in ACE and no longer permitted to file in ACS the following transactions:

-  Electronic **entries and corresponding entry summaries, associated with the following entry types**:
  - 02 - Consumption - Quota/Visa
  - 07 - Consumption - Antidumping/Countervailing Duty and Quota/Visa Combination
  - 12 - Informal - Quota/Visa (other than textiles)
  - 21 - Warehouse
  - 22 - Re-Warehouse
  - 31 - Warehouse Withdrawal Consumption
  - 32 - Warehouse Withdrawal - Quota
  - 34 - Warehouse Withdrawal - Antidumping/Countervailing Duty
  - 38 - Warehouse Withdrawal - Antidumping/Countervailing Duty & Quota/Visa Combination

-  The implementation of these capabilities through ACE means that the filing of all electronic entries and corresponding entry summaries must be filed in ACE. System validations will be in place to reject the following transactions in ACS:

- Electronic entries and corresponding entry summaries (Entry types 01, 02, 03, 06, 07, 11, 12, 21, 22, 23, 31, 32, 34, 38, 51 and 52)

-  Effective July 23, 2016, FCC data is no longer required and will no longer be accepted on ACE transactions. All transactions submitted with FCC data will be rejected in ACE.

## PGA Dates (Specific dates to be provided)

Throughout 2016, agencies will provide further information regarding the conclusion of their pilots and mandatory filing of their data in ACE. For details on the current deployment status and how to participate in PGA pilots, please reference the PGA documentation at [cbp.gov/ace-pga](http://cbp.gov/ace-pga).

The following table provides a summary of mandatory dates for filing PGA data in ACE, and will be updated as additional information is available.

March 31, 2016	May 28, 2016	June 15, 2016
<ul style="list-style-type: none"><li>• APHIS Lacey Act</li><li>• NHTSA</li></ul> <p>(for electronic entries and entry summaries associated with entry types 01, 03, 11, 23, 51 and 52)</p>	<ul style="list-style-type: none"><li>• APHIS Lacey Act</li><li>• NHTSA</li></ul> <p>(for electronic entries and entry summaries associated with entry type 06)</p>	<ul style="list-style-type: none"><li>• FDA</li></ul> <p>(for electronic entries and entry summaries associated with entry types 01, 03, 06, 11, 23, 51 and 52)</p>
<b>TBD 2016</b>		
<ul style="list-style-type: none"><li>• Agricultural Marketing Service (AMS)</li><li>• Bureau of Alcohol, Tobacco and Firearms and Explosives (ATF)</li><li>• Remaining APHIS data (APHIS Core)</li><li>• Centers for Disease Control (CDC)</li><li>• Consumer Product Safety Commission (CPSC)</li><li>• Defense Contract Management Agency (DCMA)</li><li>• Directorate of Defense Trade Controls (DDTC)</li><li>• Drug Enforcement Administration (DEA)</li><li>• Enforcement and Compliance Commission (E&amp;C)</li><li>• Environmental Protection Agency (EPA)</li><li>• Fish and Wildlife Service (FWS)</li><li>• Food Safety and Inspection Service (FSIS)</li><li>• Foreign Agriculture Service (FAS)</li><li>• National Marine Fisheries Service (NMFS)</li><li>• Office of Marine Conservation (OMC)</li><li>• Office of Textiles and Apparel (OTEXA)</li><li>• Alcohol and Tobacco, Tax and Tariff Bureau (TTB)</li></ul>		

## August 27, 2016

Beginning August 27, 2016 all electronic protests must be filed via the ACE Secure Data Portal (ACE Portal). Watch this space for details as more information becomes available.

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## October 1, 2016

Transmission of all remaining electronic portions of the CBP cargo process will be required in ACE. This requirement includes:

- Duty Deferrals
- Drawback
- Reconciliation
- Statements (with associated collections functions)
- Liquidation

Further information regarding the deployment and use of these capabilities will be provided in the near future.

