

# Craft Beverage Modernization and Tax Reform Act of 2017 (CBMA) Webinar

CBP Office of Trade

Trade Policy and Programs

Commercial Operations Revenue and Entry Division (CORE)

February 14, 2019



**U.S. Customs and  
Border Protection**

# The ‘Act’

The *Craft Beverage Modernization and Tax Reform Act of 2017* (CBMA) passed as part of the *Tax Cut and Jobs Act of 2017*. CBMA amended the Internal Revenue Code with respect to the tax treatment of certain imported and domestically produced alcoholic beverages, including beer, wine and distilled spirits.



U.S. Customs and  
Border Protection

# Updates and Clarifications: CBMA Procedures and Requirements

On February 8, 2019, CBP published CSMS #19-000053, updating and clarifying some parts of the Procedures and Requirements for filing CBMA claims outlined in CSMS# 18-000609.

- **CBMA 2018 Claim Review Timeline**

- Date extended from January 31, 2019 to February 28, 2019
- 2018 CBMA claims that are not substantiated with the required and properly submitted documentation by February 28, 2019, are at risk of being liquidated without the benefit of the CBMA rate.



U.S. Customs and  
Border Protection

# Updates and Clarifications: CBMA Procedures and Requirements

- CBP will start processing claims in chronological order and liquidating incomplete and unsubstantiated claims.
- Filers/importers may still file Post Summary Corrections (PSCs) or Protests to claim CBMA if entries are within the allowable time frames.
- Importers/filers may now submit CBMA documents via Document Image System (DIS) XML as well as via DIS email.
- For paper protests, please include the protest number in the subject line when submitting supporting documents to the CBMA mailbox.



U.S. Customs and  
Border Protection

# Updates and Clarifications: CBMA Procedures and Requirements

- **'Documents Required' Message after transmitting Post Summary Corrections (PSC)**
  - For CBMA purposes, this message is not a request for an entire entry package.
  - If not already submitted, upload the Controlled Group Spreadsheet, CBMA Spreadsheet and Assignment Certification into DIS.
- **Non-ABI (Paper) Claims**
  - For CBMA claims submitted on non-ABI entries, importers/filers must email the supporting documents to [CBMA@cbp.dhs.gov](mailto:CBMA@cbp.dhs.gov) with the names of the attached files and the entry number in the subject line.
  - For CBMA claims on ABI entries, supporting documents must be submitted via DIS and not emailed to the CBMA mailbox.
  - If you have submitted supporting documents to the CBMA mailbox for ABI entries, please resubmit them via DIS.



**U.S. Customs and  
Border Protection**

# Updates and Clarifications: CBMA Procedures and Requirements

- **Replacing documents to comply with updated Procedures and Requirements:**
  - Importers/filers may update erroneous CBMA supporting documents filed on an entry/Post Summary Correction to comply with updated Procedures and Requirements by uploading replacement documents in DIS.
  - When replacing documents, be sure to follow the document labeling and file naming conventions outlined in Procedures and Requirements. Failure to do so may cause difficulty in locating documents at review, causing a claim to be incomplete.
  - Only the latest submission of a replacement document will be considered for the purposes of validation of the claim.



U.S. Customs and  
Border Protection

# The Assignment Certification



AleWorx. Beer Lane 82, 10409, Berlin, Germany. Est. 1882

---

## ASSIGNING ENTITY CERTIFICATION

I **Sherry Hops, Chief Executive Officer**, currently employed by **WorxGroup, Beer Lane 82, 10409, Berlin, Germany** and authorized to bind the company, certify that **WorxGroup** is the producer/manufacture of the imported **Beer** that is subject to a Craft Beverage Modernization and Tax Reform Act (CBMA) claim. I certify that I assigned **ImportWorx** to receive the **\$16 tax rate** for **6,000,000 Barrels** for **2018 calendar year**. I certify that this assignment and any other assignment given by **WorxGroup** during this calendar year does not exceed the production of **AleWorx** during **2018 calendar year**. I certify that **WorxGroup** has not assigned more **Barrels** to this importer or any other importer, individually or collectively, to receive a reduced tax rate/tax credit than is permissible by the CBMA.

