

# **BUSINESS RULES AND PROCESS DOCUMENT**

**(Trade-External)**

**Automated Commercial Environment (ACE)  
Entry Summary (Version 11.0)**

**March 2023**

**CBP Publication No. 3125-0323**



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

***THIS PAGE LEFT INTENTIONALLY BLANK***

---

# *Version 11.0*

*Date: 03/29/2023*

---

Chapter	Changes Summary
Chapter 1 (Entry Summary)	Section 1.11 added information about responding to requests for supporting documents.
Chapter 3 (Bonds)	The following information was added: bond definition; purpose of bond forms and a hyperlink to the most current Office of Management and Budget (OMB)-approved versions; information required on the bond forms for eBond versus non-eBond test participants; definitions for the parties to a bond and the responsibilities of each party; information regarding customs activities that require a bond with regulatory citations for the bond requirement and bond conditions; clarification on pipeline operator bonding requirements; guidance on the revocation of CBP's authority to permit use of continuous bonds by suspended or debarred persons to secure customs activities; guidance for CBP verification of bond amounts and requesting additional security for temporary importation under bond (TIB) entries; background on the ACE eBond test, bonds eligible for transmission under the test, and how to transmit bonds under the test; guidance on cash in lieu of surety; and an additional references section.
Chapter 4 (Blanket Declarations)	Updated references from NAFTA to USMCA.
Chapter 5 (Temporary Importations under Bond)	Section 5.3-TIB Extensions added mention of CBPF 3173. Section 5.5 - New section titled TIB Export Examination Procedures. Section 5.6 - Added information about partial exportations.
Chapter 6 (Post Summary Correction (PSC))	Minimal grammatical changes for clarity. Section 6.5 Replaced NAFTA with USMCA.
Chapter 7 (Quota)	Typos/grammar fixes. Clarification of ET for eastern time instead of EST (includes year-round and EDT instead of just EST). Change for consistency in appearance of three items required for presentation date throughout the document.

Chapter	Changes Summary
	Clarification of local port time vs ET for presentation date requirements.
Chapter 9 (Liquidations)	Updates made to Section 9.20 Official Notice Search.
Chapter 10 (Reconciliation)	Section 10.7 - Added information about the new ACE capability that requires original amounts for double flagged Recon entries.
Chapter 11 (Protest and 520(d))	Addition of Protest Issue changes and minimal grammatical changes for clarity. Section 11.4 Added submitting a spreadsheet with a protest as a best practice.
Chapter 12 (Warehouse Entries and Withdrawals)	General updates throughout the section. Added information regarding new permit file folder label available in DIS, In-Bond movements, ACE Reports for Final Withdrawal Indicator and submission of the permit file folder or activity summary report.
Chapter 15 (Defense Contract Management Agency (DCMA) Entries)	General updates added regarding Harbor Maintenance Fee (HMF) exemption when merchandise is classified under some HTS chapter 98 provisions and reference to (CSMS #47138649 and <a href="#">CSMS #46189077</a> ), general recordkeeping requirements and the Duty Free Entry (DFE) eTool System replaced by the new Procurement Integrated Enterprise Environment (PIEE) Platform.
Chapter 16 (USMCA Duty Deferral)	References to the NAFTA have been changed to the USMCA.
Chapter 17 (Foreign Trade Zones (Entry Type 06))	General updates regarding entry type 06 (FTZ), weekly entry filed in ACE, the time limits specified in 19 CFR 142.12(b) and the 9-character Zone ID unique identifier assigned to each FTZ Site location plus further resources available and related CSMS messages.
Chapter 18 (Trade Fair Foreign Exhibits (Entry Type 24))	Updates made to the entire section by differentiating between sections regarding a trade fair entered for consumption or when exported.  Minor grammatical changes for clarity.
Chapter 19 (Collections)	Updates to Available Reports in Section 19.6.
Chapter 20 (Informal Entries)	Updates made to the entire section to reflect regulations and processes governing informal entries.

Chapter	Changes Summary
Chapter 22 (Outage and Closure Procedures)	Updates made regarding reporting a cyber-event outage. Chapter title changed from “Downtime Procedures” to “Outage and Closure Procedures”.
Chapter 23 (Create Update Importer Identification Form (CBP Form 5106))	Various elements throughout CBP Form 5106 chapter were amended including form link, removal of 5106 inbox, changes to statuses and DIV/DBA/AKA section. Also provided additional guidance on where to submit CBP Form 5106 if trade community is unable to process.
Chapter 24 (Consolidated Express Filing (CEF))	Updates made regarding express consignment entities and entries that are not allowed to be filed via CEF. A note section added regarding CEF Information Notice, which provides the changes in ACE and other additional resources.
Other	Chapter on Remote Location Filing removed.

***THIS PAGE LEFT INTENTIONALLY BLANK***

---

## *Table of Contents*

---

Chapter 1 Entry Summary Processing .....	9
Chapter 2 Non-ABI/Manual Entry Summary .....	15
Chapter 3 Bonds.....	16
Chapter 4 Blanket Declarations .....	35
Chapter 5 Temporary Importation under Bond (TIB) .....	40
Chapter 6 Post Summary Correction (PSC).....	43
Chapter 7 Quota .....	48
Chapter 8 Antidumping and Countervailing Duties (AD/CVD) .....	59
Chapter 9 Liquidation .....	74
Chapter 10 Reconciliation.....	75
Chapter 11 Protest and 520(d) Claims .....	85
Chapter 12 Warehouse Entries and Withdrawals .....	89
Chapter 13 Drawback.....	94
Chapter 14 ACE Reports.....	108
Chapter 15 Defense Contract Management Agency (DCMA) Entries.....	110
Chapter 16 United States-Mexico-Canada Agreement (USMCA) Duty Deferral.....	111
Chapter 17 Foreign Trade Zones (Entry Type 06).....	112
Chapter 18 Trade Fair Foreign Exhibits (Entry Type 24).....	115
Chapter 19 Collections.....	116
Chapter 20 Informal Entries.....	118
Chapter 21 HTS Reporting For Multiple Classifications.....	119
Chapter 22 Outage and Closure Procedures .....	120
Chapter 23 Create/Update Importer Identification Form (CBPF 5106) .....	122
Chapter 24 Consolidated Express Filings (CEF) .....	132

# Summary Processing

## Overview

The purpose of this document is to outline entry summary processing in the Automated Commercial Environment (ACE). ACE is the system of record for all entry summaries. This change moves the import process from a paper-based system to a true electronic system of recordkeeping, please see [Recordkeeping in ACE](#). A change this significant requires revised operational policies and procedures, which this document addresses. This document is a living document and will be updated as additional ACE functionality is added.

This document has been updated to clarify several processes and procedures related to ACE entry summary business rules.

*If you have any comments or questions about this document, please email:*  
[OTENTRYSUMMARY@CBP.DHS.GOV](mailto:OTENTRYSUMMARY@CBP.DHS.GOV)

*For the latest information on the ACE Mandatory Dates, go to:*  
<https://www.cbp.gov/trade/automated/ace-mandatory-use-dates>

### ***ACE Background***

The importation of goods into the United States, is generally a two-part process consisting of:

- 1.) Filing the cargo release documents necessary to determine whether merchandise may be released from U.S. Customs and Border Protection (CBP) custody, and
- 2.) Filing the entry summary documents that pertain to merchandise classification, duty, taxes, and fees.

Currently, over 99% of all entry summaries are filed electronically using the Electronic Data Interchange (EDI). The interface system that allows EDI transmissions to CBP's automated systems is the Automated Broker Interface (ABI). Entry summaries are categorized by "entry type" to facilitate more effective processing of these transactions. Ninety-six percent of all entry summaries filed are type 01-consumption and type 11-informal. Consumption entries are generally filed for commercial shipments and are supported by a surety bond to ensure compliance and payment of duties, taxes, and fees. Informal entries are typically low-value commercial and personal imports entered into the U.S. for consumption. In general, informal entries are valued at \$2,500 or less unless the goods are subject to import restrictions for which other rules apply.



# **Chapter 1**

## **Entry Summary Processing**

### **1.1 Entry Summary Transmission**

The Automated Commercial Environment (ACE) is an integrated system for tracking information on imports and exports. It enables the Trade to electronically submit forms, data, and electronic documents. It enables CBP to electronically retrieve and review Trade information and CBP documentation.

ACE is used by CBP, Trade, and Partner Government Agencies (PGAs).

The interface system that allows Electronic Data Interchange (EDI) transmissions to ACE is the Automated Broker Interface (ABI).

All entry summaries filed in San Juan (SJFO) and the U.S. Virgin Islands (USVI) must be processed by those ports of entry regardless of Center assignment of the Importer of Record (IOR).

The Client Representatives are the first point of contact for the trade community when it relates to automating their systems for interactions with CBP for system-related problems after automation and any questions on transmitting data to CBP.

If a census warning occurs when the filer is transmitting the entry summary, the filer may correct or override the census warning and retransmit.

### **1.2 System Generated Notification (Cargo Release)**

If the filer receives a “documents required” message upon entry submission in ACE Cargo Release, that is an indicator that CBP and/or a Partner Government Agency (PGA) is requesting supporting documentation for further review.

### **1.3 Entry Filing**

The time of entry is the time CBP authorizes the release of the merchandise; or the time the entry documentation is filed, and the merchandise has arrived within port limits; or the time the merchandise arrives within the port limits, if the entry documentation is submitted before arrival, and if requested by the importer on the entry documentation at the time of submission.

Entry documents must be filed within 15 calendar days of the date that a shipment arrives in the U.S.

The entry must be accompanied by evidence that a bond has been posted with CBP to cover any potential duties, taxes, and fees that may accrue. Bonds may be secured through a resident U.S. surety company but may be posted in the form of United States currency or certain U.S. government obligations. In the event that a customs broker is employed for the purpose of making entry, the broker may permit the use of their bond to provide the required coverage.

#### **1.4 Entry Summary Filing**

If an entry summary serves as both the entry documentation and entry summary, the time of entry will be the time the entry summary is filed in proper form with estimated monies owed to CBP.

An entry summary for consumption must be filed and estimated duties deposited within 10 working days after entry of the merchandise.

#### **1.5 Control Status**

Once ACE accepts the transmission, the control status remains in Trade control and the filer can delete the entry summary record, remove the entry summary from a daily statement or reschedule the entry summary by placing it on a future daily statement until the entry summary is in CBP control.

*Control status types and trade action conditions include:*

- Trade - The entry summary has been accepted in ACE and has not yet been paid.
- CBP - The entry summary has been accepted in ACE and has been fully paid or is on statement

#### **1.6 Entry Summary Record-Keeping**

Except for drawback, any record required to be made, kept, and rendered for examination and inspection by CBP under the record-keeping requirements or any other provision shall be kept for five years from the date of entry, if the record relates to an entry, or five years from the date of the activity that required creation of the record.

#### **1.7 Data Changes**

All data changes should be made by the filer as early as possible. CBP should reject the entry summary if data changes are needed, in accordance with the Entry Summary Acceptance and Rejection Policy.

Filers have the ability to revise transmitted entry summary data until the entry summary is in fully paid status and under CBP control.

#### **1.8 Center ID**

If a Center ID is assigned to an importer, ACE will automatically populate the Center ID field in the entry summary.

#### **1.9 Entry Summary Versions**

Filers can view the entry summary versions, if any, through an ACE entry summary query or an ACE Report.

The number to the right of the decimal reflects how many times the entry summary changed by CBP (e.g., 1.01).

The number to the left of the decimal reflects how many times the entry summary changed by the filer (e.g., 2.0).

### **1.10 Entry Summary Edits**

The filer should make the changes affecting the entry summary in most circumstances; however, there may be instances in which CBP users may have to make the changes on the entry summary, such as editing prior to reliquidation from the approval of a protest.

### **1.11 Supporting Documents**

CBP will request supporting documents if the CBP reviewer determines additional information is needed to review and process the entry summary.

CBP will issue a [CBP Form 28](#) for any additional information needed, through CBP's Forms module. The importer will respond to the request for additional information through the ACE portal or the Document Imaging System (DIS) if applicable. The time frame to respond is 30 days from the date of issuance of notice. If requested, an extension may be authorized under the discretion of CBP.

A courtesy copy of each CBP Form 28, paper or electronic, should be provided to the broker.

*Supporting documents may include, but are not limited to:*

#### **[CBP Form 247](#) (Cost Submission)**

- Detailed header and line-level spreadsheets
- Cost analysis spreadsheets
- Commercial invoice
- Packing list
- Bill of lading
- Purchase orders
- Contracts
- Manufacturers affidavit
- Inventory records
- Documents supporting apportionment of assists
- Free Trade Agreement (FTA) certificate of origin

### **1.12 CBP Form 29**

A CBP Form 29 is a Notice of Action. It may include a change in the classification and/or value of the imported merchandise on the entry summary and may result in a rate advance of duty.

The Center of Excellence and Expertise (Center) will provide, through the CBP Forms module, a written explanation on the form as to why the action was taken on the entry summary. If the action is proposed, the importer will have 20 days to respond through the ACE Portal or DIS if applicable. If the action is taken and the entry liquidated, the trade will have to protest CBP's decision.

A courtesy copy of each CBP Form 29, paper or electronic, should be provided to the broker.

