



U.S. Customs and  
Border Protection

# ACE Entry Summary Business Rules and Process Document

## Drawback Webinar

Office of Trade  
Trade Policy and Programs  
Commercial Operations, Revenue and Entry  
March 5, 2020



# • Webinar



Today's Webinar is designed to highlight the changes and benefits of the newly rewritten Drawback Chapter of the ACE Entry Summary Business Rules and Process document.

The Webinar will be led by the following experts from CBP and the Trade Community:

- Michael Cerny – Charter Brokerage, LLC
- Dave Corn – Comstock/C.J. Holt
- Jennelle Cray – Branch Chief, Office of Trade
- Jaclyn Roarty – Drawback Specialist
- Anthony Tisi – Drawback Specialist
- Maryanne Carney – Assistant Port Director, OFO



# • TSN Working Group-Drawback

- Anne Jordanek – AN Deringer
- Anne- Marie Bush- Veritrade USA
- Bill Indreboe – Dutycalc Data Systems
- Brian London – Charter Brokerage
- Celeste Catano – Blu Jay Solutions
- Cindy Golden – L Brands
- Colleen Clarke – Roanoke Group
- David Corn – Comstock/C.J Holt
- David Verkaik – JM Rodgers
- Dawn Olesky – KPMG
- Fany-Flores-Pastor – Descartes
- Heidi Bray – Fiat- Chrysler
- Hung Lee – E2 Open
- Jaikar Jeyaraj – E2 Open
- Julie Ann Parks - Raytheon



# • TSN Working Group-Drawback

- Lawrence Tobia Expeditors Tradewin
- Liz Connell – Integration Point
- Matt Zehner – Roanoke Group
- Michael Cerny – Charter Brokerage
- Michael Ford – BDP International
- Nathan Baylor – Avalon Risk Management
- Nicole Kartchner – Alliance Drawback Services
- Patti Summer-Iversol – Global Trade Resources
- Ray Shaw - Ryan
- Robert Waid – Charter Brokerage
- Robyn Moore- Mohawk Global Trade Advisors
- Sheryl Ward – Magna
- Tim Vorderstrasse – Flexport
- Tom Gould – Flexport
- Tony Nogueras – Alliance Drawback Services
- Tyler Indreboe – Dutycala Data Systems



# • TSN Working Group-CBP Staff

- Randy Mitchell – Director, Commercial Operations, Revenue and Entry (CORE) Division, Trade Policy and Programs
- Jennelle Cray – Branch Chief, Drawback and Revenue Division
- Fletcher Benton – Drawback Specialist, Office of Trade
- Jaclyn Roarty – Drawback Specialist, Office of Trade
- Anthony Tisi – Drawback Specialist, Office of Trade
- Acenitha Kennedy - Acting Branch Chief, TTO
- Sarita Singh, Esq. – Attorney, Regulations and Rulings
- Maryanne Carney – Assistant Port Director, OFO



# • Summary of Changes

- 14.2.2
- 14.2.5
- 14.2.8
- 14.3.1
- 14.3.2
- 14.8.8
- 14.9.1
- 14.9.3
- 14.9.6
- 14.9.8
- 14.10.0
- 14.11.2
- 14.12.1
- 14.12.2
- 14.12.5
- 14.13.1
- 14.13.4
- 14.13.5
- 14.15.1
- 14.15.2



- Answers found in the ACE Entry Summary Business Rules and Process document

Where can I find the TFTEA provision codes for my claims?

- TFTEA drawback claims will be entered into ACE as entry type '47' with the applicable code/ statutory provision. (14.1.1)

**In ACE, codes 51-75 are TFTEA provisions:**

**51:** TFTEA 1313(a) / TFTEA Direct Identification Manufacturing Drawback

**52:** TFTEA 1313(b) / TFTEA Substitution Manufacturing Drawback

**53:** TFTEA 1313(c)(1) / TFTEA Rejected merchandise that does not conform to sample or specifications

**54:** TFTEA 1313(c)(2) / TFTEA Rejected merchandise that has been shipped without the consent of the consignee



- Answers found in the ACE Entry Summary Business Rules and Process document

How do I account for recovered materials when filing a claim for destroyed merchandise?