- Assignment Certifications must be submitted on the letterhead of the assigning entity (foreign producer).
- Assignment Certifications should be submitted to DIS and linked to the IOR number of the importer receiving an assignment.
- Assignment Certifications must specify the specific rate/credit, quantity, and calendar year the assignment pertains to in order to be considered valid.



**U.S. Customs and  
Border Protection**

# Assignment Certification Guidelines

## Do:

- Submit Assignment Certifications on the letterhead of the assigning entity.
- Adhere to the document naming convention described in the instructions and replace all words in brackets with the actual Assigning Entity name.
  - CBP156-*[Assigning\_Entity\_Name]*\_*[Calendar Year]*\_Assignment\_Certification.pdf
- Use the DIS document label “CBMA\_PRODUCER\_CERTIFICATE” when submitting the Assignment Certification to DIS.
- Only save files in the .pdf file format.



U.S. Customs and  
Border Protection

# Assignment Certification Guidelines

## **Do:**

- Submit a new Assignment Certification for any new or additional assignments received.
- Specify the specific rate/credit, quantity, and calendar year the assignment pertains to. Failure to do so may result in an invalid certification.

## **Please Do Not:**

- Edit the text or format of the template, except to insert information where necessary.



U.S. Customs and  
Border Protection

# The CBMA Spreadsheet

Entry Number	Entry Line Number	IOR Number	Protest Number (if applicable)	Alcohol Type	CBMA Tax Rate or Credit Assigned and Requested by Line	Quantity Claimed for CBMA Tax Rate or Credit by Line	Estimated Excise Tax Paid by Line for Quantity Claimed	Excise Tax Claimed to be Owed by Line for Quantity Claimed	Refund	Total Annual Assignment Received From Assigning Entity To Date	Total Annual Assignment Taken to Date	Total Annual Assignment Remaining to Date	FDA Manufacturer Name	Controlled Group Name	Assigning Entity Name
12345678910	1	12345-123456		Beer	\$16.00	1000	\$18,000.00	\$16,000.00	\$2,000.00	6000000	500000	\$5,00000	Ale/Worx	Worx Group	Worx Group
12345678910	2	12345-123456		Wine	\$1.00	2000	\$2,140.00	\$140.00	\$2,000.00	3000	2000	1000	Wine/Worx	Worx Group	Wine/Worx
12345678910	3	12345-123456		Spirits	\$2.70	3000	\$40,500.00	\$8,100.00	\$32,400.00	5000	3000	2000	Spirits United	Spirits United	Spirits United
12345678910	4	12345-123456		Spirits	\$13.34	2000	\$27,000.00	\$26,680.00	\$320.00	5000	5000	0	Spirits United	Spirits United	Spirits United
12345678920	1	12345-123456		Beer	\$16.00	1000	\$18,000.00	\$16,000.00	\$2,000.00	6000000	501000	\$4,99000	Ale/Worx	Worx Group	Worx Group
12345678920	2	12345-123456		Beer	\$16.00	2000	\$36,000.00	\$32,000.00	\$4,000.00	6000000	503000	\$4,97000	Ale/worx	Worx Group	Worx Group
12345678930	3	12345-123456		Beer	\$16.00	3000	\$54,000.00	\$48,000.00	\$6,000.00	6000000	506000	\$4,94000	Ale/worx	Worx Group	Worx Group

Enter **Entry Numbers** for one or more CBMA claims.

Only one **IOR Number** should be referenced.

**Entry Line Numbers** will be unique on each row, except in cases where one entry line contains quantities assessed at two different CBMA tax rates/credits.

**Total Assignment Remaining to Date** should be completed by decrementing the **Total Assignment Taken to Date** from the **Total Assignment Received to Date**.

Select **Alcohol Type**, revealing drop-down options for the appropriate CBMA tax rate or credit.

**Controlled Group Name** entered should match the corresponding field in the Controlled Group Spreadsheet for foreign producer/assigning entity.