### **1.13 ACE Entry Summary Review Notification**

ACE notifies the filer via ABI with an entry summary status notification message that an entry summary has been selected for team review.

The filer may receive the following electronic notifications *prior to the filing of the entry summary*:

- **Request for entry summary package** (UC2; also commonly referred to as “documents required.”) These documents must be provided to CBP, **by the time of summary filing** in accordance with 19 CFR 142.3. The filer may choose to respond to the request for the entry summary package via the ACE Portal or the [Document Image System \(DIS\)](#). Once the filer receives the action number (via *ABI message*), the filer may upload the requested documents in the portal. The filer will receive a document receipt acknowledgement message (*ABI message UC7*).

The filer may also receive the “documents required” electronic notification *after filing the entry summary*:

- CBP users may also electronically request documents within the first 30 days of the submission of the entry summary. The filer may receive a UC2 or UC3 message when the CBP user generates the request for documents, depending on the request. After the 30-day period, the CBP user will use the CBP Form 28, Request for Information, to issue requests for documents.

**Notification Codes Received (also found in the [ACE Entry Summary Status Notification CATAIR](#) on [cbp.gov](#)): on [cbp.gov](#):**

UC1 – Request for electronic invoice  
UC2 – Request for the entry summary package  
UC3 – Request for specific documents  
UC4 – Entry summary rejected/PSC rejected  
UC5 – ACE entry summary inactivated  
UC6 – Entry summary canceled  
UC7 – Document receipt acknowledgement  
UC8 – Partner Government Agency (PGA) processing status information  
UCP - PGA processing status information  
UCQ - Quota accepted  
UCE - TIB extension denied  
UCR – Post Summary Correction (PSC) filed was reverted.

#### **1.14 Entry Summary Rejections**

When CBP rejects an entry summary, the filer will receive an ABI notification message “entry summary rejected.”

The filer may request a rejection after filing entry summary; however, the entry summary must be paid and not liquidated. See the [Entry Summary Acceptance and Rejection Policy](#) for rejection time limits.

If the entry was initially submitted to CBP and rejected before the 10<sup>th</sup> day of filing entry summary, the filer has the remainder of the 10<sup>th</sup> working day deadline to resubmit the entry summary but not less than two working days to resubmit entry summary.

Rejected entry summaries must be returned to CBP with any additional payment (if applicable) within two working days from the date of rejection or a no-file liquidated damage case may be issued. If the rejected entry summary is received after two working days from the date of rejection, a late-file liquidated damage case could be issued. *Exception:* AD/CVD, refer to the section “AD/CVD” in the Business Rules and Process Document for additional information.

### **1.15 Collections**

All goods imported into the United States are subject to duty or duty-free entry in accordance with their classification under the applicable items in the Harmonized Tariff Schedule of the United States.

Duties, fees, taxes, and interest owed to CBP must be deposited at the time of filing an entry summary.

Initial payment must be made at the port of entry designated on the entry summary.

To expedite the collection process, CBP recommends that additional payments, such as for post summary corrections, for entry summaries be filed at the port of entry designated on the entry summary. Payments made at another port of entry may slow down the collection process.

Upon retransmission of a rejected entry summary, if additional money is owed, the filer must pay by check. If paying by check, the filer should include the entry summary number on the check along with a copy of a CBP Form 7501 or equivalent document.

If there is a net difference of less than \$20 between the total amount of duties, taxes, fees, including interest in the original liquidation, CBP has the authority to disregard the difference and liquidate “as entered” per 19 CFR 159.6 (De Minimis Rule). There are exceptions for reliquidation at the importers request.

#### *Due dates:*

ACE calculates to the date and if the due date falls on a weekend or a holiday, the due date will be the next business day.

If the filer uses the Automated Clearing House (ACH) debit method of payment, then the entry is considered paid when authorized. If the filer uses daily or monthly statements, then the entry is considered paid when received.

Refer to the Collections Chapter for additional information.

### **1.16 Informed Compliance**

Informed compliance is a shared responsibility between CBP and the import community. CBP communicates its requirements to the trade, and the trade is expected to exercise reasonable care in their importing operations. Reasonable care means that importers and trade entities must be familiar with trade laws and regulations affecting imported merchandise. Not complying with CBP’s import regulations, whether intentional or not, can result in penalties.

### **1.17 Liquidated Damages**

Liquidated damages could be initiated if the entry summary is filed without payment, filed late, not filed at all or other conditions of the basic importation and entry bond are not met.

### **1.18 Entry Summary Cancellation**

There may be instances in which the filer requests a cancellation of an entry/entry summary. The filer must follow the [policy/procedures](#) when requesting a cancellation. It is the importers responsibility to request and provide supporting information for the cancellation.

All Center entry summary cancellation request must be uploaded in DIS with the cover letter outlining the issue as to why the entry summary should be cancelled along with all back-up documents to substantiate the request. The broker will then send an email to the Center inbox utilizing <https://www.cbp.gov/trade/centers-excellence-and-expertise-information/cee-directory> to determine what Center is affected and alerting them of the cancellation request.

If payment was made on the entry summary prior to the cancellation request and the entry summary is not liquidated, the filer should request an administrative refund.

Once an entry summary is liquidated, it cannot be canceled.

### **1.19 Liquidation**

An entry not liquidated within one year from the date of entry of the merchandise, the date of the filing of a reconciliation entry, or the date of final withdrawal of all merchandise covered by a warehouse entry, will be deemed liquidated by operation of law at the rate of duty, value, quantity, and amount of duties asserted by the importer of record.

Notice of liquidation will be given electronically as provided in 19 CFR 159.

Once an entry summary is liquidated, it cannot be cancelled.

Refer to the Liquidation Chapter for additional information.

### **1.20 Status Updated**

Status updates and processing requests for an entry summary by the filer should be sent to the Center of Excellence and Expertise that is processing the entry summary.

### **1.21 References**

- 19 CFR 141 for the legal citations on entry of merchandise.
- 19 CFR 142 for the legal citations on entry process.
- 19 CFR 159 for the legal citations on liquidation of duties.
- 19 CFR 163 for recordkeeping requirements.
- 19 CFR 172 for liquidated damages; penalties information.
- CBP.gov [Trade Programs](#)
- [ACE Automated Broker \(ABI\) and CBP and Trade Automated Interface Requirements \(CATAIR\)](#)
- [ACE Support](#)
- [Centers of Excellence and Expertise](#)

## **Chapter 2**

### **Non-ABI/Manual Entry Summary**

#### **2.1 Non-ABI Review**

Non-ABI means the entry summary was not transmitted electronically through the Automated Broker Interface (ABI).

Non-ABI entry summary documents and timeliness requirements are the same as ABI entry summary requirements.

The Trade can submit their non-ABI entry summary via paper through the Document Imaging System (DIS). CBP will review the documents and manually place the entry/entry summary information in ACE.

If the documents are submitted to CBP in person, the invoice can serve as the release notification when given back to the filer. If the documents are submitted to CBP electronically, an electronic notification of the release is sufficient.

The Client Representatives are the first point of contact for the trade community when it relates to automating their systems for interactions with CBP.

#### **2.2 Filer Codes**

CBP assigns a unique (3) three-character entry filer code to all licensed brokers and self-filing Importers based on qualifications. The Importer or filer will place an 11-character entry number they assign on the entry/entry summary documentation.

If the filer needs to request an entry filer code, the filer must submit their request in writing on their company letterhead to their Center or Port of Entry assigned.

#### **2.3 Non-ABI/Manual Entry Summary Collection**

Non-ABI entry summaries must be paid via single pay, they are not allowed on statement.

#### **2.4 Non-ABI/Manual Entry Summary Lineless Processing**

Only U.S. Virgin Island ports may use lineless Non-ABI entry summary input for the following entry types; 01, 06, 08, 11, 21, 22, 23, 24, 25, 31, 51, and 52. **Excluding** Quota, AD/CVD, Reconciliation, Drawback and Vessel Repair.

#### **2.5 References**

19 CFR 142.3a (Entry Numbers)

19 CFR 142.48 (Release Procedures)

Non-ABI/Manual Entry Summary

## Chapter 3

### Bonds

#### 3.1 Bonding Authority

Section 623 of the Tariff Act of 1930, as amended ([19 U.S.C. 1623](#)), provides CBP with broad authority to require a bond, by regulation or specific instruction, where CBP deems it necessary to protect the revenue of the United States or ensure compliance with any provision of law, regulation, or instruction which CBP is authorized to enforce. See 19 U.S.C. 1623(a). Section 623 also provides the authority to prescribe the conditions and form of the bond, the manner in which the bond may be filed (including electronically), and the amount of the bond. See 19 U.S.C. 1623(b)(1).

The CBP regulations governing bonds are found in part 113 of Chapter 1 of title 19 of the Code of Federal Regulations ([19 CFR §113](#)). Per 19 CFR § 113.1, where a bond or other security is not specifically required by law or regulation, the Commissioner of CBP may by specific instruction require, or authorize the Director, Revenue Division, or the port director<sup>1</sup> to require, such bonds or other security considered necessary for the protection of the revenue or to assure compliance with any pertinent law, regulation, or instruction. These regulations outline a paper-based bond process designed to complement other paper-based processes in Title 19. However, after the promulgation of these regulations, many aspects of the customs entry process are now electronic (as opposed to paper-based) and conducted in the Automated Commercial Environment (ACE).

#### 3.2 Bond Definition and Bond Forms

A bond is an ‘insurance policy’ taken out by a party engaging in transactions or activities with Customs to adequately protect the revenue of the United States and to ensure compliance with any pertinent law, regulation, or instruction regarding the conduct of that business.

The most current OMB-approved versions of CBP Form 301 (Customs Bond) and CBP Form 301A (Addendum to CBP Form 301) can be found on the [CBP Forms page on CBP.gov](#).

The purpose of the Customs Bond (CBP Form 301) is to bind the named parties to the United States for the amount(s) of any duty, tax, or charge and compliance with law or regulation as a result of activity covered by any condition on the bond.

The purpose of the Addendum to CBP Form 301 (CBP Form 301A) is to identify additional co-principals not listed on the CBP Form 301 and to bind the named parties to the United States for the amount(s) of any duty, tax, or charge and compliance with law or regulation as a result of activity covered by any condition on the bond. If a bond has more than two co-principals, a CBP Form 301A is required.

The information required to be submitted on the bond depends on whether the bond is filed by an eBond test participant or a non-eBond test participant.

---

<sup>1</sup> See [Delegation Order 14-004: Delegation of Authorities to Center Directors](#), in which the Commissioner of CBP granted Center Directors all functions, authorities, rights, privileges, powers and duties vested in Port Directors by law, regulation, or otherwise.



For non-eBond test participants, the bond must meet the requirements of 19 CFR Part 113. Per 19 CFR Part 113.21 the information required on the bond includes:

- Identification of principal and sureties,
- Identification of trade names and unincorporated divisions of a corporate principal,
- Date of execution, and
- Statement of Amount.

Per 19 CFR Part 113.26 the effective dates of bonds are as follows:

- Continuous Bond –
  - Effective on the effective date identified on the CBP Form 301.
  - May be filed up to 60 days prior to the effective date listed on the CBP Form 301.
- Single Transaction Bond (STB) –
  - Effective on the date of the transaction identified on CBP form 301.

*Non-eBond test participants must submit the full set of information required on the OMB-approved Form 301 and 301a (if applicable).*

See the eBond Test Overview section of this chapter for the information required to be submitted on the bond by an eBond test participant.

### **3.3 Parties to a Bond and Party Responsibilities**

The bond is a contract between two parties: the principal and surety. The principal is the party contracting for the bond with the surety. The surety is the guarantor, normally an insurance company. The principal and the surety, together, are considered obligors.

Other parties to a bond include:

- Co-Principal - a party, in addition to the principal, sharing the same bond.
- User - an unincorporated division of a company authorized to use the bond in the principal's name.
- Obligee - the party to whom the Obligor is responsible for fulfilling the conditions of the bond (i.e., the beneficiary of the bond) – in most cases CBP is this beneficiary but may be another party.

The principal and co-principal are responsible for:

- Obtaining a bond as necessary
- Complying with all applicable laws and regulations
- Paying all revenue due (estimated & liquidated duties, taxes, and fees) even if it exceeds the bond amount
- Paying liquidated damages (or mitigated amount) not to exceed the bond amount.

The surety is responsible for:

- Submitting bonds on behalf of parties to a bond
- Paying revenue due (estimated & liquidated duties, taxes, and fees) only up to the bond amount

- Paying liquidated damages (or mitigated amount) not to exceed the bond amount.

The user(s) are responsible for:

- Complying with all applicable laws and regulations.

### **3.4 Bond Requirement**

A bond is required for a variety of customs activities. Below are the customs activities which require a bond. The regulatory citations for the requirement, as well as the regulatory citations for the bond conditions have been provided.