We would like to reiterate that the updated transition timeline aligns with the December 2016 deadline for full implementation of the Single Window via ACE. CBP appreciates all efforts from the CBP, trade community, and PGA stakeholders as we continue to work together toward the complete and successful transition to ACE.



# The Entry Process and Liquidation (CR Part 159)



- An importer's liability for an entry is not final until the entry is **"liquidated."**
- **Liquidation** means that the entry has been "closed out," and the final computation or ascertainment of duties has been made.
- All entries, except TIB entries, transportation in bond or for immediate exportation, are liquidated.
- CBP is under no obligation to provide importer with actual notice of liquidation.
- The date of liquidation will be the date of posting of the bulletin notice of liquidation in the Port where the entry was filed.
- CBP will provide the filer with **electronic notification** of this date as an informal, courtesy notice of liquidation.
- Time Period for Liquidation
  - Liquidation Cycle
    - Entries are generally scheduled for liquidation 314 days from the date of entry. CSMS #97000531
    - Entries may be liquidated sooner, or later, if CBP issues **notice of action** with a change to the classification or value of the entry.

# The Entry Process and Liquidation (CR Part 159)



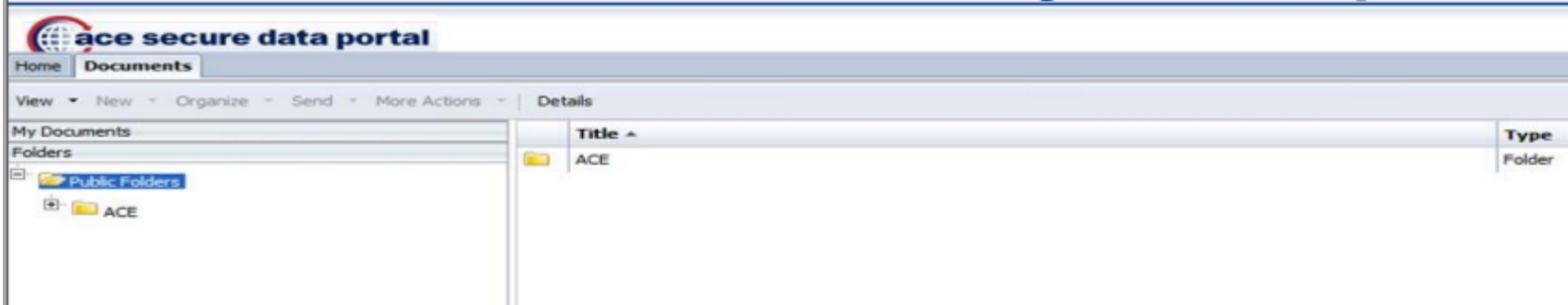
- Liquidation by Operation of Law (19 CFR 159.11)(19 USC 1504)
  - An entry not liquidated within 1 year from the date of entry of the merchandise, or the date of final withdrawal of merchandise covered by a warehouse entry, will be deemed liquidated by operation of law.
- Extension of Liquidations
  - CBP may **extend** liquidation of entry beyond 1 year for an additional period not to exceed 1 year, if
    - Actual notice is given before Operation of Law date
    - information needed by CBP for the proper appraisalment or classification.
  - Liquidation may be extended for 3 times for a total of four years
  - The importer may also request an extension in writing before the statutory period expires and shows good cause why the extension should be granted.
  - “Good cause” is demonstrated when the importer satisfies the port director that more time is needed to present to CBP information which will affect the pending action, or there is a similar question under review by CBP



# The ACE Secure Data Portal

- The ACE Secure Data Portal is an interactive, on-line tool that provides gateway to access CBP information via the Internet.
  - The portal has three major user groups: 1) CBP; 2) trade community; and 3) participating government agencies (PGAs)
  - ACE Secure Data Portal offers each account user:
    - Near real-time review of CBP entry, entry summary and manifest data accessible via the Reports tab;
    - Account-based view;
    - Allows importers to receive and respond to three commonly issued CBP forms:
      - CBP Form 28: Request for Information; CBP Form 29: Notice of Action; CBP Form 4647: Notice to Mark/Notice or Re-Deliver

