

ACE Enhancements for the Craft Beverage Modernization Act

Last Updated: March 16, 2021



On April 6, 2021, U.S. Customs and Border Protection will deploy the Craft Beverage Modernization Act (CBMA) enhancements to the Automated Commercial Environment (ACE).

CBMA allows for reduced rates or credits on 92 tariff numbers under Chapter 22 of the Harmonized Tariff Schedule. As part of the upcoming deployment, filers must transmit seven required data elements in ACE for CBMA claims using the Automated Broker Interface (ABI). In addition, ACE will validate tax amounts, and users will be able to review these data elements in ACE Reports.

What will change for trade users?

- **Trade users will be required to provide seven (7) CBMA related data elements at the Entry Summary line-item level for eligible alcohol articles (i.e. the CBMA Product Detail)**
 1. Controlled Group Name
 - a. The name that will be used for purposes of CBMA to identify this controlled group (e.g., parent company name).
 2. Foreign Producer Identifier
 - a. Identifying code for the foreign producer/assigning entity named as Foreign Producer.
 3. Foreign Producer Name
 - a. Name of the foreign producer/assigning entity as it appears on the assignment certification or the Food and Drug Administration (FDA) Manufacturer Name as specified on the FDA Message Set.
 4. Allocation Quantity
 - a. The total annual assignment to the Importer by the foreign producer/assigning entity for the alcohol type and rate.
 - b. Provide the value in barrels (for beer), gallons (for wine or cider), or proof gallons (for spirits).
 5. Flavor Content Credit Indicator
 - a. When the article is spirits, this is an indication that the Importer used an eligible flavor content credit rate when determining the actual effective tax rate and the overall tax amount.
 6. CBMA Rate Designation Code
 - a. An ACE code that specifies a Tax and Trade Bureau (TTB) product/tranche/rate.
 7. TTB Tax Rate
 - a. The TTB Tax Rate in U.S. Dollar. This data element is used as confirmation of the TTB product/tranche/rate selected.
- **ACE will maintain TTB's CBMA tax rates**



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- At Entry Summary filing time, ACE will validate the estimated CBMA Internal Revenue Tax (IRT) amount on a line item.
- Line items will be rejected where the Importer's CBMA IRT estimate is incorrect.

Note: Users are not required to submit a CBMA claim on an article of alcohol. If CBMA is not requested, the standard tax rate (if applicable) from the Harmonized Tariff Schedule (HTS) is to be used and the revenue and applicable Accounting Class Code is to be reported.

What additional resources are available?

- **Policy Guidance**

For additional guidance related to this enhancement, please review the information on the [Craft Beverage Modernization Provisions of the Tax Cuts and Jobs Act of 2017 page](#), or [Craft Beverage Modernization Act \(CBMA\) FAQ'S page](#).

- **Additional Resources**

- [ACE CBMA Tax Rates Table](#)
- [CBMA IRT Rate Table](#) for imports, containing the IRT rates for the tranches and the rate when no CBMA claim is made.
- [Entry Summary Create/Update CATAIR](#)
 - The CBMA addition is listed on page 163, *kk) Articles of Alcohol Subject to CBMA*.

- **Post-Deployment Support Calls:**

- The Trade Transformation Office (TTO) will hold Post-Deployment Support Calls for Trade users. Below please find the call schedule and registration information:
 - **April 22, 2021**
2:00PM – 3:00PM ET
WebEx Meeting Link:
<https://cbp.webex.com/cbp/j.php?MTID=m395c970a751328b2c0f7687373e07103>
Password: PostCBMACall (76782262 from phones)
Join by phone
+1-415-527-5035 US Toll
+1-929-251-9612 USA Toll 2
Access code: 199 661 2576

Whom do I contact if I have issues?

- For policy questions, please contact the CBMA Inbox (cbma@cbp.dhs.gov).
- For technical issues, please contact the CBP Technology Service Desk (TSD) at 1-800-927-8729 or by email at CBP.Technology.Service.Desk@cbp.dhs.gov.