A bond is required:

- When a party imports merchandise into the United States (whether entered for consumption, entered for warehouse, imported temporarily under bond, or released conditionally) (19 CFR § 142.4 (formal entries), 19 CFR § 10.31(f) (temporary importations), 19 CFR § 113.62 (basic importation and entry bond conditions));
- When a party imports merchandise subject to other Federal agency requirements where failure to redeliver could pose a threat to public health and safety or merchandise is subject to quota or visa requirements (19 CFR § 12.3 (bond required for goods subject to the Federal Food, Drug, and Cosmetic Act, the Federal Insecticide, Fungicide, and Rodenticide Act, and the Federal Hazardous Substances Act), 19 CFR § 142.4 (formal entries), 19 CFR § 113.62 (basic importation and entry bond conditions));
- When carriers are transporting imported merchandise that has not been entered from one place to another (19 CFR § 18.1(e), 19 CFR § 113.63 (basic custodial bond conditions)); you may hear this referred to as in-bond or in-bond movement;
- When a warehouse or facility operator is approved to store or secure imported merchandise (19 CFR § 19.2(c) or (e), 19 CFR § 113.63 (basic custodial bond conditions));
- When an international carrier transports cargo or passengers via air, vessel or vehicle from a foreign destination (19 CFR 4.3(b)(2) (formal entry of the vessel at an optional location), 19 CFR 4.30(c) (request for a permit or special license to unlade or lade a vessel); 19 CFR 122.38(d) (request for a permit or special license to unlade or lade an aircraft); 19 CFR § 123.8(c) (permit or special license to unlade or lade a vessel or vehicle from Canada or Mexico), 19 CFR § 113.64 (international carrier bond conditions));
- When a party is approved for accelerated drawback payments (19 CFR § 191.92(d), 19 CFR § 113.65 (repayment of erroneous drawback payment bond conditions));
- When a party brings in and takes out of the Customs territory of the U.S. an instrument of international traffic (19 CFR 10.41a(c), 19 CFR § 113.66 (control of containers and instruments of international traffic bond conditions));
- When a party serves as an accredited gauger or laboratory (19 CFR § 151.12(f)(1)(vii) (laboratories), 19 CFR § 151.13(d)(1)(vii) (gaugers), 19 CFR § 113.67 (commercial gauger and commercial laboratory bond conditions));

- When a party seeks to make entry of any merchandise and is unable to present a valid bill of lading or other evidence of right to make entry on that merchandise with CBP (19 CFR § 141.15, 19 CFR § 113.69 (production of bills of lading bond conditions));
- When clearance is granted to a vessel manifestly built for warlike purposes and about to depart from the United States with a cargo consisting principally of arms and munitions of war when the number of people intending to sail or other circumstances render it probable that the vessel is intended to commit hostilities against the subjects, citizens, or property or any foreign country with which the United States is at peace (19 CFR § 4.73(b), 19 CFR § 113.71 (bond condition to observe neutrality));
- When a person claims an interest in seized property pursuant to 19 USC 1608 (19 CFR § 162.47(b) (summary forfeitures), 19 CFR § 113.72 (bond condition to pay court costs (condemned goods)));
- When a party is approved to operate a foreign trade zone or subzone (19 CFR § 146.6(d), 19 CFR § 113.73 (foreign trade zone operator bond conditions));
- When a party imports merchandise subject to an International Trade Commission (ITC) exclusion order (19 CFR § 12.39(b)(2), 19 CFR § 113.74, 19 CFR Part 113 Appendix B (bond to indemnify complainant under section 337, Tariff Act of 1930, as amended));
- When a party imports a large yacht for sale at a U.S. boat show and seeks deferral of entry completion and duty deposit (19 CFR § 4.94a(a)(2), 19 CFR § 113.75, 19 CFR Part 113 Appendix C (bond for deferral of duty on large yachts imported for sale at U.S. boat shows));
- When a party seeks access to the secure CBP area of an airport (19 CFR § 122.182(c)(1), 19 CFR § 113.62(i) (basic importation and entry bond conditions), 19 CFR § 113.63(f) (basic custodial bond conditions), 19 CFR § 113.64(k) (international carrier bond conditions), 19 CFR Part 113 Appendix A (Airport Customs Security Area Bond));
- When a trademark or copyright owner wants a sample of potentially violative or violative imported merchandise for examination (19 CFR §§ 133.21(c)(2) (trademarks; following presentation for examination) or (f) (trademarks; following seizure), 133.42(e) (copyrights; following seizure), 133.43(c) (copyrights; following presentation for examination), 19 CFR § 113.70 (bond condition to indemnify U.S. for detention of copyrighted material));
- When a party is required to provide Importer Security Filing information to CBP (19 CFR § 149.5(b), 19 CFR § 113.62(j) (basic importation and entry bond conditions), 19 CFR § 113.63 (g) (basic custodial bond conditions), 19 CFR § 113.64(f) (international carrier bond conditions), 19 CFR § 113.73(c) (foreign trade zone operator bond conditions), 19 CFR Part 113 Appendix D (Importer Security Filing Bond)).

Bonds may be waived in certain circumstances. See the References section of this chapter for citations related to the waiver of bonding requirements.

When merchandise is imported, bonds are generally required to secure the revenue of the United States because the final determination of duties, taxes, and fees (referred to as liquidation) is not made when merchandise is imported, but possibly many months or years afterwards. CBP permits

the release of merchandise prior to the final determination of all duties, taxes, and fees owed, provided the importer of record posts a bond or other security to insure payment and compliance with other applicable laws and regulations. Importers of record obtain (either directly or through licensed customs brokers) a bond from a company referred to as a surety. The importer of record (or its licensed customs broker) purchases the bond and is thus the principal on the bond. The surety issues the bond and the beneficiary of the bond in most cases, is CBP; but may be another party. Continuous bonds secure transactions for a period of up to one year and renew automatically for successive one-year periods unless they are terminated sooner. Single transaction bonds secure only one transaction.

In most formal entry transactions, a bond is on file in eBond at the time the entry is filed, and estimated duties, taxes, and fees are deposited by the importer of record shortly thereafter. The imported merchandise may be released from CBP custody while the final amounts of duties, taxes, and fees owed await final determination by CBP at a later point in time. With a bond in place, the revenue is considered to be protected from, among other risks, the risk that the importer of record will be unable or unwilling to pay the difference between the estimated duties, taxes, and fees deposited by the importer of record at or shortly after entry and the amounts actually determined to be due at liquidation. However, the protection offered is limited by the amount of the bond.

CBP clarified the bonding requirement for pipeline operators in Memorandum, [INFORMATION: Clarifying Bond Requirements for Pipeline Operator \(August 31, 2021\)](#). It states that:

- The movement of imported merchandise through a pipeline must be secured by either a basic importation and entry bond or a basic custodial bond. Specifically, a basic custodial bond with the conditions found at 19 C.F.R. § 113.63 (Activity Code 2) is required to be filed by the owner or operator of a pipeline to secure any movement of merchandise imported through the pipeline that is otherwise not secured by a basic importation and entry bond with the conditions found at 19 C.F.R. § 113.62 (Activity Code 1).
- A basic custodial bond is still required to transport merchandise that is not yet entered and is intended to be entered later after transport to a different port or is intended for export (also known as “transportation in bond” or “in-bond movement”).
- At this time, pipeline operators are not required to obtain an international carrier bond with the conditions found at 19 C.F.R. § 113.64 (Activity Code 3) in addition to the basic custodial bond or basic importation and entry bond.

On May 21, 2021, Office of Trade, Trade Policy and Programs, issued Memorandum, [INFORMATION: Revocation of Authority to Permit Use of Continuous Bonds by Suspended or Debarred Persons](#). It states that:

- When U.S. Customs and Border Protection (CBP), or any other Federal agency, suspends or debars a person (the word “person” means any individual, corporation, partnership, association, unit of government, or legal entity, however organized), it excludes that person from participating in certain procurement or nonprocurement Federal transactions, such as government contracts, subcontracts, grants, cooperative agreements, scholarships, fellowships, contracts of assistance, loans, loan guarantees, subsidies, and other Federal assistance programs, for the duration of his or her suspension and/or debarment. Such exclusion protects these Federal transactions from waste, fraud, abuse, poor performance, or noncompliance.
- Effective May 11, 2021, pursuant to the authority granted by 19 U.S.C. § 1623 and 19 C.F.R. § 113.2, the Senior Official Performing the Duties of the Commissioner of CBP revoked the authority of all CBP officials to permit a person who is suspended or debarred by CBP to meet the bond requirements of any customs activity using a continuous bond, for the duration of that person’s suspension or debarment, unless a continuous bond is the only form of bond acceptable for that activity, such as operating a foreign trade zone (19 C.F.R. § 113.73). For persons who are suspended or debarred by another Federal agency, the Office of Trade, Trade Policy and Programs, is authorized to evaluate and decide, either categorically or on a case-by-case basis, whether to permit such persons who are suspended or debarred by another Federal agency to use a continuous bond to secure their customs activities during the period of their suspension or debarment.
- The Office of Trade, Suspension and Debarment Branch, will ensure that persons suspended or debarred by CBP are listed as excluded by CBP on the System for Award Management (SAM) website ([www.SAM.gov](http://www.SAM.gov)).
- The Office of Finance, Revenue Division, will provide written notice to any person suspended or debarred by CBP or any person suspended or debarred by another Federal agency that CBP has decided not to permit use of a continuous bond to secure that person’s customs activities, and that person’s continuous bond surety (as applicable), at least 15 calendar days prior to the first customs activity that cannot be secured by a continuous bond under this policy.
- Sureties and surety filers are encouraged to ensure that new or replacement continuous bonds are not filed in the Automated Commercial Environment (ACE) eBond module and that any existing continuous bonds are terminated in ACE eBond for persons suspended or debarred by CBP and listed as excluded by CBP on the SAM website.
- Sureties and surety filers are also encouraged to work with their clients to ensure that new or replacement continuous bonds are not filed in the ACE eBond module and that any existing continuous bonds are terminated in ACE eBond for persons who have been suspended or debarred by another Federal agency and listed as excluded by that Federal agency on the SAM website, where written notice has been issued to the person and that person’s continuous bond surety (as applicable) by the Office of Finance, Revenue Division, because CBP has decided not to permit use of a continuous bond to secure that person’s customs activities.

- The Office of Finance, Revenue Division, will continue to monitor continuous bonds and will ensure that any continuous bonds that are not terminated after issuance of the written notice described above are rendered insufficient, as necessary, for persons suspended or debarred by CBP or for persons suspended or debarred by another Federal agency that CBP has decided not to permit use of a continuous bond to secure that person's customs activities. In addition, any new or replacement continuous bonds will be rendered insufficient, as necessary, if filed for persons suspended or debarred by CBP or for persons suspended or debarred by another Federal agency that CBP has decided to not to permit use of a continuous bond to secure that person's customs activities.
- When a person's suspension and/or debarment terminates, use of a continuous bond to secure customs activities may resume.
- Consistent with existing CBP regulations and policy, persons not permitted to use a continuous bond are still permitted to use single transaction bonds or cash in lieu of surety (for single transactions only) to engage in customs activities. CBP officials remain authorized to take additional actions as authorized by law, regulation, or agency policy when the circumstances so warrant, such as requiring additional bonding to protect the revenue or to ensure legal compliance.
- Trade was notified of the bond policy for suspended or debarred persons in [CSMS message #47894086](#) issued May 21, 2021, which included the 'Finding CBP Exclusions in SAM' PDF as an attachment.
- A link to the CSMS message, a copy of the 'Finding CBP Exclusions in SAM' PDF, and Frequently Asked Questions have also been posted to the [Bond section of CBP.gov](#).

### 3.5 Bond Amounts

CBP establishes required bond amounts for imported merchandise pursuant to 19 CFR 113.13 and [Customs Directive 3510-004, Monetary Guidelines for Setting Bond Amounts, dated July 23, 1991](#), which sets forth guidelines and specific formulas for CBP personnel to follow when setting bond amounts that may be issued for imported merchandise. Certain bond formulas in the Directive have been amended since the Directive was originally published, and those amended formulas (last amended on Oct. 24, 2013) are available on CBP.gov under [Current Bond Formulas](#).

As a matter of practice, and with few exceptions, because CBP made these formulas public, importers of record and the sureties with whom they do business typically calculate the required bond amount and transmit such bonds to CBP.

**Note:** The continuous bond reviewer and analytical formulas in the [Current Bond Formulas](#) document are used by the Office of Finance, Revenue Division, to determine bond sufficiency.

*Only the Office of Finance, Revenue Division, may issue notice regarding the sufficiency of a continuous bond and require a new continuous bond amount.*

***Foreign Trade Zone (FTZ) Operator Bond Interim Guidance:***

On Oct. 28, 2020, CBP issued [CSMS #44578062](#) to provide Interim Guidance for Foreign Trade Zone (FTZ) Operator Bond Amounts. Per the CSMS, on Aug. 28, 2020, CBP, Office of Trade, issued internal interim guidance to the Ports of Entry regarding the computation and request of new and annual of Foreign Trade Zone (FTZ) operator bonds.

The interim guidance serves as a supplement to [Customs Directive 3510-004, Monetary Guidelines for Setting Bond Amounts, dated July 23, 1991](#) and takes precedence over [FTZ Manual](#) - Section 12.2. This guidance will remain in effect from the date of issuance until either updated interim guidance or an updated directive is issued with a risk-based FTZ operator bond formula.