# ACE Secure Data Portal – Key ACE Reports



<u>Multi-Modal Manifest Folder</u>	<u>Account Management Reports Folder (DR)</u>	<u>Account Revenue Folder</u>
<p>MMM 9009 In-Bond Details Report (2 Hour Refresh)</p> <p>MMM 9017 Manifest Details (2 Hour Refresh)</p> <p>MMM 9021 BOL Details – (2 Hour Refresh)</p> <p>MMM 9022 BOL Status - (2 Hour Refresh)</p>	<p>AM 001 Entry Summary Lines by HTS#</p> <p>AM 003 Entry Summary Lines by Filer Code</p> <p>AM 008 Entry Summary Line Detail Report</p> <p>AM 068 Entry Summary Report</p> <p>AM 100 Courtesy Notice of Liquidation Report</p> <p><u>Entry Summary Reports Folder</u></p> <p>ESM 7001 Entry Summary Census Warning and Override Report</p> <p>ESM 7008 Entry Summary Line Detail Report</p> <p>ESM 7068 Entry Summary Report</p> <p>ESM 7024 ACE Reject Report</p> <p>ESM 7025 CBP Form 28, 29, 4647 Status Report</p>	<p>AR 007 Periodic Monthly Statement Quickviews (Broker and Importer)</p> <p>AR 007 Periodic Statement Detail</p>

**Entry Summary data is refreshed nightly**  
**Periodic Monthly Statement data is refreshed hourly**



U.S. Customs and  
Border Protection







## Trade

### Basic Import and Export

### ACE and Automated Systems

#### Getting Started with Automated Systems

#### Technical Documentation

#### ACE Features

#### ACE Federal Register Notices

### Border Interagency Executive Council

#### > Programs and Administration

#### > Priority Trade Issues

#### > Rulings and Legal Decisions

## Using the ACE Secure Data Portal

### The ACE Secure Data Portal

The ACE Secure Data Portal (ACE Portal) is a web-based entry point for ACE. It provides a centralized online access point to connect CBP, trade representatives and government agencies involved in importing goods into the United States. The portal provides account holders the ability to identify and evaluate compliance issues, monitor daily operations, set up payment options, review and respond to filings, access a reports tool, compile data, and perform national trend analysis.

### Benefits of an ACE Portal Account

- + Receive, respond to, and monitor CBP Forms 28, 29, and 4647
- + Create blanket declarations for entry summary processing and nationwide view
- + Access AD/CVD case management and message Information database
- + Access Importer Security Filing (ISF) and progress reports
- + Create entry number banks for border line release
- + Store employee, driver, conveyance, and equipment record information

### Access Near Real-Time Data

Through the ACE Portal users have access to filing data that is updated on a regular basis

### Get Started with ACE



Get Started



Apply for an Account



Log In

### How to Stay Informed



Sign Up for Email Messages



Find an Outreach Event



Learn about the Trade Support

## Video Walkthroughs

### How to Request a New Portal Account

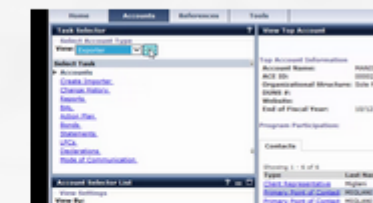
ACE Portal



Find out how to fill out and submit an application for a new portal account.

[Closed Caption File](#)

### How to Request an Exporter Account



Find out how to fill out online application for an exporter account.

[Closed Caption File](#)

### How to Request Access to

DATA TYPE	UPDATE CYCLE
Account Revenue	1 Hrs
Manifest	24 Hrs
Entry and Entry Summary	24 Hrs

### Run Reports

ACE Portal users have access to reports. By running targeted reports to conduct in-house audits, identify systemic errors and provide insight into entries under review by CBP, all in support of improved compliance with trade laws.