- In respect to **destroyed merchandise**, the value of recovered materials (including the value of any tax benefit or royalty payment) must be deducted from the destroyed merchandise value which is the basis of the drawback refund. (14.2.2)



- Answers found in the ACE Entry Summary Business Rules and Process document

My Unit of Measure (UOM) and the UOM quantity are different from 2019 to 2020. How do I account for these differences?

- **Quantity/Unit of Measure** - Must match UOM on the import entry or import commercial invoice, as applicable (See section 14.3 Line Level Data)
- If the Drawback claim has a different UOM than the original import entry, it will result in an invalid UOM reject.
- Report the original UOM with fractional amounts. The quantity field in ACE does allow for up to four decimal points. (See next slide)



- Answers found in the ACE Entry Summary Business Rules and Process document

My Unit of Measure (UOM) and the UOM quantity are different from 2019 to 2020. How do I account for these differences?

- **TFTEA direct identification claims**, (1313(j)(1), 1313(a) and packaging material), may designate invoice unit of measure (UOM) in lieu of the UOM corresponding to the HTS for the imported merchandise.
- The UOM used must be listed in Appendix C of the Drawback CATAIR.
- In addition, claims filed under 1313(j)(1) and packaging materials, the UOM must correspond to the UOM for the exported or destroyed merchandise.



- Answers found in the ACE Entry Summary Business Rules and Process document

Can I use the same product description for both the import and export fields when filing an unused merchandise claim?

➤ **Direct Identification:**

- Provide a physical description of the merchandise/article sufficient to tie to the corresponding import and export commercial invoice; including any model, style or part numbers and/or grades, colors, and sizes.
- The 41 and 71 records are of the same standard.



- Answers found in the ACE Entry Summary Business Rules and Process document

Can I use the same product description for both the import and export fields when filing an unused merchandise claim?

**Direct Identification Example 1:**

“shirt” (currently on claims)

Men’s shirts of cotton: 6105.10.0010

Style: 8563

Color: Black

Size: M

**Correct Drawback Claim product description:**

Men’s Cotton Shirt 8563/Black/M

**OR**

Men’s Shirt-8563/Black/M



- Answers found in the ACE Entry Summary Business Rules and Process document

Can I use the same product description for both the import and export fields when filing an unused merchandise claim?

**Direct Identification Example 2:**

“makeup” (currently on claims)

Eye make-up preparations: 3304.20.000

Style# 6573 Color Theory Makeup Kit for Eyes and Lips

**Correct Drawback Claim product description:**

Color Theory Makeup Kit for Eyes/Lips-6573

**OR**

Color Theory Makeup Kit-6573

**OR**

Makeup Kit-6573



- Answers found in the ACE Entry Summary Business Rules and Process document

Is the product description reporting requirement the same for direct identification and substitution unused merchandise? (Continued)

➤ **Substitution Unused:**

- **41 Record:** Provide a physical description of the merchandise that meets the commodity description. This description can be the HTS description. The commodity description should distinguish the merchandise from commodities of the same name. (Note: The description should provide the Drawback Specialist with an accurate representation of the designated merchandise)
- **71 Record:** Provide a physical description of the substituted merchandise sufficient to tie to the selling price and its associated documentation.



- Answers found in the ACE Entry Summary Business Rules and Process document

Is the product description reporting requirement the same for direct identification and substitution unused merchandise? (Continued)

**Substitution Example 1:**

Motor Cars / **Tariff Description:** 8703.24.0052 – Having engines with more than 4 cylinders but not more than 6 cylinders: 52 Of an interior volume not exceeding 2.8 m<sup>3</sup>

**Correct Drawback Claim Description:**

**41 Record:**

Motor Cars and other motor vehicles principally designed for the transport of persons. For simplification and character count, “Motor Cars” will be sufficient.

**OR**

Convertible Model F500

**71: Record:**

Convertible Model F500



- Answers found in the ACE Entry Summary Business Rules and Process document

Is the product description reporting requirement the same for direct identification and substitution unused merchandise? (Continued)

**Substitution Example 2:**

Footwear

Tariff Description: 6403.91.6010 – Work Footwear

**Correct Drawback Claim Description:**

**41 Record:** Work Footwear

**71 Record:** Style 123/ Men's /Black



- Answers found in the ACE Entry Summary Business Rules and Process document

Do I have to upload a copy CBP Form 214, if I filed it electronically?

