



Overview

“Entry” refers to declarations submitted to the U.S. Customs and Border Protection (CBP) by importers/exporters on goods imported to or exported from the United States. “Entry Summary” (ES) refers to documentation filed with CBP to enable CBP to assess duties, collect statistics, and determine other entry requirements of law have been met.

Reconciliation (commonly known as “Recon”) is a voluntary program that allows an importer, at the time of an ES filing, to identify indeterminable information (other than ones affecting admissibility) to CBP and to provide the outstanding information later through the filing of a recon entry – Entry Type 09.

This fact sheet highlights when to apply the new United States-Mexico-Canada Agreement (USMCA) vs. the former North American Free Trade Agreement (NAFTA) for various entry types.

References

- **CBP.gov [Reconciliation](#) Resource**
- **USMCA**
 - USMCA Implementation Act, Public Law 116-113, 134 Stat. 11
 - 19 U.S.C. Chapter 29
- **NAFTA**
 - 520(d): NAFTA/FTA and Certain Other Eligible Free Trade Agreements

Background

“Entry” refers to declarations submitted to CBP by importers/exporters on goods imported to or exported from the United States. “Entry Summary” (ES) refers to documentation filed with CBP to enable CBP to assess duties, collect statistics, and determine other entry requirements of law have been met. The ES date is used for purposes of correctly assessing duties and other specific requirements regarding Trade Remedies, Trade Agreements, antidumping and countervailing duties, etc.

The Modernization Act (Mod Act) include authorities for reconciliation, record keeping requirements, and importer responsibility of “reasonable care” and “shared responsibility.” Specifically, the Mod Act enhances the ES process by allowing indeterminable information to be identified and provided to CBP at a future time.

On July 1, 2020, CBP published in the Federal Register (85 FRN 39576) the [Modification of the National Customs Automation Program \(NCAP\) Test Regarding Reconciliation for Filing Post-Importation Claims Arising Under the Agreement Between the United States of America, the United Mexican States, and Canada \(USMCA\)](#).

This FRN announces the modification to CBP’s Automated Commercial Environment (ACE) reconciliation prototype test, by adding the processing of post-importation claims arising under the USMCA to permit an importer who did not claim preferential tariff treatment at the time of importation, to file a claim, at any time within one year after the date of importation of the qualifying USMCA merchandise, to receive a refund of certain excess duties paid on the merchandise at the time of importation.

Please refer to 85 FRN 39576 for more information.

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When does NAFTA or USMCA Apply for Various Consumption Entries?

In order to determine whether to apply NAFTA or USMCA, refer to the **entry date**, i.e., the date the goods are **entered for consumption or withdrawn for consumption**.

- If entry date is prior to July 1, 2020, **apply NAFTA**.
- If entry date is on or after July 1, 2020, **apply USMCA**.

This guidance applies for the following entry types:

- Consumption (Entry Type 01)
- Warehouse Withdrawal (Entry Type 31)
- Foreign Trade Zone (Entry Type 06)

When applying USMCA, please refer to the following guidance:

- Tariff items eligible for preferential tariff treatment under USMCA will leverage a new **Special Program Indicator (SPI) of “S”** that will be reflected in the “Special” column of the Harmonized Tariff Schedule of the United States (HTSUS).
- When filing a claim, the filer certifies that the goods comply with **all rules of origin (RoO) and record keeping requirements**, including those relating to auto and all other requirements.
- USMCA preference may also be claimed on unconditionally free tariff items, provided that they meet all requisite USMCA requirements, in order to receive an **exemption from Merchandise Processing Fees (MPF)**. In these cases, SPI “S” will NOT be listed in the “Special” column of the HTSUS, but is still required when filing a claim to receive MPF exemption.
- A “S+” SPI will also be available, though further guidance from USTR and CBP Regulations and Rulings (R&R) is needed on scope and use guidelines.

For most entry types, there are **no special handling requirements for USMCA**. However, the following entry types do have special handling requirements in USMCA:

- **Reconciliation (Entry Type 09)**
 - Starting July 1, 2020, importers can flag an entry summary at the time it is filed for the possibility of making a post-importation claim for USMCA.
 - Reconciliation entries are not mandatory, but it is the exclusive means to file a USMCA claim once the ES is flagged.
 - After flagging ES, the filing of a separate USMCA claim covering the entry summary will be considered duplicative and will not be accepted.
 - For further questions regarding Reconciliation processing should be sent to OT-RECONFOLDER@cbp.dhs.gov.
- **Drawback (Entry Type 47)** (*For complete information, see USMCA Factsheet on Drawback*)
 - In general, USMCA retains the drawback restrictions that exist under NAFTA.
 - However, USMCA does feature five (5) key changes or considerations that are listed below and explored in the dedicated USMCA Factsheet on Drawback and Duty Deferral.
 - Substitution Standards
 - Sugar Exception
 - Conditions of Export
 - ACE Indicator for Drawback
 - Drawback Claims for Section 201 and/or 301 Duties
 - For further questions regarding Drawback processing should be sent to OTDRAWBACK@cbp.dhs.gov

Note: Entry Type 08, NAFTA Duty Deferral will continue to exist as Entry Type 08, USMCA Duty Deferral.