- + Identify unauthorized filers
- + Monitor entry and summary filing transactions by filer
- + Monitor in-bond movements by bill of lading, manifest and equipment

# Importer Security Filing (ISF)(19 CFR 149



- ISF, commonly known as the “10+2” initiative, is a CBP regulation that requires importers to provide:
  - advance trade data for non-bulk cargo shipments
  - arriving into the United States by vessel.
- Importer Requirements:
  - U.S. Bound Cargo: requires the electronic filing of 10 data elements (a.k.a., “ISF-10”)
  - In-Transit Cargo: requires the electronic filing of an ISF comprised of 5 data elements (a.k.a., “ISF-5”)
- ISF data must be filed (received) by CBP 24 hours prior to vessel lading
- All ISF filings must be done electronically via the vessel AMS, via the Automated Broker Interface (ABI) (ACE)

# Importer Security Filing (ISF): ISF-10 Data Elements



## ➤ ISF Importers must submit:

- **Seller, buyer, importer of record** number / foreign trade zone applicant identification number, and **consignee number(s)** no later than 24 hours before the cargo is laden aboard the vessel at the foreign port.
- **Manufacturer (or supplier), ship to party, country of origin**, and commodity **HTSUS number** no later than 24 hours before the cargo is laden aboard the vessel at the foreign port.
- **Container stuffing location** and **consolidator** (stuffer) as early as possible, in no event later than 24 hours **prior to arrival** in a United States port.

## ➤ Bill of Lading Number

- A bill of lading number is **required** at the time of an ISF filing.
- The ISF Importer, or its agent, must obtain this information from the carrier and provide it to CBP as part of the ISF filing.
- The ISF needs to be submitted at the lowest bill of lading level (i.e., house bill or regular bill) that is transmitted into the Automated Manifest System (AMS). It is the only common “link” between the ISF and the customs manifest data.



# Importer Security Filing (ISF)

- The Importer Security Filing must be amended if there is a change or more accurate information becomes available before the goods enter the limits of the port of first arrival in the United States.
  - If the **flexible filing option** is used, the ISF MUST be updated with the correct or more accurate information as soon as it is known, but in any event no later than 24 hours prior to arrival of the vessel in the first U.S. port.
  - If better information does not become available and/or the original information is the best information, the ISF must still be completed using the “CT” amendment code.
- One of the following action reason codes must be provided as part of an ISF-10 filing:
  - **CT = Compliant Transaction** – All data is present and is based upon the best information available at the time of the filing; no special flexibility rules apply. If “CT” is used, the ISF can be updated if necessary, but CBP does not necessarily expect to see updates for these filings..
  - **FR = Flexible Range** – A range of data for the Manufacturer, and/or Ship To Party, and/or Country of Origin, and/or Commodity HTSUS number has been provided. ISF must be updated as soon as better information becomes available, but in any event no later than 24 hours prior to arrival.
  - **FT = Flexible Timing** – The CS (Consolidator name/address) and/or the LG (Stuffing location) has not been provided. The ISF must be updated as soon as better information becomes available, but in any event no later than 24 hours prior to arrival.
  - **FX = Flexible Range and Flexible Timing** - A range of data as described in “FR” has been provided and the CS (Consolidator name/address) and/or LG (Stuffing location) has not been provided. The ISF must be updated as soon as better information becomes available, but in any event no later than 24 hours prior to arrival.



