

- (1) List applicant's name, address, Internal Revenue Service number with suffix (as it appears on drawback claims), and the type of business in which engaged. Include all subsidiaries and divisions involved with drawback and their IR numbers with suffixes.
- (2) State the privilege(s), if any, that you are requesting. Please be aware, if additional information is needed to process the privilege(s), the entire application will be held up pending resolution of the issue in question.

Separate sample application packages are available for each privilege. If you desire to review these applications before submitting a combined application, please advise and they will be sent to you. You will not be required to duplicate responses or documentation if the same question appears on more than one application, but you must clearly indicate your intentions and reference your responses accordingly.

- (3) Identify (name, title, address, telephone number, facsimile number, and email address) the person in the company who will be responsible for oversight of the company's involvement in the drawback program, and is knowledgeable of the legal requirements of drawback. If the person responsible for drawback is different than the contact person, supply the names, titles, addresses, telephone numbers and drawback responsibilities (e.g., oversight, approval) of all involved.
- (3a) Please define the procedure that will be followed to ensure that Customs and Border Protection (CBP) is notified of new personnel and their contact information, if the individual(s) identified in item #3 leaves or is replaced.
- (4) Description of your business operations and drawback program. The detail will vary depending on the size and complexity of your drawback program (for example, if the dollar amount is great and/or there are several kinds of drawback involved, with differing inventory, manufacturing or shipping methods, greater detail will be required.) This description and attachments may be in the form of a booklet, loose-leaf binder or other concise digest; each should be clearly labeled. If information requested does not apply to your drawback program, indicate that it is not applicable.
- (5) State the size of applicant's drawback program and type(s) of drawback covered. Parties other than claimants should describe the extent to which they are involved in drawback activity, and their particular role(s) in the drawback process. All claimants should show the types of drawback claimed (direct identification or substitution manufacturing; direct identification or substitution unused; or rejected merchandise). Also, the number of claims filed over the previous 12-month period, the actual claim numbers, the number estimated to be filed over the next 12-month period, and the estimated amount of drawback to be claimed annually.

Manufacturers should explain how much manufacturing they engage in for drawback, the quantity of drawback product produced on an annual basis established by the drawback claims, Certificates of Manufacture and/or Certificates of Manufacture and Delivery they have executed. Manufacturers should identify the ACS Ruling Number assigned to their manufacturing drawback ruling(s) and furnish a copy of the CBP ruling letter(s). If a ruling is pending, please indicate this information.

Substitution unused merchandise claimants should attach a copy of Headquarters ruling(s) of commercial interchangeability or a drawback office's non-binding determination(s) of commercial interchangeability. If commercial interchangeability will be determined with each drawback claim filed, supply sample documents that establish the qualification of the merchandise for substitution under 1313(j)(2). Such documents should address the factors used to determine commercial interchangeability, as outlined in 19 C.F.R. 191.32(c). If documents have already been submitted to establish the qualification of the merchandise for substitution and CBP has issued a letter that commercial interchangeability will be determined on an individual claim basis, provide a copy of the letter in lieu of documents.

If a Headquarters ruling or non-binding determination of commercial interchangeability has not been issued, processing of your application will be suspended. You will be advised to resubmit your application after a determination has been issued.

- (6) Provide a description of the drawback preparation process and how all requirements under the drawback law and regulations are fulfilled. The claimant should describe the procedures utilized to prepare claims or other drawback forms (such as Certificates of Delivery, etc.). This should include the sources for the information on the forms, how testing is done on computer databases, the drawback software program used, internal controls used and verification of computer input against original source records.
- (6a) Describe the procedures in place to account for merchandise returned that previously had drawback claimed on it. What procedures are used to be aware of reconciliation or final liquidation or any reliquidation taken on import entries? If merchandise is received on Delivery Certificates, how do you know if there is a change liquidation on the import entry?
- (7) Provide a detailed description and uses of the imported merchandise and exported articles covered by this application. For items not identified by part number, such as but not limited to, chemicals, petrochemicals, pharmaceuticals, textiles, yarns, and/or fibers, provide laboratory specifications, industry standards, fiber content, specific dimensions, construction, etc. Attach descriptive brochures, technical

manuals, catalogs, advertising materials, etc.