FTZ Manual, Section 12.2, states:

*“The initial FTZ operator bond will generally be in the amount of the duties and fees owed on the average value of foreign status non-duty paid merchandise held in the zone and the bond should be evaluated on an annual basis.”*

Customs Directive 3510-004 states:

“Activity 4 - Foreign Trade Zone Operator – Continuous: When the bond is for a Foreign Trade Zone operator, the bond limit of liability amount shall be fixed in an amount the district director may deem necessary to accomplish the purpose for which the bond is given, but not less than \$50,000.”

While discretion is an important aspect in setting bond amounts, the principles of national uniformity or standardization must also be followed regardless of the particular technique or formula used to determine the bond amount. Setting the amount of a bond must not be an arbitrary action.

**Effective Aug. 28, 2020 the following interim guidance applies to FTZ operator bonds:**

- Ports of Entry may only require a \$50,000 FTZ operator bond for each initial FTZ activated location.
  - If the FTZ operator is filing a bond for an individual FTZ activated location, the bond amount on file must be in an amount not less than \$50,000.
  - If the FTZ operator is filing a consolidated bond to cover all FTZ activated locations nationwide, the bond on file must be in an amount not less than \$50,000 for each activated FTZ location.
- A new bond may be warranted under the following circumstances:
  - the activated zone area is substantially altered per FTZ manual, Section 4.11;
  - the character of merchandise admitted to the zone or operations performed in the zone are substantially changed;

- the annual review reveals that growth in estimated liability exceeds 10%;
- a zone violation(s) or potential violation(s) is deemed a threat to the revenue or proper law enforcement; or
- any other reason substantially affecting liability of the Operator under the bond.

If a new bond is required, the Office of Finance, Revenue Division, will issue a letter to the impacted parties indicating that the current bond is not sufficient and must be terminated and replaced with a new bond. No other type of notice from the Port of Entry or other CBP office will serve as official notice of insufficiency.

If you have any questions or concerns or receive instructions from a Port of Entry to the contrary, please contact Bond Policy within the Commercial Operations, Revenue and Entry (CORE) Division at [otbond@cbp.dhs.gov](mailto:otbond@cbp.dhs.gov).

***Temporary Importations under Bond (TIB) interim guidance:***

On November 12, 2022, CBP Office of Trade issued [CSMS # 53992279 - CBP Verification of Bond Amounts and Requests for Additional Security for Temporary Importation Under Bond \(TIB\) Entries](#). The message states that:

On November 7, 2022, U.S. Customs and Border Protection (CBP), Office of Trade issued an internal memorandum to CBP personnel to provide guidance for verifying bond amounts for Temporary Importation Under Bond (TIB) entries and requesting additional security under a Single Transaction Bond (STB) when a Continuous Bond (CB) is on file but is not sufficient to cover the TIB requirements in 19 CFR § 10.31(f).

The Bond Amounts Required for TIB entries are as follows:

- **For all merchandise except the categories below**, the bond shall be in an amount equal to 2x the estimated duties, including fees, determined at the time of entry per 19 CFR § 10.31(f).
- **In the case of samples solely for use in taking orders entered under subheading 9813.00.20, HTSUS, motion-picture advertising films entered under subheading 9813.00.25, HTSUS, and professional equipment, tools of trade and repair components for such equipment or tools entered under subheading 9813.00.50, HTSUS**, the bond shall be in an amount equal to 110 percent of the estimated duties, including fees, determined at the time of entry per 19 CFR § 10.31(f).
- **In the case of restricted/prohibited merchandise**, the bond shall be in an amount equal to the greater of 2x the duty including fees or 3x the value (19 CFR § 113.62(n)(1)) of the merchandise.

CBP Requests for Additional Security for TIB entries:

The regulations under 19 CFR § 10.31(f) allow for the use of either a CB or STB to secure TIB entries. There are situations where the CB on file with CBP is not in an amount sufficient to meet the TIB bonding requirements, noted above, placing the revenue at risk.



If the CB is not sufficient to cover the TIB requirements, the Office of Finance – Revenue Division (OF-RD), Port of Entry, or Center may require an additional STB to protect the revenue. The additional STB will be in an amount equal to the difference between the CB amount and the bond amount required for the TIB entry.

For example:

If the CB used to secure the TIB entry is for \$50,000 and the bond amount required for the TIB entry, is \$150,000, an additional STB in the amount of \$100,000 is required.

As stated above, the regulations under 19 CFR § 10.31(f) allow for a CB to be used to secure TIB entries, and further, multiple TIBs can be filed using the same CB. If an STB is needed, the amount requested should be the difference between the CB and the TIB bond amount for that entry, regardless of how many entries are secured by the same valid CB.

For example:

If 3 TIB entries are submitted on the same \$50,000 CB and the TIB bond amount required for each TIB entry is \$100,000, the amount requested for the additional STB will be \$50,000 for each TIB entry.

Notice of the required additional STB from CBP must be in writing to the Importer and must contain the amount of the additional bond required, as well as information about the reason for the additional bonding. The notice can be provided in an entry summary reject notice, a cargo reject notice, on a CBP Form 29 Notice of Action, or via insufficiency letter (from OF-RD only). When notice is provided by CBP in an entry summary or cargo reject notice, the timeframes for rejecting entries in the Entry Summary Acceptance and Rejection policy apply.

This guidance serves as a supplement to Customs Directive 3510-004, Monetary Guidelines for Setting Bond Amounts, dated July 23, 1991 and will remain in effect from the date of issuance until either updated guidance or an updated Directive is issued.

If you receive instructions from CBP to provide additional security for a TIB entry contrary to this notice, please contact Bond Policy within the Commercial Operations, Revenue and Entry (CORE) Division at [otbond@cbp.dhs.gov](mailto:otbond@cbp.dhs.gov).

Questions related to bond policy for TIB entries should be sent to Office of Trade, Bond Policy at [otbond@cbp.dhs.gov](mailto:otbond@cbp.dhs.gov). All other TIB questions should be sent to Office of Trade at [otentrysummary@cbp.dhs.gov](mailto:otentrysummary@cbp.dhs.gov).

***Activity Code 1 (Basic Importation and Entry) Continuous Bond ACE Validations:***

Effective June 20, 2020, the following validations for Activity Code 1 (Basic Importation and Entry) Continuous Bonds were deployed to ACE:

- Verify bond amount is greater than or equal to \$50,000
- Verify bond amount is incremented by \$10,000 when between \$50,000 and \$100,000, and by \$100,000 when greater than \$100,000

**Note:** Validations will be triggered only when a new bond is added or if the incremented amount is less than the prescribed amount. Should the new continuous bond not pass the validations listed above, Trade users will receive error code “S15” with narrative text “BOND AMOUNT INVALID OR MISSING”, which is an existing error message.

The ACE Activity Code 1 (Basic Importation or Entry) Continuous Bond validations align with the requirements outlined in the [Current Bond Formulas](#) document.

### 3.6 eBond Test Overview

On Nov. 28, 2014, CBP published a notice in the Federal Register (see [79 FR 70881](#)) announcing a test of an electronic bonding system (eBond), designed to evaluate the functionality of the system, its impact on trade, and CBP’s ability to protect the revenue of the United States and enforce applicable laws. Pursuant to the eBond test, participating sureties were invited to transmit electronic bonds, riders, and terminations to ACE through an electronic data interchange (EDI). The test requires that all bonds and riders be transmitted by the surety obligated on the bond, or by a surety filer authorized to transmit bonds on behalf of the surety obligated on the bond.

The ACE eBond test commenced on January 3, 2015 and is a voluntary program that allows approved eBond test participants (sureties, surety agents, or principals who authorize an approved surety or surety agent to transmit a bond on their behalf), to transmit certain activity code bonds to ACE via the CBP-approved electronic data interchange (or EDI) or via email to CBP’s Office of Finance-Revenue Division for manual input into ACE.

The list of approved eBond test participants is maintained by the Office of Finance – Revenue Division.

eBond Test Participants may transmit certain Single Transaction Bonds or Continuous Bonds:

- Electronically to ACE eBond, using the surety’s software, via the Electronic Data Interchange (EDI), **or**
- Email them to the Office of Finance – Revenue Division at [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov) for manual input into ACE.
- These transmissions *only require a sub-set of information from the OMB-approved Form 301*. See [ACE CATAIR – Customs eBond Create/Update Chapter](#) for the sub-set of information required.

The electronic transmission memorializes the agreement of the principals and sureties on the bond to be bound by the terms and conditions of that bond.

The eBond test utilizes an automated system (eBond system) that provides for the transmission of electronic bond contracts (eBonds) between principals and sureties, generally with CBP as the third-party beneficiary (although it may be another party), in the Automated Commercial Environment (ACE) for the purpose of linking those eBonds to the transactions they are intended to secure. The eBond system works with ACE to ensure that transactions secured by an eBond have the proper bond coverage to protect the revenue and secure legal compliance.

ACE will validate the bond number referenced on an entry/entry summary against bonds on file in eBond. If a match cannot be found in eBond, the entry/entry summary will be rejected.

The eBond test, which began on January 3, 2015, has been modified in subsequent Federal Register notices and is ongoing. See [80 FR 899](#) (January 7, 2015) and [83 FR 12403](#) (March 21, 2018).

### 3.7 eBond Test Participant Transmission via EDI or Email

All single transaction or continuous eBonds and eBond riders transmitted pursuant to this test must be transmitted to ACE electronically, either via the CBP-approved Electronic Data Interchange (EDI) or emailed to CBP Office of Finance at [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov) for manual input into ACE. The transmission of eBonds to CBP must be made by a surety or surety agent.

The below chart lists each bond activity code eligible for transmission via the eBond test, in accordance with Federal Register notices [79 FR 70881 eBond Test](#), [80 FR 899 eBond Test Modifications and Clarifications](#), and [83 FR 12403 Extension of NCAP; eBond Test](#). It contains the name of the activity, whether a single transaction and/or continuous bond may be filed, and how each bond activity code may be transmitted to CBP.

#### Bonds Eligible for Transmission via the ACE eBond Test

Activity Code	Activity Name	Single Transaction and/or Continuous Bond	Surety/Surety Agent may transmit via
1	Basic Importation and Entry	Single Transaction & Continuous Bonds	EDI or Email to OF-RD
1A	Drawback Payments Refunds	Single Transaction & Continuous Bonds	EDI or Email to OF-RD
2	Custodian of Bonded Merchandise	Continuous Bonds	EDI or Email to OF-RD
3	International Carrier	Single Transaction & Continuous Bonds	EDI or Email to OF-RD
3A	Instruments of International Traffic	Continuous Bonds	EDI or Email to OF-RD
3A3	Carrier of International Traffic	Continuous Bonds	EDI or Email to OF-RD
4	Foreign Trade Zone Operator	Continuous Bonds	EDI or Email to OF-RD
5	Public Gauger	Continuous Bonds	EDI or Email to OF-RD

6	Wool & Fur Products	Single Transaction Bonds	EDI or Email to OF-RD
7	Bill of Lading	Single Transaction Bonds	EDI or Email to OF-RD
8	Detention of Copyrighted Material	Single Transaction Bonds	EDI or Email to OF-RD
9	Neutrality	Single Transaction Bonds	Email to OF-RD
10	Court Costs for Condemned Goods	Single Transaction Bonds	EDI or Email to OF-RD
11	Airport Security Bond	Continuous Bonds	EDI or Email to OF-RD
12	International Trade Commission Bond (ITC)	Single Transaction Bonds	<b><i>N/A; Must be submitted to Port of Entry/Center</i></b>
15	Intellectual Property Rights	Single Transaction & Continuous Bonds	Email to OF-RD
16	Importer Security Filing	Single Transaction & Continuous Bonds	EDI or Email to OF-RD
17	Marine Terminal Operator	Continuous Bond	Email to OF-RD
All Above	Cash in Lieu of Surety	See each activity type above.	Email to OF-RD ( <i>except for Activity Type 12</i> )

eBonds and eBond riders may be emailed to CBP at [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov) for manual input into ACE. eBonds transmitted via email must be on a CBP Form 301 signed by the principal(s) and surety(ies). eSTBs must include direction to CBP as to how the eSTB is to be used and the entry type the eSTB will secure. Email transmission is available for eBonds and eBond riders with any Activity Code. eBonds and eBond riders transmitted by this method are subject to policies and procedures issued by the Office of Finance for the manual input of eBonds and eBond riders.

### 3.8 Non-eBond Test Participant Transmission via Email

*Non-eBond test participants* cannot transmit bonds via EDI, and must transmit single transaction or continuous bonds:

- Via email to the OF-RD mailbox at [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov), or
- Via email, mail, or Document Image System (DIS) to a Port of Entry or Center of Excellence and Expertise (Center), in accordance with the chart below.