# Importer Security Filing (ISF)

## ➤ Who Can Transmit the ISF?

- The “*importer*” or his “*authorized agent*” must submit the ISF.
- “*Importer*” is defined as “the party causing goods to arrive within the limits of the United States.”
- ISF filer does not have to be a customs broker
- For cargo remaining on board the vessel (FROB), the importer is the carrier.
- For merchandise subject to an IE or T&E in bond shipment, or goods to be delivered to an FTZ, the party filing the IE, T&E or FTZ entry is construed as the importer.
- CBP July 6, 2016 [Notice of Proposed Rule](#) To Expand Definition of Importer Certain Importations



# Importer Security Filing (ISF)

- The filing of ISF is not “Customs Business”
- To be an *“authorized agent”* for ISF filing purposes, a party must be
  - an approved filer under ABI (ACE) or AMS.
  - must also possess a basic import bond, an international carrier bond or a foreign trade zone operator bond, depending upon the character of the filing.
  - Authorized agents must have and retain powers of attorney (unless filing via AMS)
- ISF importers must have a [Basic Importation & Entry Bond](#) or an ISF bond
- Bond requirements have been waived for the following ISF coded transactions:
  - Type 3 “Household Goods/Personal Effects”
  - Type 4 “Government and Military”
  - Type 5 “Diplomatic”
  - Type 6 “Carnets”
  - Type 9 “International Mail”
  - **Type 11 “Informal Shipments”**
- Failure to timely or correctly file ISF information can result in the assessment of Liquidated Damages of up to \$5,000 per violation.



# Importer Security Filing (ISF)

- The interim final rule include a delayed enforcement date following the issuance of the interim final rule. During this interim period CBP showed restraint in enforcing the rule.
- CBP's **CMS 16-000499** dated **June 17, 2016**, announced that for shipments on the water on or after June 30, 2016:
  - Ports no longer are required to send requests for liquidated damages (LD) claims to Headquarters for review
  - The “three-strikes” approach to LD claims against importers’ bonds ended.
  - There is no change to cargo holds for ISF non-compliance; ports may hold cargo instead of (or in addition to) initiating LD claims.



# Import Security Filing (ISF)

## PART 149-IMPORTER SECURITY FILING

### [§ 149.1 Definitions](#)

### [§ 149.2 Importer security filing-requirement,time of information, update,withdrawal, compliance date.](#)

### [§ 149.3 Data elements](#)

### [§149.4 Bulk and break bulk cargo](#)

### [§149.5 Eligibility to file an Importer Security Filing , authorized agents.](#)

### [§149.6 Entry and entry summary documentation and Importer Security Filing submitted via a single electronic transmission.](#)

Authority: 5 U.S.C. 301; 6 U.S.C. 943; 19 U.S.C. 66, 1624, 2071 note.

Source: CBP Dec. 08-46, 73 FR 71782, Nov. 25, 2008, unless otherwise noted.

#### § 149.1 Definitions.

(a) Importer Security Filing Importer. For purposes of this part, "Importer Security Filing (ISF) Importer" means the party causing goods to be imported into the United States by vessel. For shipments other than foreign cargo remaining on board (FROB), immediate exportation (IE) and transportation of goods to be delivered to a foreign trade zone (FTZ), the ISF Importer will be the goods' owner, purchaser, consignee, or agent such as a broker. For IE and T&E in-bond shipments, and goods to be delivered to an FTZ, the ISF Importer will be the carrier. For IE and T&E in-bond shipments, and goods to be delivered to an FTZ, the ISF Importer will be the carrier. For IE and T&E in-bond shipments, and goods to be delivered to an FTZ, the ISF Importer will be the carrier. For IE and T&E in-bond shipments, and goods to be delivered to an FTZ, the ISF Importer will be the carrier.

(b) Importation. For purposes of this part, "importation" means the point at which cargo arrives within the limits of a port in the United States.

(c) Bulk cargo. For purposes of this part, "bulk cargo" is defined as homogeneous cargo that is stowed loose in the hold and is not enclosed in a cask, or the like. Such cargo is also described as bulk freight. Specifically, bulk cargo is composed of either:

(1) Free flowing articles such as oil, grain, coal, ore, and the like, which can be pumped or run through a chute or handled by dumping;

(2) Documents, Table of Contents, Documents and Table of Contents, Hit List, Contents, Hit List, Object

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## Importer Security Filing '10+2'

On January 26, 2009, the new rule titled Importer Security Filing and Additional Carrier Requirements (commonly known as "10+2") went into effect. This rule applies to import cargo arriving to the United States by vessel. Failure to comply with the rule could ultimately result in monetary penalties, increased inspections and delay of cargo.