➤ **Foreign Trade Zone Admissions:**

- CBP Form 214 for manual filings.
- For electronic filings, a copy of the ABI Activity Receipt which includes the Admission Number.



- Answers found in the ACE Entry Summary Business Rules and Process document

When does a Reconciliation spreadsheet need to be uploaded and within what timeframe?

- The **RECON** spreadsheet must be uploaded to DIS within 24 hours of ACE acceptance for the following circumstances:
  - Reconciliation resulted in a refund.
  - Reconciliation resulted in additional payments that are claimed in the adjusted claimed amount field.



- Answers found in the ACE Entry Summary Business Rules and Process document

Are Quarterly HMF payments eligible for drawback? If so, what additional documentation is needed?

- Yes, within **24 hours** of ACE acceptance, the claimant must upload the following to DIS:
  - CBP Form 349, CBP Form 350 when applicable, and the entry summary recap sheet.



# • Answers found in the ACE Entry Summary Business Rules and Process document

Do you have examples of documents that can be submitted for a transfer of merchandise?

- In order to substantiate a **transfer of merchandise**, the claimant must maintain proper documents generally kept in the normal course of business that details the following information:
  - Party to Whom merchandise was delivered
  - Date of Delivery
  - Import Entry and Line number
  - Quantity
  - Total duties, taxes, and fees
  - Date of Importation
  - Port of entry
  - Person who received merchandise (19 USC 1313(c)(ii) ONLY)
  - Description of Merchandise
  - 10 digit HTSUS



- Answers found in the ACE Entry Summary Business Rules and Process document

Are my privileges grandfathered from Core Drawback into TFTEA?

- Claimants that had AP/WPN privileges under 19 USC 1313(j)(1), also **received** AP/WPN privileges under 19 USC 1313(j)(2) under TFTEA.
- The standard for 1313(j)(1) is much higher than 1313(j)(2), and so CBP allowed this expansion of 1313(j)(1) privileges granted under 19 CFR Part 191 to include 1313(j)(2) privileges.
- This expansion will **not** carry over to privileges granted under 19 CFR 190.



- Answers found in the ACE Entry Summary Business Rules and Process document

My continuous bond is valid and the appropriate monies have been apportioned but ACE keeps rejecting my request for Accelerated Payment?

- Claimants submitting claims with Accelerated Payment must be aware that if the claim date is **before** the continuous bond's effective date, the system will not recognize the continuous bond; claimant will need an single transaction bond (STB) in order for the payment to be processed.



- Answers found in the ACE Entry Summary Business Rules and Process document

How will I know if my limited modification application was approved or not?

- Applicants will be notified in writing of CBP's determination. Request for additional information may be required in order to satisfy the new requirements under TFTEA.
- If approved, claimants will receive an updated ruling number.
- Applications resulting in denial will be provided with such reasoning and will have the opportunity to appeal in writing within 30 days of the date of the letter.



- Answers found in the ACE Entry Summary Business Rules and Process document

My claim keeps getting rejected in ACE, who should I contact first?

- Filers should contact their ABI Client Representative for assistance, when a mismatch fatal error occurs that prohibits the acceptance of the claim in ACE.
- If you do not have a Client Representative assigned, please reach out to the Client Representative Branch:  
[clientrepoutreach@cbp.dhs.gov](mailto:clientrepoutreach@cbp.dhs.gov)



- Answers found in the ACE Entry Summary Business Rules and Process document

Can I mail my response to CBP Form 28 to the Drawback Office where I filed my claim?:

- Filers shall submit responses to CBP form 28 into DIS only.



- Answers found in the ACE Entry Summary Business Rules and Process document

Can I run my own reports out of ACE?:

- 15.1 ACE Reports Overview: ACE reports are available in the public workspaces.
- Running Standard Reports or creating Ad Hoc Reports are tools available to the Trade to facilitate entry summary queries as well as monitor compliance with Customs.



**Questions?**

Email OT at [OTDRAWBACK@CBP.DHS.gov](mailto:OTDRAWBACK@CBP.DHS.gov)

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