Unused merchandise claimants - state whether the part, item, model or other identifying number or name of the imported merchandise is replaced or modified in the United States or otherwise differs from that of the exported merchandise. Provide the reason for any differences. Furnish company catalogs, brochures or other cross-reference material for the imported and exported merchandise. Describe all operations occurring in this country, including but not limited to, testing, cleaning, repackaging, blending, etc. on the imported and or exported merchandise and provide an inventory record before the processing, as well as, an inventory record after the processing.

- (8) Provide a statement that the claimant will or will not be the actual importer of the merchandise to be designated for drawback. When the claimant is not the actual importer, the claimant will be obligated to obtain the certifications required in the Regulations. Provide samples of such documents. Describe your procedures for notifying those companies that give you Certificates of Delivery that final liquidation has occurred on your drawback claim, enabling them to meet the recordkeeping requirements.
- (9) Provide a statement that the claimant will or will not be the actual exporter of the merchandise to be designated for drawback. If the claimant is not the actual exporter, the claimant will be obligated to obtain the waivers and certifications required in the Regulations. Provide samples of such documents. Describe your procedures for obtaining the acceptable proof of exportation and waiver of export rights when you are not the exporter and how you notify them that the final liquidation occurred on your drawback claim, enabling them to meet the recordkeeping requirements.
- (10) Provide a statement as to where and how the documentation and records to support the drawback claims will be maintained. Include a certification, **in the form of a statement**, that such documentation and records will be retained for three years after payment of the related drawback claims. List each document and its retention period. Attach a copy of the claimant's and broker's, if applicable, internal recordkeeping procedures.
- (11) Describe the procedures and controls in place to ensure compliance with statutory and regulatory drawback requirements.
- (12) Describe procedures for annual review to ensure that the drawback program complies with the statutory and regulatory drawback requirements and that CBP will be notified of any modifications of the procedures described in the application.
- (13) Describe the procedures that will be used to notify CBP of changes to the

applicant's drawback program, variances from the procedures described in this application, and violations of the statutory and regulatory drawback requirements.

(14) Identify inventory and record keeping methods:

- A. List the records that will be maintained, including but not limited to import documents, export documents, inventory and transportation documents, laboratory or other documents establishing the qualification of merchandise or articles for substitution under the appropriate drawback law and manufacturing documents.
- B. Direct identification drawback claimants filing under 1313(a), (c) or (j)(1), provide a narrative tracing an item from import, through inventory, to export. Describe your inventory and record keeping system, referencing the sample documents provided.

State whether the exported merchandise will be claimed identifying the specific import entry under which the merchandise was imported or if an approved accounting method, such as FIFO and LIFO, will be used to determine which imports to designate. Demonstrate your use of a particular accounting method. (See Schedule X of the Appendix to Part 181 and Section 191.14 or the Regulations). When using an approved accounting method, the lots of merchandise or articles must be fungible. Fungible merchandise or articles are merchandise or articles that, for commercial purposes, are identical and interchangeable in all situations.

- C. Substitution drawback claimants filing under 1313(b) or (j)(2), provide a narrative tracing an item number from import, through receipt, manufacture, if applicable, substitution, to export using the inventory and record keeping samples provided.

Drawback claimants filing under 1313(b) should be sure to include in the narrative the system and records that will be maintained to monitor the progression of the imported and substituted merchandise through production.

- D. Companies with multiple divisions or facilities, list the divisions or facilities (offices, factories, warehouses, etc.) where merchandise or articles are received into or withdrawn from inventory.

Specify whether receipts and withdrawals are recorded in the same or different inventory records. If merchandise or articles are received or withdrawn at different geographical locations, but inventory records treat receipts or withdrawals as being from the same inventory, those inventory records may be used to identify all merchandise or articles.