### Bonds Eligible for Transmission by Non-eBond Test Participants

Activity Code	Activity Name	Surety/Surety Agent/Filer (Principal or Broker) may transmit via
1	Basic Importation or Entry	Email to OF-RD
1A	Drawback Payments Refunds	Email to OF-RD
2	Custodian of Bonded Merchandise	Email to OF-RD
3	International Carrier	Email to OF-RD
3A	Instruments of International Traffic	Email to OF-RD
3A3	Carrier of International Traffic	Email to OF-RD
4	Foreign Trade Zone Operator	Email to OF-RD
5	Public Gauger	Email to OF-RD
6	Wool & Fur Products	Email to OF-RD
7	Bill of Lading	Email to OF-RD
8	Detention of Copyrighted Material	Email to OF-RD
9	Neutrality	Email to OF-RD
10	Court Costs for Condemned Goods	Email to OF-RD
11	Airport Security Bond	Email to OF-RD
12	International Trade Commission (ITC) Exclusion Bond	<b><i>Email, Mail, or DIS to a Port of Entry/Center Only (including Cash in Lieu of Surety)</i></b>
15	Intellectual Property Rights	Email to OF-RD
16	Importer Security Filing	Email to OF-RD
17	Marine Terminal Operator	Email to OF-RD
All Above	Cash in Lieu of Surety	Email to OF-RD ( <i>unless Activity type 12</i> )

If a Port of Entry or Center receives bond documentation for any activity code other than the Activity Code 12 – ITC Exclusion Bond, in any form (e.g., paper, email, or through the DIS):

- The Port of Entry or Center will reject the bond documentation back to the surety, surety agent, or filer, and request that the bond documentation be submitted to the OF-RD mailbox, [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov) for processing.
- The Port of Entry or Center will not forward any erroneously filed bonds or bond documentation to the OF-RD. Documentation not received directly from the surety/surety agent or filer will not be processed.

#### Activity Code 12 - ITC Exclusion Bond for eBond and non-eBond Test Participants

The Activity Code 12 – ITC Exclusion Bond is eligible for submission under the eBond test; however, it cannot be transmitted via EDI or be input manually by OF-RD because it contains certain information that ACE eBond cannot accept at this time. As a result, the ITC Exclusion Bond is the only bond that may be transmitted to the Port of Entry or Center by eBond or non-eBond test participants.

Activity Code	Activity Name	Surety/Surety Agent/Filer (Principal or Broker) may transmit via (Email to OF-RD or Port of Entry/Center)
12	International Trade Commission (ITC) Exclusion Bond	Email, Mail, or DIS to a Port of Entry/Center Only (including Cash in Lieu of Surety)

If the principal **opts to use cash in lieu of surety** (19 CFR 113.40), the cash in lieu of surety bond should be submitted to either the OF-RD, or a Port or Center Director (ITC Exclusion Bonds only). See Cash in Lieu of Surety section below.

### **3.9 Cash in Lieu of Surety**

Per 19 CFR 113.40(a), the Director, Revenue Division or, in the case of single transaction bonds, a Port or Center Director, may accept cash or U.S. obligations in lieu of surety in an amount equal to the face amount of the bond that would be required.

The deposit of cash or U.S. obligations in lieu of surety is at the option of the party conducting the customs activity that requires a bond.

A CBP Form 301, CBP Form 301A (if applicable), or other CBP-approved bond, designating the appropriate activity for the cash or U.S. obligation being deposited in lieu of surety, must be filed. In addition, cash or U.S. obligations being deposited in lieu of surety must be for a term of no more than one year.

- **Cash in Lieu of Surety for All Activity Codes (*except for the Activity Code 12 – ITC Exclusion Bond*)**

- In cases where a bond and bond documentation with cash in lieu of surety (except for Activity Code 12 - ITC Exclusion Bond) is **sent to the Port of Entry or OF-RD**, the trade should:

1. Confirm that the bond meets the criterion listed in 19 CFR 113.40

**Note:** A completed CBP Form 301, 301A (if applicable), or other CBP-approved bond is required when the principal is submitting a cash in lieu of surety bond. Without a completed CBP Form 301, 301A (if applicable), or other CBP-approved bond, it is not considered cash in lieu of surety, it is considered a cash deposit.

2. Affirm the bond is in the proper amount.

In cases where the bond documentation was submitted to the Port of Entry, that documentation will be rejected back to the filer to submit the bond to the OF-RD mailbox, [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov), for processing. Documentation not received by OF-RD directly from the filer will not be processed.

**Note:** The filer should receive a copy of the CBP Form 368 to reflect that CBP has accepted payment.

- **Cash in Lieu of Surety – Activity Code 12, ITC Exclusion Bond Only**

- In cases where a bond or bond documentation with cash in lieu of surety is **sent to the Port of Entry** for an ITC Exclusion Bond, the trade should:

1. Confirm that the bond meets the criterion listed in 19 CFR 113.40

**Note:** The ITC Exclusion Bond cannot be filed using the CBP Form 301/301A; a CBP-approved bond containing the Appendix B to Part 113 language must be submitted. If a CBP-approved bond containing the Appendix B to Part 113 language is not submitted, it is not considered cash in lieu of surety; it is considered a cash deposit.

2. Affirm the bond is in the proper amount. The exclusion order notice will contain the percentage of the value of the goods to be used in computing the bond amount.

### **3.10 Single Transaction Bonds**

In the limited circumstance that a Single Transaction Bond (STB) has been given in error, the STB may be voided. The action to void the STB must occur prior to being matched to an entry in Cargo Release. In addition, the amount of an eBond STB may be changed, such as obtaining a lower bond amount for an unconditionally duty-free entry but may only occur between Cargo Release and Entry Summary. If a Superseding or Substitution STB is filed as part of the Entry Summary (at Entry Summary filing or after the submission of the Entry Summary), that filing will be subject to eBond validations. The Substitution or Superseding STB must be present in ACE for that Entry Summary to be accepted.



CBP can receive and validate STBs either received electronically from a Surety or Surety Agent or received from a Surety or Surety Agent emailing a copy of the STB to [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov) for input into ACE. CBP will monitor eBond STBs and when CBP finds the bond amount is insufficient for the transaction, CBP will contact the entry filer and Surety/Surety Agent to provide proper bonding.

### **3.11 Customs and Trade Automated Interface (CATAIR) documents**

The ‘[eBond: Create/Update](#)’ CATAIR document provides input and output EDI record information for the electronic transmission of bonds to CBP. The document presents both the bond input transaction proprietary records used by sureties and surety agents to file and maintain an eBond as well as the output transaction proprietary records returned in response. The input record layouts describe the data elements required by the automated EDI interface. The output record layouts describe a response to filing as generated and returned by the automated EDI interface.

The ‘[eBond: Status Notification](#)’ CATAIR document provides information on the eBond Status Notification message, which is an ABI message generated from CBP’s ACE bond processing, from an action transmitted by the bond filer, from an action taken on the bond by CBP, or from a related entry and entry summary action. This message will only be sent to ACE ABI filers for bonds filed in ACE. The filer of bond and secondary notify parties nominated by the bond filer may receive a Bond Status Notification message indicating that an action has been taken on the bond by the Surety/Surety Agent or by CBP. In addition, the filer of the bond will receive a Bond Status Notification message whenever an action has been taken for an entry or entry summary related to the bond.

**Note:** At a mutually agreed upon date in the future, this will replace the ‘[Customs Daily & Quarterly Entry Summary Surety Downloads](#)’.

The ‘[Customs Daily & Quarterly Entry Summary Surety Downloads](#)’ CATAIR document provides information on the Entry Summary Surety Download message, which is an ABI message generated from CBP ACE Entry Summary. The messages are generated and only sent to the ACE ABI surety agent filer for bonds of the sureties that they represent. The messages include all entries associated with a surety agent filer that have been added or changed during the stated timeframe.

The following downloads are available via EDI:

- Daily Entry Summary (AS) download
- Quarterly Entry Summary (AQ) download

Although the records are the same for the Daily Entry Summary (AS) download and the Quarterly Entry Summary (AQ) download sent to sureties, there is a difference in the timing and how they are generated. The AS is generated every morning for associated entries that have been updated/had an action taken on them the day before. The AQ is generated quarterly and provides the entry information for all associated entries that have not been liquidated.

**Note:** At a mutually agreed upon date in the future, these downloads will be replaced by the ‘[eBond: Status Notification](#)’ message.



The ‘Customs Daily Surety Billing Download’ CATAIR document provides information on the Surety Billing Download message, which is an ABI message generated from CBP’s ACE system. The AR message provides updates on the daily activity of bills issued by CBP to sureties for the importers they guarantee. It is generated daily and is sent only to ACE ABI Surety Agent filers for the Sureties they represent.

The ‘[Customs Monthly Continuous Bond Surety Download](#)’ CATAIR document provides information on the Continuous Bond Surety Download message, which is an ABI message generated from CBP’s ACE system. The messages are generated and only sent to the ACE ABI surety agent filers for the bonds of the sureties they represent. The messages include all bonds associated with a surety agent filer that are effective during the stated timeframes. The message is sent monthly.

### **3.12 Real-time Automated Surety Interface**

Effective Jan. 9, 2021, CBP implemented changes to the eBond User Interface as part of the Real-Time Automated Surety Interface (ASI) enhancement in ACE. This enhancement expands the data provided to sureties and surety agents in real-time, via the Bond Status (BS) message, with the goal of eventually replacing the current nightly and quarterly downloads that provide Trade users with cargo release and post-release processing information. These enhanced messages will consist of both the existing information sent in eBond Status Notification messages and additional messages triggered by both Cargo Release and Post Release events.

The Real-time ASI enhancement may result in an increase in the number of messages filers receive. CBP discontinued the generation of messages for parties listed as Secondary Notify Parties (SNPs) on a bond for certain cargo release and post release events, as these would be duplicate messages already received upon transmission of entry and/or entry summary. SNPs will continue to receive duplicate test messages for various bond events, such as when a bond is added, if sureties or surety filers designate for SNPs to receive those messages.

The volume of new Bond Status messages is significant, especially with events triggered by the weekly liquidation batch job and when CBP receives payment on statement (disposition codes LLQ and CPD, respectively).

If you have any questions regarding this new functionality or the volume of messages being received, please contact your CBP Client Representative.

### **3.13 Points of Contact**

Per [CSMS # 42514396](#), effective Sept. 30, 2019, bond policy transferred from the Office of Finance (OF) to the Office of Trade (OT). OF will continue to maintain the operation and administration of bond policy. OT has assumed responsibility for providing direction and guidance on bond policy.

Questions or concerns related to the following topics should continue to be emailed to OF via [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov):

- Bond insufficiency notices
- Delinquency
- Voided/Reactivate Importer of Record
- eBond submission/processing

Questions or concerns related to the following topics should be emailed to OT via [otbond@cbp.dhs.gov](mailto:otbond@cbp.dhs.gov):

- Customs Operational Advisory Committee (COAC) Bond Working Group
- Code of Federal Regulations (19 CFR 113 – CBP Bonds)
- Federal Register Notices regarding bonding
- Bond directives/guidance (e.g., Customs Directive 3510-004 Monetary Guidelines for Setting Bond Amounts)
- ACE Entry Summary Business Rules and Process Document (Bond chapters or bond references)

### **3.14 Additional References**

- [Bond Policy page on CBP.gov](#)
- Bond or other security waived:
  - [19 CFR § 10.31\(f\)](#) - temporary importation under bond;
  - [19 CFR § 10.101\(d\)](#) - immediate delivery;
  - [19 CFR § 142.4\(c\)](#) - by Port Director for certain informal entries.

## Chapter 4

### Blanket Declarations

Authorized ACE users have the ability to create certain blanket declaration records in the ACE Secure Data Portal at an importer account level:

- CBP users and authorized trade participants may view and cancel declaration records in ACE
- Brokers with an ACE Portal account may create declaration records for their non-portal accounts; however, brokers whose clients have an importer portal account may not create declaration records on behalf of those clients. In these cases, the importer must grant access to the broker as a “user.”
- The following declaration records are currently permitted:
  - Affidavit of Manufacture: AM
  - Importer Certifying Statement: ICS
  - United States-Mexico-Canada Agreement
  - Certificate of Origin: USMCA CO
  - Non-Reimbursement Blanket Statements

The user may also attach documents to the declaration record, which ACE will date/time stamp and record as part of the electronic declaration file.

Trade users remain responsible for the recordkeeping requirements under 19 CFR §163. Currently, there are no ACE reports available for blanket declaration records.

#### 4.1 Create Blanket Affidavit of Manufacture Record

This document is provided by the producer of the raw materials used in a finished article for which a duty preference claim is made. It is not intended for use with 9802 claims. For CBP verification guidelines see [TBT-07-019](#). The affidavit can be from either a U.S. party or a foreign party that is a party to the agreement. For USMCA claims, affidavits can be accepted from raw material producers in Canada, Mexico, or the United States. Affidavits are not accepted from converters or agents.

The following fields are mandatory to create an Affidavit of Manufacture declaration in the ACE portal:

1. Date Valid From
2. HTS #
3. MID #; MID Name will be auto populated (*Cannot select MID ALL*)
4. Filer code and importer of record number (*if the broker is creating the blanket affidavit of manufacturer record on behalf of an importer without an ACE Portal account*)

#### 4.2 Create Blanket Importer Certifying Statement Record

This is a statement by an importer to declare that they qualify for a Free Trade Agreement or tariff preference program. This is not a requirement of entry but can be posted to the ACE portal to cover multiple shipments of identical goods over a period of time, not to exceed 12 months.

The following fields are mandatory to create an Importer Certifying Statement in the ACE portal:

1. Date Valid From
2. HTS #
3. MID #; MID Name will be auto populated (*Cannot select MID ALL*)
4. Filer code and importer of record number (*if the broker is creating the blanket importer certifying statement record on behalf of an importer without an ACE Portal account*).