**Assigning Entity Name** entered, should match the relevant Assignment Certification.



U.S. Customs and Border Protection

# CBMA Spreadsheet Guidelines

## Do:

- Fill in all data fields possible, to the best of your ability. Missing information may result in liquidation without the benefit of the CBMA rate.
- Adhere to the document naming convention described in the instructions and replace all words in brackets with the actual entry number that the CBMA Spreadsheet is linked to (the earliest entry number in the file):
  - CBP155-[*Entry Number the CBMA Spreadsheet is Linked to*]-CBMA\_Spreadsheet.xlsx
- Use the document label “CBMA\_IMPORTER\_SPREADSHEET” when submitting the CBMA Spreadsheet to DIS.
- Adhere to drop-down values where applicable (ie: Alcohol Type, CBMA Tax Rate or Credit Assigned and Requested by Line).
- Only include tax rates or credits associated with CBMA. These rates/credits account solely for CBMA benefits. Associated calculations are solely for the purposes of CBMA.
- Only save files in .xlsx format.
- Use caution if employing copy/paste—this method is likely to result in error.



U.S. Customs and  
Border Protection

# CBMA Spreadsheet Guidelines

## **Please Do Not:**

- Include hyphens in Entry Line or Entry Line Number fields.
- Edit the pre-set data validations in the spreadsheets.
- Add worksheets or change the names of worksheets in the Excel file.
- Enter words as text (i.e. “gallons” or “proof liters”) in fields that request only numeric values.



**U.S. Customs and  
Border Protection**

# The Controlled Group Spreadsheet

IOR Number	Controlled Group Member Information											Annual Production		
	Controlled Group Name	Controlled Group Member Name	Controlled Group Member Address Line 1	Controlled Group Member Address Line 2	Controlled Group Member City	Controlled Group Member State/Province	Controlled Group Member Postal Code	Controlled Group Member Country	Controlled Group Member Phone Number	Controlled Group Member Email	Foreign or Domestic Control Group Member	Beer	Wine and Cider	Spirits
12345-123456	WorxGroup	AleWorx	81 Beer Lane		Berlin	Berlin		Germany	498768764	aleworx@worx	Foreign	8000000		
12345-123456	WorxGroup	WineWorx	82 Beer Lane		Berlin	Berlin		Germany	498736584	wineworx@wor	Foreign		5000	
12345-123456	WorxGroup	AmericaWorx	58 IPA Blvd.		Washington D.C.	District of Columbia	20001	United States	12028676785	americaworx@	Domestic	500000		

**Controlled Group Name** should be duplicated on each line. Each Controlled Group Spreadsheet should contain information pertaining to only one Controlled Group.

Use the drop-down options to identify each Controlled Group Member as either "Foreign" (incorporated outside the United States) or "Domestic" (incorporated inside the U.S.).

Enter the **IOR Number** for the importer filing this document. Duplicate the **IOR Number** on each row.

On each row, enter information about a different producer within the Controlled Group. Include all related producers—subsidiary, parent or otherwise associated with the **Controlled Group Name** entered.

Enter **Production Capacity** in wine, beer or spirits for each of the listed Controlled Group Members.



U.S. Customs and Border Protection

# Controlled Group Spreadsheet Guidelines

## Do:

- List all related producers, foreign or domestic, whether or not you import from that specific entity.
- List only producers as Controlled Group Members. Importers need not be reported.
- Adhere to the document naming convention described in the instructions and replace the words in brackets with the actual name of the Controlled Group.
  - CBP154-*[Controlled\_Group\_Name]*\_Controlled\_Group\_Spreadsheet.xlsx
- Use the document label “CBMA\_CONTROLLED\_GROUP” when submitting the Controlled Group Spreadsheet to DIS.
- Only save files in .xlsx file format.
- Use caution if employing copy/paste—this method is likely to result in error.



U.S. Customs and  
Border Protection

# Controlled Group Spreadsheet Guidelines

## **Please Do Not:**

- Edit the pre-set data validations in the spreadsheets
- In data fields that require numeric values, do not enter words (i.e. “gallons” or “proof liters”)
- Add worksheets or change the names of worksheets in the Excel file.



**U.S. Customs and  
Border Protection**

# Questions?

Trade Policy & Programs  
Commercial Operations, Revenue & Entry Division

[CBMA@cbp.dhs.gov](mailto:CBMA@cbp.dhs.gov)



**U.S. Customs and  
Border Protection**



# U.S. Customs and Border Protection