If you have different divisions or facilities that perform parallel drawback programs (different divisions or facilities do their own importing and exporting or maintain distinct inventory records, etc.), separate drawback claims should be filed for each division or facility by export period. Describe these differences.

The claimant may be required to describe how all receipts into and all withdrawals from inventory are recorded and provide supporting documents. Manufacturing drawback claimants may also be required to fully describe and document the progression of imported and substituted merchandise through production.

- (15) Attachments: Include at least one sample of each of the following records for each type of drawback (manufacturing, unused merchandise, rejected; direct identification, substitution) that will be claimed. Use a yellow marker to highlight a specific identifying number or name on all documents and records.

Direct identification - samples should clearly trace all relevant movement of items with the same identifying number or name from import through inventory to export .

Commercially interchangeable - samples should clearly trace all relevant movement of items with the same identifying number or name from import to inventory and from inventory to export.

Merchandise claimed under 1313(b) - samples should clearly trace all relevant movement, including production and storage of the imported merchandise, substituted merchandise, and/or exported articles that were made with the imported merchandise, substituted merchandise or both.

Examples of acceptable sample documents:

- (A) Import Documents – Purchase order and confirmation, Entry Summary (CBP 7501), commercial invoice with tariff classification, packing lists, Delivery Certificate (CBP 7552), etc.
- (B) Inventory Documents
  - (i) Entry records, receiving records, inventory records, production records, export records, etc.
  - (ii) Merchandise claimed under 1313(a) or (j)(1) using an approved accounting method, such as FIFO or LIFO, attach inventory record samples identifying, describing and substantiating the method.

(C) Export Documents

- (i) Sales order, export invoice, packing lists, etc.
- (ii) Evidence of Exportation – Supporting documentary evidence must establish fully the date and fact of exportation and the identity of the exporter. Such as copy of an originally signed bill of lading, air waybill, freight waybill, Canadian CBP manifest, Mexican Pedimento, cargo manifest or copies issued by the exporting carrier. (The applicant should maintain the original for submission with claims, or if export summary procedure is utilized this documentation should be retained in the claimant's files).

The procedures for establishing exportation include, but are not limited to:

- (a) Documentary evidence of exportation (originals or copies) issued by the exporting carrier, such as a bill of lading, air waybill, freight waybill, Canadian Customs manifest, and/or cargo manifest;
- (b) Export summary;
- (c) Official postal records (originals or copies) which evidence exportation by mail;
- (d) Notice of lading for supplies on certain vessels or aircraft; or
- (e) Notice of transfer for articles manufactured or produced in the U.S. which are transferred to a foreign trade zone .

If the applicant uses different modes of transportation (ocean, air, truck, courier services, mail, etc.), a sample export document should be submitted for each mode. Sample export documents should also be provided for exports to Canada and Mexico. (NOTE: Exportations to Canada or Mexico often need to be supported by Canadian (B-3) or Mexican (pedimento) import documents.)

- (D) Other documents, as applicable
  - Manufacturing drawback ruling letter(s).
  - Commercial interchangeability determination(s).
  - Sample laboratory or other documents which establish the qualification of merchandise for substitution under 1313(j)(2).
  - Company catalogs, brochures or other cross-reference material to support differences in import and export identifying numbers or names.
  - Laboratory specifications, industry standards, fiber content, specific

dimensions, construction, brochures, catalogs, technical manuals, etc. that describes the drawback merchandise.

- Sample of the Calculation Worksheet the applicant proposes to file.
- Copy of power of attorney.
- Any other documents prepared in the ordinary course of business which will establish compliance with drawback requirements or are relevant to the applicant's drawback program, such as laboratory records.
- Sample of the "Chronological Summary of Exports" the applicant proposes to file.

(16) Signature:

An authorized individual, as described in 19 C.F.R.191.6, should sign this application and the appropriate title should be included.

(17) Submission:

Application must be submitted, in writing, to the Drawback Office where the majority of their claims are or will be filed, or where their manufacturing ruling is located. If the applicant is not a drawback claimant, the application should be submitted to a drawback office having knowledge of the connecting drawback documents.