#### 4.3 Create Blanket USMCA Certification of Origin Record

In order to make a USMCA preference claim, the [USMCA Certificate of Origin](#) (CBP Form 434) or a substantially similar alternate document must be in the importer's possession at the time of the preference claim. The blanket USMCA Certificate of Origin must be signed by the exporter or his agent and may be based upon the producer's USMCA Certificate of Origin or affidavit. See also the [CD 3550-085 Claims under the North American Free Trade Agreement Tariff Preference Levels Program](#).

The following fields are mandatory to create a USMCA Certificate of Origin in the ACE Portal:

1. Date Valid From
2. Date Valid To
3. HTS #
4. Filer code and importer of record number (*if the broker is creating the blanket USMCA Certificate of Origin record on behalf of an importer without an ACE Portal account*)

This blanket declaration record requires the actual USMCA Certificate of Origin to be uploaded to complete the declaration posting.

The importer may cancel and replace a blanket USMCA Certification of Origin declaration in order to make the following amendments:

- Description change
- Classification change
- Criterion change
- Name change of exporter, producer, or importer

- Address, email, telephone change for exporter, importer, or signer
- Net cost indicator from “No” to “NC”

Upon discovery that the goods in block 5 do not originate, the importer may cancel the blanket USMCA Certificate of Origin declaration record. When cancelling a blanket certificate, the importer must file a prior disclosure to pay the duties and fees due on the subject goods.

A CBP user may cancel a blanket USMCA certificate of origin declaration record if the good(s) in block 5 do not originate or if the uploaded certificate is invalid.

All cancelled blanket USMCA Certificate of Origin records remain visible in ACE to CBP users.

#### **4.4 Create Blanket Non-Reimbursement Statement Record in the ACE Portal**

Pursuant to 19 CFR § 351.402(b), the importer must file, prior to liquidation of the entry, a certificate stating that the importer has not been reimbursed by the manufacturer, producer, seller, or exporter for antidumping (AD). The importer has the option of filing a blanket non-reimbursement statement (NRBS) record through the ACE Portal to cover both ACS and ACE entry summaries.

[Guidance: AD/CVD Reimbursement Statement](#)

[Guidance: Blanket Reimbursement Certificates](#)

Once trade user selects the NRBS record type, the following fields are mandatory to complete creation of the declaration record in the ACE portal:

1. Case #
2. Date Valid From
3. Date Valid To
4. MID # or MID ALL; MID Name will be auto populated
5. AD/CVD Statement Check Box
6. If the broker is creating the NRBS record on behalf of an importer without an ACE Portal account, the broker’s filer code and the importer’s importer of record number are required

The case number as input is validated against the ACE case file and can be seven or ten digits. Up to 50 case numbers can be included in an NRBS record. The NRBS record can contain multiple seven-digit cases, multiple ten-digit cases, or multiple seven- and ten-digit cases. However, seven and ten digits cannot be of the same seven-digit case.

Up to 50 Manufacturer Identification (MID) numbers can be included in the NRBS record. MID numbers will be validated against the MID file and the MID name will be auto- populated in the NRBS record. Anytime a seven-digit case is used, including use of a combination of seven- and ten-digit case numbers, MID # ALL must be selected.

The trade is not required to scan and attach a signed copy of a blanket AD/CVD Non-Reimbursement Certificate; however, CBP reserves the right to request a copy.

Once the trade submits a NRBS record in ACE, it is considered to be submitted according to CBP regulations and filed at every port of entry; ACE NRBS records apply to both ACE and ACS entries.

The time period for a NRBS record or certificate is 12 months, or the administrative review period, whichever is longer.

If the importer has been reimbursed for AD/CVD duties by the manufacturer, producer seller, or exporter, the importer is required to cancel the NRBS record in the ACE portal and notify the AD/CVD Branch Chief (at [Declarations mailbox](#)).

If reimbursement has not occurred, the trade should check the “MID# All” box rather than enter MID numbers to protect against inadvertent/clerical errors. If reimbursement has occurred, then the trade should enter only ten-digit case numbers making sure not to include those case numbers where reimbursement has occurred; the trade should also enter specific MID numbers.

An importer can also comply with 19 CFR 351.402(b) by declaring a NRBS on an ACE type 03 AD/CVD entry summary line. However, CBP reserves the right to request a signed paper copy of an AD/CVD Non-Reimbursement Certificate.

#### **4.5 Recordkeeping Determination Details**

An importer can also comply with 19 CFR 351.402(b) by declaring a NRBS on an ACE type 03 AD/CVD entry summary line. However, CBP reserves the right to request a signed paper copy of an AD/CVD Non-Reimbursement Certificate.

The filer has two options to declare the NRBS on the ACE entry summary line:

**Option 1:** a one-time single transaction declaration, by inputting a “Y” on the transmission record to declare “I hereby certify that I have not entered into any agreement or understanding for the payment or for the refunding to me, by the manufacturer, producer, seller, or exporter, of all or any part of the antidumping or countervailing duties assessed upon merchandise entered under this AD/CVD line of this entry summary. I further certify that U.S. Customs and Border Protection will be notified if there is any reimbursement of antidumping or countervailing duties by the manufacturer, producer, seller, or exporter to the importing company at any time in the future for this AD/CVD line.”

**Option 2:** declare the ACE NRBS record number (*the number from the importer’s ACE portal NRBS record*).

If the importer has been reimbursed for AD/CV duties by the manufacturer, producer/seller, or exporter, and declared the AD/CVD NRBS using option 1 at the entry summary line level, the importer is required to notify the port where the entry summary was filed. See Section 8.4 for instructions when the blanket NRBS record number was used.

#### **4.6 Closing the Validation Activity Details**

A search may be performed by authorized CBP and trade users for declarations created in the ACE portal based on all applicable fields.

## **Chapter 5**

### **Temporary Importation under Bond (TIB)**

#### **5.1 Overview**

A Temporary Importation under Bond (TIB) is a temporary importation of goods under bond, not imported for sale or sale on approval, without payment of duty and with the intent to export or destroy the goods within a certain period of time not to exceed three years from the date of importation. The only goods that qualify for TIB entry are those listed in the fourteen subheadings 9813.00.05 through 9813.00.75 of the Harmonized Tariff Schedule of the United States (HTSUS). Regulations concerning TIB entry procedures, eligibility for TIB entry and bond cancellation through exportation or destruction are provided in 19 CFR 10.31 through 10.40.

The following capabilities are available in ACE for the processing of TIB entries (entry type 23):

- TIB Expiration Notice
- TIB Extensions
- TIB Closures

#### **5.2 TIB Processing**

It is the responsibility of the filer to ensure TIB supporting documents are submitted via the Document Image System (DIS) or the ACE Portal at the time of filing the electronic entry summary data. Supporting documents may include, but are not limited to, the commercial invoice with the TIB HTSUS subheading and alternate classification under which the entry is claimed, a statement of use, and a declaration that articles are not put to any other use and not imported for sale or sale on approval. If upon review of the TIB entry Center personnel determines no documents were submitted via DIS or the ACE Portal, Center personnel will request supporting documents. Please note supporting documents are due within two (2) business days. Failure to provide the supporting documents within the time specified will result in closure of the TIB entry without compliance and liquidated damages will be issued for failure to comply with the Customs Bond conditions provided in 19 CFR 113.62.

**Note:** Trade users will receive the “Docs Required” message through an SO60 message in their system.

Upon receipt of TIB supporting documents, Center personnel will review the entry to determine TIB eligibility. If the entry qualifies as a TIB, the entry will be released, and no further action is due until the one (1) year expiration of the TIB entry. If the merchandise does not qualify for a TIB entry and the cargo has been released, CBP will consider the bond breached. Center personnel will promptly close the TIB entry in ACE as non-compliant and issue liquidated damages.

#### **5.3 TIB Post Correction Summary (PSC) Requirements**

Changes to data elements can be performed via a PSC. However, a PSC cannot change a TIB entry to another entry type, nor can a PSC change a non-TIB entry to a TIB entry. Trade users may refer to [CSMS#17-000338 – PSC Requirements for TIB \(Entry Type 23\)](#), dated June 9, 2017, and Federal Register Notice [82 FR 50656](#), dated November 1, 2017 for additional information.



## 5.4 TIB Extensions

TIB extensions requested by the Trade will automatically be accepted in ACE, but CBP can deny an extension if necessary. Per 19 CFR 10.37, extensions may be granted by CBP upon written or electronic submission of a CBP Form 3173 (Application for Extension of Bond for Temporary Importation). TIBs may be extended for not more than two further periods of 1 year each. As a matter of law, no extension is possible after the three-year period has expired.

**Note:** ACE Report ES-008, TIB Expiration Notice, is available and recommended to use as a tool to review TIB extensions.

## 5.5 TIB Export Examination Procedures

All entries are deemed “Export Examination Not Required” at the time of release unless designated otherwise. Designation of export examination is not a condition of entry and shipments should not be held while the determination is made.

Electronic entries will be designated for examination using the text message “Export Examination Required” via the public remarks’ functionality in ACE Cargo Release. This will be sent to the filer post release. If the goods are exported prior to CBP notification of exam requirements, CBP should be notified and provided proof with the request to close the TIB.

If exam notification is received, per 19 CFR §10.38, a completed CBP Form 3495 (Application for Exportation of Articles Under Special Bond) must accompany the goods to the designated examination location at the time of export. The importer or their agent must contact the CBP Center to arrange a location for the exam. The importer or agent must then contact the local CBP port to make them aware of the arrangements prior to the examination and schedule a date and time.

## 5.6 TIB Closure Procedures

When all items entered under a TIB have been exported, proof of export must be uploaded to DIS or, if submitted by paper, provided to a port or Center. If more than one item is entered under a TIB and there are partial exportations or destructions of the items, the bond will not be canceled until all items entered under the bond have been exported or destroyed. A single submission of export documents must be provided at the close of the TIB period or at the time of the final exportation. The single submission will account for all exports associated with the TIB.

If TIB closure documents are submitted in DIS, the trade user should take an additional step in the ACE Entry Summary Module by selecting “Closure”. This will automatically notify the correct CBP Center team or port’s inbox (depending on the IOR assignment) that there is a TIB closure awaiting review/processing. Once this step has been taken, the trade user will receive a notification of acceptance and will not be required to send an email notifying the Center and port of the closure. Failure to follow the additional step in the ACE Entry Summary Module after uploading the closure documents in DIS will put the importer at risk of receiving liquidated damages pursuant to 19 CFR 10.39.

**Note:** ACE Report ES-704, TIB Closure, is available and recommended to use as a tool to review TIB closures.

To locate a Center team, please see the [Centers of Excellence and Expertise Directory](#).

### **5.7 TIB Anticipatory Breach**

Prior to the bond period expiring, the importer/filer must submit written notification on company letterhead to CBP of the anticipatory breach along with the entry summary package and a check in the full bond amount. Upon submission of the anticipatory breach payment, the importer waives their right to receive a notice of claim for liquidated damages and will not have the right to petition for a mitigated amount. The calculation of liquidated damages for an anticipatory breach includes all duties plus the MPF Fees. The amount is two times or 110 percent of what would have been applicable to the entry had an entry for consumption been filed, except for non-conforming vehicles, which is three times the value of the vehicles. Under 19 CFR 10.39(g), the importer has the responsibility of notifying the surety of the breach of bond.

### **5.8 TIB References**

Harmonized Tariff Schedule, Section XXII, Chapter 98 Special classification provisions:

[Harmonized Tariff Schedule PDFs \(usitc.gov\)](https://www.usitc.gov/publications/hs_schedules/hs_schedules.cfm)

19 CFR10.31: Entry; Bond

19 CFR10.37: Extension of time for exportation

19 CFR10.38: Exportation

19 CFR10.39: Cancellation of bond charges

19 CFR10.39(f): Anticipatory Breach.

## Chapter 6

### Post Summary Correction (PSC)

#### 6.1 Post Summary Correction (PSC) Overview

Post Summary Corrections (PSC) operate under 19 CFR 101.9(b), ACE Prototypes. A PSC allows importers to amend entry summaries (***not informal entries***) prior to liquidation. A participant amending entries under the test procedures will be subject to the usual penalties, liquidated damages, and other administrative sanctions for any Customs law violations.

A PSC allows filers to electronically correct entry summary data submitted to CBP. An authorized filer may submit a PSC for an ACE entry summary originally submitted by another filer if authorized by the same importer of record or if the filer of the PSC is a self-filing importer and they are the importer of record on the entry summary.

If the PSC is filed by someone other than the original entry summary filer, ownership of the entry summary moves to the PSC filer. The original entry summary filer will receive a notification message when a PSC has been filed but will not have visibility to the new filing. Only the PSC filer will be able to view the specific version of the entry summary that is corrected.

Each individual filer is responsible for the accuracy and content in their separate submissions. Each filer has record keeping obligations for the records on which their filing is based; therefore, entry filers and PSC filers are not responsible for any submission not made by them.

A filer is legally obligated to correct an entry per 19 U.S.C. §§ 1484 and 1485.

PSC's typically address data elements that could have been determined at the time of entry, so filers that excessively use PSC's may be penalized for failing to exercise reasonable care.

If the entry summary is liquidated, a prior disclosure or protest may be filed.