[Importer Security Filing and Additional Carrier Requirements General Information](#)

[Importer Security Filing and Additional Carrier Requirements - Final Rule](#)

[FAQs: Importer Security Filing "10+2" Program](#)

[Addendum to FAQ: Updated ISF Enforcement Strategy](#)

["10+2" Program: Importer Presentation](#)

[Stow Plans and Container Status Messages](#)

[Regulatory Assessment and Final Regulatory Flexibility Analysis for the Interim Final Rule](#)

Tags: [Cargo Security](#)



# CBP Realignment – Centers of Excellence and Expertise (CEEs)



- 2012 CBP initiated a test program that changes how Customs has done business for the past 200(+) years.
- Under the program, activities occurring post-entry release are no longer done by CBP employees at the Port where the entry was filed
- CBP's Post -entry release activities are done in one of 10 business process centers aligned by industry.
- The business process centers are virtual, with CBP personnel logging in from existing CBP locations around the country.

# Centers of Excellence and Expertise

Call (866) 295-7624 to connect with your Center of interest



U.S. Customs and  
Border Protection

# Centers of Excellence and Expertise (CEEs)



- Centers consist of teams within agency (co-located and virtual)
  - Import Specialists, National Account Managers, Supply Chain Specialists, Analyst, National Import Specialists, Auditors, Attorneys
- Meet with Importers and Industry Groups
  - Collaborate with Trade to receive industry-based training
  - Common business practices
  - Bi-directional training
- Centralize and consolidate Agency information related to the industry

# Centers of Excellence and Expertise (CEEs)



- Ports: Pre-arrival, arrival, and cargo release
  - Port Directors: arrival and manifest processing; release authority for narcotics, terrorism, agriculture, and other security risks
- Centers perform all trade processing post-release
  - Entry summary review/verification, liquidation, protest, reconciliation, drawback, liquidated damage and penalty initiation, commercial fraud case development, collaboration with HSI
- Supply chain security
  - Centers partner with Supply Chain Security Specialists in basic supply chain management
- Policy analysis
  - Centers will provide subject-matter expertise to HQ policymakers on decisions affecting the Centers' industry; ensure policy is executed uniformly

## Trade

Basic Import and Export

> ACE and Automated Systems

Border Interagency Executive Council

> Programs and Administration

> Priority Trade Issues

> Rulings and Legal Decisions

> Stakeholder Engagement

## Centers of Excellence and Expertise



### Related Content:

All Systems Go: CBP's Centers of Excellence and Expertise

Centers of Excellence and Expertise (CEE)

CBP's Machinery CEE Opens in Laredo

Information on Centers of Excellence and Expertise

Contact your Center

Directory of Center phone numbers

Centers of Excellence and Expertise (CEE) transform the way CBP approaches trade operations and works with the international trade community. The Centers represent CBP's expanded focus on "Trade in the 21st Century" by aligning with modern business practices, focusing on industry-specific issues, and by providing tailored support to unique trading environments. The Centers were established to increase uniformity of practices across ports of entry, facilitate the timely resolution of trade compliance issues nationwide, and further strengthen critical agency knowledge on key industry practices.

- [Delegation Order Guidance for the Trade Community \(NEW!\)](#)
- [Centers Trade Process Document](#)

### Federal Register Notices

- [Centers of Excellence and Expertise Test; Modifications](#)
- [Modification and Expansion of CBP Centers of Excellence and Expertise Test to Include Six Additional Centers](#)
- [Announcement of Test Providing Centralized Decision-Making Authority for Four CBP Centers of Excellence and Expertise](#)

## CENTERS OF EXCELLENCE AND EXPERTISE TRADE PROCESS DOCUMENT

RESPONSIBILITIES AND PROCEDURES FOR PARTICIPATING ACCOUNTS AND THEIR BROKERS, AGENTS, OR FILERS



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