#### 6.2 PSC Transmission

A PSC transaction contains all the data elements in the original entry summary and constitutes a complete replacement of that entry summary, as well as a replacement of any prior PSC that may have been made to the original entry summary.

If the filer receives a system reject message upon transmission, the PSC failed ACE validations. The filer should reach out to their Client Representative to assist them on PSC error messages.

*In order for a filer to submit a PSC, the original entry summary or previously filed PSC must meet the following criteria*

- Entry summary must be in accepted status
- Entry summary cannot be under a CBP review
- Entry summary must be in CBP control
- Entry summary must be fully paid
- Entry summary cannot be liquidated

There are no limitations to the number of PSC's that can be submitted for any one entry as long as the PSC is transmitted within the allowed timeframe. However, if a PSC is subject to review, additional PSC's will not be allowed.

If a liquidation extension is desired for the entry summary, the request for liquidation extension must be submitted and approved prior to filing a PSC. If an extension is granted, then the PSC does not have to be submitted within 300 days from the date of entry, but the PSC must be filed 15 days before the scheduled liquidated date.

### **6.3 Reviewing PSCs**

A PSC is permitted to be used for the submission of invoice(s) omitted at the time of the original entry summary filing.

An entry summary that has been flagged for Reconciliation may only be corrected by a PSC that does not affect the issue flagged for Reconciliation.

All PSCs for a Reconciliation flagged entry summary must be filed (transmitted ABI) before the Reconciliation flag issue is reconciled through a Reconciliation entry summary type 09 otherwise it will reject with error code:

*“B52 - PSC Not Allowed - Summary Reconciled – “*

### **6.4 PSC Data Changes**

Both revenue related and non-revenue related changes should be reported through the PSC test program. Revenue related are those that affect the amount of duties, taxes, and or fees applicable to an entry of merchandise, regardless of the de Minimis rule. All allowable changes via PSC can be found in the Federal Register Notices listed at the end of this section.

*Non-revenue changes are those that pertain to information that must be provided in the entry summary, such as, but not limited to:*

- Country of origin
- Quantity of the merchandise
- Description of that merchandise
- Quota visa number
- Value of the merchandise
- Tariff number under the Harmonized Tariff Schedule of the United States (HTSUS)
- Census Bureau data that must be reported
- Other charges and information regarding the merchandise (19 C.F.R. 141.61)

### **6.5 In-Eligible Changes**

***Data elements that cannot be changed for any entry type:***

- Importer of Record (The importer or broker must submit a CBP Form 3347 and CBP will make the appropriate changes in ACE. Once completed, the filer may transmit a PSC to correct any necessary entry summary data.)
- Consolidated summary indicator
- Port of Entry
- Cargo release certification request indicator (including DOT grouping, FDA grouping and PGA Grouping)

- Live entry indicator
- USMCA Indicator 19 U.S.C § 1520(d) indicator for specific special programs (see Special Program/Trade Agreement Indicator section)
- Reconciliation issue code
- Preliminary statement print date
- Periodic Monthly Statement (PMS)
- Statement client branch identifier
- Location of goods code
- Date of Entry

The filer may **not** submit a PSC to amend an entry summary for Trade Preference Programs covered under 19 USC 1520(d).

Agricultural fees cannot be reduced or removed in ACE through the transmission of a PSC. CBP does not issue refunds for agricultural fees. It is the filer's responsibility to contact USDA's Agricultural Marketing Service (AMS) for a refund. However, in order for the importer to receive the refund they must submit the original entry summary showing the original weight/quantity and the corrected entry summary showing the corrected weight/quantity in order to receive the refund. Therefore, changing the net quantity through a PSC filing would be necessary in order for the importer to receive their refund from AMS.

## 6.6 Eligible Entry Types

The only permissible changes to entry types that can be made via a PSC are a change from entry type 01 to 03, and a change from entry type 03 to 01.

When a PSC results in a type 01 entry being changed/corrected to indicate it is a type 03 entry, or if a PSC for a change/correction to a type 03 entry results in additional AD/CVD duties due, the importer of record must deposit the associated AD/CVD duties (or bond, if allowed) at the same time the PSC is filed. The failure to make the deposit (or bond, if allowed) may result in a claim for liquidated damages.

The de Minimis rule does not apply to AD/CVD duties.

*PSC **data element** changes may be filed on the following entry types:*

- 01 – Consumption
- 02 – Consumption (Quota/Visa)
- 03 – Antidumping/Countervailing Duties (AD/CVD)
- 06 – Consumption (FTZ)
- 07 – Consumption (AD/CVD & Quota Visa Combination)
- 21 – Warehouse
- 22 – Re-Warehouse
- 23 – Temporary Importation Bond (TIB)
- 31 – Warehouse Withdrawal – Consumption
- 32 – Warehouse Withdrawal – Quota
- 34 – Warehouse Withdrawal – AD/CVD
- 38 – Warehouse Withdrawal – AD/CVD & Quota/Visa combo
- 51 – Defense Contract Administration Service Region (DCSAR)
- 52 – Government – Dutiable

If the PSC has quota lines, please refer to the “Quota” section in the Business Rules and Process Document for additional information.

### **6.7 Request for Accelerated Liquidation**

Filers can request an Accelerated Liquidation Request via an ABI indicator requesting the PSC to be reviewed and processed in the weekly liquidation cycle.

If a filer submits an Accelerated Liquidation request for a PSC, CBP shall process those PSCs requesting accelerated liquidation first, prior to reviewing other PSCs. CBP will strive to process within 60 calendar days from the date it was received.

### **6.8 PSC Revert**

As of June 20, 2020, new ACE PSC Revert functionality will be deployed that provides notification to a PSC filer when a CBP User disagrees with the PSC submission and reverts the PSC submission to the prior entry summary version. Prior to this functionality, a PSC filer was not automatically notified that their PSC was reverted and subsequently, put into the weekly liquidation cycle. Filers will now receive Entry Summary status notification through UC messaging that will provide CBP’s reason for the reversion. There are multiple reasons why a CBP user may disagree with the PSC and subsequently revert. For a full list, please see the ACE Entry Summary Status Notification CATAIR.

When CBP reverts a PSC, the entry summary is reverted to the last accepted entry summary version, which may not be the original entry summary. Reverting the PSC will update with a minor change on behalf of CBP (i.e., 2.00 to 2.01). In some situations, CBP may make additional edits to the reverted PSC.

Once reverted, there is no longer an opportunity to submit another PSC. The entry summary is placed into the weekly liquidation cycle. The only method that may be used to seek amendment to the entry summary thereafter will be to file a protest.

### **6.9 Rejection**

PSCs that are incomplete or not in compliance with the requirements described in the test pilot can be rejected back to the filer. The filer has (2) business days to re-transmit or CBP will set the previously accepted entry for immediate liquidation unless the liquidation of that entry has been suspended pursuant to statute or court order.

CBP will not reject a PSC declaring an increase in liability for AD/CVD duties and associated fees and taxes when the additional monies are not deposited at the time of submitting the PSC.

PSCs will not be rejected due to a missing document (example, a Mill Certificate).

### **6.10 Collections**

To expedite the collection process, CBP recommends that payments for Post Summary Corrections be filed at the Port of Entry designated on the entry summary. Payments made at another Port of Entry may slow down the collection process.

Filers that fail to timely deposit duties or fees, including any applicable AD/CVD cash deposits (or bond, if allowed), may be subject to civil and criminal penalties, administrative sanctions, liquidated damages, and/or suspension from this test program.

When a PSC is filed declaring an increase in liability for AD/CVD duties and other associated fees and taxes, the importer must mail or deliver a check to the CBP port of entry with those additional AD/CVD duties and associated fees and taxes within three (3) business days of submitting the PSC.

### **6.11 Status Updates**

Requests regarding the status of a PSC should be directed to the Center of Excellence and Expertise (Center) team that the importer is assigned to. If a broker or importer would like to check the status of a PSC that was transmitted with an accelerated liquidation request, please allow 90 days from the date of submission before reaching out to the Center. Exceptions to the 90-day timeframe may be made for special circumstances on a case-by-case basis. PSC status checks should be limited to those on which accelerated requests have been filed.

### **6.12 References**

19 U.S.C. § 101.9(b)

19 U.S.C. § 1504(a)

#### *Federal Register Notices:*

65 FR 70872 dated November 28, 2000

76 FR 37136 dated June 24, 2011

78 FR 69434 dated November 19, 2013

81 FR 89482 dated December 12, 2016

82 FR 2385 dated January 9, 2017

82 FR 29910 dated June 30, 2017

82 FR 50656 dated November 1, 2017

84 FR 40430 dated August 14, 2019

CBP.gov Trade Programs: [Trade Programs Administration Entry Summary](#)

ACE CATAIR Entry Summary Query: [ACE CATAIR Entry Summary](#)

ACE Support: [Trade ACE Support](#)

Centers of Excellence and Expertise: [Centers Information](#)

## Chapter 7

### Quota

See Section 7.17 for a glossary of terms and acronyms.

#### 7.1 Entry Summary Submitted Date

The Entry Summary Submitted Date is the date that the entry summary was submitted and accepted into ACE.

Entry Summary subsystem determines this date based on when the batch is first received. The following entry types will be sent to the quota subsystem.

**Entry type 02** Consumption entry – Quota/Visa  
**Entry type 06** Consumption entry – Foreign Trade Zone (if quota)  
**Entry type 07** Consumption entry Quota/Visa and AD/CVD  
**Entry type 12** Informal Entry – Quota other than textiles  
**Entry type 23** TIB – Quota  
**Entry type 32** Warehouse withdrawal – Quota /Visa  
**Entry type 38** Warehouse withdrawal – Quota/Visa and AD/CVD  
**Entry type 51** (*if quota*) Government Entry- Defense Contract (*DCMAO NY*)  
**Entry type 52** (*if quota*) Government Entry- Any U.S Federal Government Agency  
**Entry Type 53** (*if quota*) Government Entry

An ACE submission is certified from summary. Generally, quota eligibility is based on first come, first serve\*. To establish quota priority the trade is advised to certify from the Entry Summary for all quota, and particularly when quota is close to threshold.

*\*Opening Moment quota entries made between 12:00 AM local port time and 12:00 noon ET will all receive a presentation time of 12:00 noon. The **only** two commodities affected by this are sugar and tuna (See Section 7.8)*

CBP will process the Entry Summary for quota and Partner Government Agency (PGA) release requirements. Any reject on the Entry or Entry Summary should be refiled independently.

The date and time stamp are automated by ACE and no longer requires manual input by CBP.

The Entry Summary date and time of presentation is automated by ACE based on Eastern Time (ET).

For ACE entry summary transaction processing, ACE will check if the entry number already exists in the Quota Staging Table. If it does, the old entry version will be replaced with the most recent one. The entry number will stay the same.

After validations are complete, any old lines associated with that entry number will be deleted from the Quota Staging Table. This will be done for all entry numbers regardless of the entry type or whether the new Entry Summary contains accepted or rejected quota lines.

#### 7.2 Payment Date

The date that the Entry Summary single payment (cash/check) is received, **or** scheduled statement (ACH) is received through the Automated Broker Interface.



### 7.3 Arrival Date

The date the cargo arrived from the Manifest subsystem and is entered into ACE - transmitted by the ship's captain, airline pilot or receiving officer at a land port.

**Note:** Warehouse Withdrawal Entry Summaries (Entry Type 31, 32, 34 and 38) will not have an arrival date. ACE assumes the goods have arrived prior to the submittal of the Entry Summary since they are in a warehouse. Warehouse withdrawals are summary only, not Cargo Entry, and are not certified from Summary.

Ocean and Rail arrival dates are derived from the manifest. Air cargo is transmitted by the airline or manually input by the Customs and Border Protection Officer (CBPO).

Truck dates are entered into the SAP database automatically for electronic manifests or manually by the CBPO for paper manifests.

The time is recorded in ET, and it will be consistent across all ports for opening moment entries (tuna and sugar). It is converted by ACE at the confirmation and will show 12:00 PM (ET) for these commodities. (See Section 7.8 for specifics on Opening Moment quotas)

### 7.4 Export Date

This is the date goods departed from country of export.

### 7.5 Estimated Arrival Date

The estimated date of cargo arrival. This date is not used for quota reporting. It is used for initial validations if actual arrival dates are not available.

### 7.6 Time and Date of Presentation for Quota Eligibility

PROPER FORM:

ACE determines a presentation date, and a quota request converts to "Ready" status when an entry is provided in proper form. Proper form requires 3 elements:

- Actual arrival date as transmitted into ACE by the logistics provider
- Error-free Entry Summary submission date
- Valid payment or scheduled statement received date in ACE

The last of the three dates and times above determines the PRESENTATION date and determines the quota priority. Entries are processed through the ACE Quota module only after a presentation date and time are assigned. The presentation date and time determine quota priority at batching based on "first come, first served" order.

All quota request records are sorted by PRESENTATION date accurate to the minute.

Quota Entry Summary may reflect "Pending" status, if any of the 3 components of proper form are not met.

**Quota administrative business hours are 8:30am – 4:30pm ET Monday through Friday except for federal holidays.**

If the presentation is after closing (4:30pm local port time) and before opening (8:30am local port time) the Presentation Date and Time becomes 8:30am the next business day.

For entry summaries that use a warehouse withdrawal entry type, the presentation date will be derived using the following criteria: the date the Entry Summary was transmitted, or the payment date (See Section 7.2). The last of these will be used as the presentation date.

Paper Documents: Non-ABI submissions (paper documents) are accepted, but will be subject to manual processing by CBP, and may result in delays in quota processing.

ABI Submissions: CBP does not require paper entries for filing of quota in ACE when the Automated Broker Interface (ABI) transmission is used. Trade filers will receive response messages from ACE when the entry is accepted, and quota is processed. Supporting documents, licenses, permits, or certificates may be transmitted via the Document Image System (DIS).

When quota processing is complete quota Filers receive “UC” type messages through ABI advising quota status.

“Quota Processed/Accepted” message advises that the quota has been allocated. The “Quota Processed/Accepted” Message may not occur at time of Entry Summary filing if quota is in a QUOTA PROCESS PENDING status.

Quota Line Status ABI Messages: After Quota Processing:

<u>Code</u>	<u>Description</u>
<b>Q01</b>	<b>Quota Processed/Accepted</b>
<b>Q02</b>	<b>Quota Apportioned (See Sec 7.7.1)</b>
<b>Q03</b>	<b>Quota Filled</b>
<b>Q04</b>	<b>Quota Filled or Expired</b>
<b>Q05</b>	<b>Banned Import</b>
<b>Q25</b>	<b>Licenses Filled</b>
<b>Q26</b>	<b>License Expired</b>
<b>Q27</b>	<b>Licenses Processed/Accepted</b>

## **7.7 Quota Batch Processing**

If an Entry Summary containing any quota lines is resubmitted, a new quota request record is created and the prior quota record is cancelled. A new date and time of presentation is established, and the previous quota priority and quota are lost. If a filer needs to retain date and time of presentation due to a PSC, HQ Quota **must** be engaged to create a quota reservation. See Section 7.14 Post Summary Corrections for conditions and processes pertaining to quota, and Chapter 6.0 for further PSC guidance.

**Quota Allocation:** The Quota Allocation is a proration based on a comparison of the total quantity presented in relation to the quantity available. Proration is necessary primarily when the quantities of all entry summaries or withdrawals for consumption presented exceed the limit for a quota that oversubscribes at opening (tuna or sugar) or first batching (section 232). The calculation of this percentage ensures that each importer receives an equal share of the quota relative to what they properly presented. An importer may not request more than the total allocation by presenting a quantity in excess of the quota limit (prohibited per [19 CFR 132.4]).

CBP may manually allocate quotas under specific circumstances such as protests, post summary corrections (PSC), systems issues, and special cases that may occur.

If a status response message with quota decision instructions (e.g., Quota Reject) is transmitted via ABI “UC” type Message to the Filer and the Filer never resubmits their response, the Filer may be responsible for liquidated damages.

Apportioned quota occurs when a filer requests an amount in excess of the total quota remaining. The filer will be granted the available quota amount remaining or when two or more filers request the full quota remaining at the same time it will be split in equal quantity among all filers.

ACE quota entries will be filed as entry type 02 or other quota entry type with quota Harmonized Tariff Schedule (HTS) number until the quota is filled. After quota has filled, closed, or is otherwise unavailable, Entry Summaries should be filed in ACE using entry type 01 or other non-quota entry type, with the high rate of duty. When an ACE Quota Entry Summary is not successfully accepted in the systems, the filer may receive a “Quota not Processed” message.

### **7.8 Oversubscribed Quota/Opening Moment Quotas**

**Oversubscribed Quota:** A quota oversubscribes when the demand is greater than the quota limit. Therefore, if the total quantity presented at opening by all importers is greater than the amount of quota available. When HQ Quota expects the quota to oversubscribe (based on the previous years’ history) instructions will be issued to all CBP Port/Center personnel, and the Trade (brokers, importers and interested parties) via a Quota Bulletin outlining opening moment procedures. [19 CFR 132.12]. Quota Bulletins (QB) are posted at [Trade Quota](#).

**Opening Moment Quotas:** Special rules will apply to quotas (tuna and sugar) that are expected to fill at opening. In these instances, quota entries with presentation dates between 12:01 am local port time and 12:00 noon (ET) on the quota opening date will receive a presentation time of 12:00 noon (ET) to ensure all filers are treated the same in terms of quota priority. Quota processing for opening moment can be delayed so that CBP Headquarters personnel can review lines subject to opening moment prior to issuing prorated quantities via ACE. Once the quota is ready for processing, ACE will reject the Entry Summaries, and the filers will be notified of the prorated amount they receive via ABI “UC” message. Filers may then resubmit the rejected Entry Summary for quota allocation up to the amount of the proration or take other action as appropriate (leave in warehouse, allotment transfer, etc.).

Entry summaries for opening moment quotas should be transmitted starting at 12:01 am (local port time) and through 12:00 noon ET of the opening day. These requests will then be prorated if the sum of the requested quantities during this timeframe is greater than the quota limit.

Non-ABI ACE entry summaries and warehouse withdrawals for consumption may be submitted to the CBP port office where the goods will be entered prior to the opening of quota and shall be considered for the opening, subject to port/HQ Quota policy.

Verification processing will occur at 12:30 pm ET on opening day.

For all successfully transmitted entry summaries, ACE will provide a date and time of presentation if the following data elements are present:

- Actual arrival date as transmitted into ACE by the logistics provider
- Error-free Entry Summary submission date
- Valid payment or scheduled statement received date in ACE

The last of the three dates will be used as the presentation date. If one of the dates is **missing**, the quota will be held in a “pending” status until the missing data is submitted.

For electronic Entry Summaries using a warehouse withdrawal entry type, the “presentation date and time” will be derived using the following criteria:

The **latest** date of:

- Date the Entry Summary was transmitted error free.
- Date in which payment is completed or scheduled in ACE
- The latest of these two dates will be used as the presentation date. If one of the dates is missing, the quota line will be held in a “pending” status until the condition is met.

When the ACE submission is successfully transmitted and received by CBP, the entries will be batched and timestamped for 12:00 noon (ET) of opening day.

For entry summaries submitted unsuccessfully (rejected or pending) with existing issues, the Headquarters Quota Branch will have a pre-allocation review timeframe of 72 hours (3 business days) after opening moment for the redress of any concerns prior to allocation. CBP will work collaboratively with any filer to resolve data transmission issues.

**Note:** Once the 72-hour (3 business days) CBP Headquarters review period has elapsed, the filer will receive an ACE message with the prorated quantity.

Quota goods that exceed the prorated amount may (at the importer’s discretion) be exported to another country, imported into the United States at “over quota” high rate of duty (tariff rate quota only), placed in a bonded warehouse, placed in Foreign Trade Zone (FTZ), or destroyed.

ACE entry summaries submitted for opening moment quota using statement processing for payment of duties, fees etc.; should be scheduled for payment ten (10) days from opening day, this allows for the maximum number of days to allow for proration.

Non-ABI entry summaries for opening moment quotas may be presented starting 12:01 am opening day and continue through 12:00 noon ET opening day.

**Note:** All verified, accepted entries will indicate a 12:00 noon (ET) presentation date and time regardless of port location. Any statements not transmitted for the minimum amount of 10 days cannot be added to another statement and must be paid by check to CBP within 1 business day.

The ACE proration is performed on each line of an entry and filers must then re-submit prorated amounts based on the original line number(s). For example, if line 001 is prorated by the system the adjustment must be made to line 001. Additional lines may be added. (See below.)

Re-filing of an Entry Summary should be done with the same line order as originally submitted, in the prorated amounts indicated by the ABI message. Line adjustments without approval for an allotment transfer may result in a loss of some or all of a filer's quota.

Lines may be added to the Entry Summary beyond what was originally submitted, such as in the case where any non-prorated amount will be entered at the high rate of duty. Original line order must be maintained if a proration is being claimed. New lines for high rate may be added after the original lines. Do not change the original line order or mix and match amounts differently than what was prorated unless HQ Quota approves an allotment transfer. (See Section 7.12.).

Warehouse entry types should be adjusted to reflect the prorated amounts that will enter into commerce. Over-quota amounts may be left in the warehouse.

Balance of requested entry goods: The filer should advise CBP what option will be used (barring other release issues, e.g., PGA requirements) for the balance of the goods subject to the "over quota" high rate. This information should be provided to CBP when low-rate proration is submitted.

For electronic submitted entries, the filer may contact HQ Quota to request a Transfer of Allotment. HQ Quota will review the information and may approve the transfer. The transfer of allotment should be processed within 5 working days [19 CFR 132.13 (A)]. These transfer of allotment procedures only apply to quota related entries.

The request should include the original port of submission, entry number(s), original quantity, transfer quantity and receiving port (if different). Transfer quantity may only be allotted to the original importer of record. (See Section 7.12 for more details on transfer of allotment.)

### **7.9 Absolute Quota**

**Absolute Quota:** Absolute Quota limits the number of units of specified merchandise to be entered or withdrawn for consumption during a specified period. Once the quantity permitted under absolute quota is filled for a particular item, no further entries or withdrawals for consumption are permitted.

In order to obtain the quota priority for absolute quota the entry must be in PROPER FORM and establish date and time of presentation:

- Actual arrival date as transmitted into ACE by the logistics provider
- Error free Entry Summary submission date
- Valid payment or scheduled statement received date in ACE

(The latest of the three dates will determine date and time of presentation.)

If absolute quota fills at first batch all entries up to first batch will be prorated. See Section 7.7 for proration processes.

**Note:** Shipments for absolute quota will not receive cargo release until quota is processed and accepted. Entry Summary may show quota pending status and require additional action by the filer.

Current quota fill status may be found in ACE quota or commodity status report posted to [Trade Quota](#). Filers may contact the local port or center for additional quota information.

### 7.10 Cargo Release Holds on Absolute Quota

Absolute quota Entry Summaries will go on manifest hold to determine admissibility.

Absolute quota entries that exceed the defined limit must be addressed by the importer per [19 CFR 132.13] by one of the options listed below:

- Warehouse the goods in a bonded warehouse
- Export the merchandise out of the U.S. to a foreign country
- Request destruction for a portion or all entered merchandise (*At CBP's discretion*)

### 7.11 Writing to the Quota Staging Table

After an Entry Summary has been submitted, the quota requests associated with the Entry have passed quota specific validations, and **Relevant Tariff-Rate, Tariff Preference Level (TPL), and Absolute Quota have been identified based on input data elements**; the Entry is processed, and the appropriate message response (ABI "AX" message) is transmitted to the Entry Summary subsystem.

ACE will record a quota request to the Quota Request Staging table. ACE will also apply quantity conversions if applicable under quota. The following items are recorded to the quota request staging table:

- Entry Number associated with the quota request
- Line Ordinal Number
- Internal Entry Summary Line Number
- Trade Line-Item Identifier
- Presentation Date and Time (if available\*)
- Quota Processing Status Code set to "Pending" \*
- Entry Summary Received Date and Time
- Arrival Date and Time
- Payment Date and Time (or Scheduled Statement received Date and Time)
- Export Date
- Appropriate Requested Quantity

*\*If there is no Presentation date and time the quota request status remains "pending."*

### 7.12 Transfer of Allotment

Filers must contact HQ Quota to request a Transfer of Allotment. HQ Quota may approve this transfer. Only HQ Quota can approve transfer requests.

Transfer allotment information must be provided to CBP within five (5) business days of authorized release of the shipment per [19 CFR 132.13]. For electronic submitted entries the Filer may contact HQ Quota to request a Transfer of allotment. HQ Quota will review the information and may approve the transfer. The transfer allotment should be processed within 5 business days [19 CFR 132.13 (A)].

A filer may retransmit the updated reserved quantities in accordance with the approved requested transfer. HQ Quota will cancel the original request associated with the reserved quantity.

The request should (at minimum) include the original port of submission, Entry number(s), original quantity, transfer quantity and the receiving port, (if different). Transfer quantity may only be allotted to the original importer of record.

For filers who still operate manually, submit requested transfer allotment to the local port or Center. The transfer allotment request should be processed within 5 business days [19 CFR 132.13 (A)].

HQ Quota instructs the manual filer to resubmit the Entry Summary to the local port or Center according to approved transfer allotment. The transfer allotment should be processed within 5 business days [19 CFR 132.13 (A)].

These items pertain to situations where an Entry Summary is rejected through ACE and the filer resubmits the ES.

### 7.13 Changes After Entry Summary is Rejected through Validation Activity

Quota Validations: Quota requests are recorded in the Quota Request Staging table with a new presentation date based on the resubmitted Entry Summary.

When the Center or local port identifies an Entry Summary with quota lines, they will reach out to HQ Quota for quota lines resolution.

HQ Quota will communicate quota line resolutions with the Center or local port, and they will communicate with the filer.

### 7.14 Post Summary Corrections

Post Summary Corrections (PSCs) through ACE will automatically change PRESENTATION dates and DROP quota. Therefore, when considering a PSC where there are any quota lines on the Entry Summary, first evaluate if reserving quota is necessary. If so, reach out to HQ Quota to request reservation. The following directions apply to all quota types:

Quota Periods: Most quota periods are annual, and last 365 days. Absolute quota steel and aluminum are quarterly quotas. European Union, Japan, and United Kingdom section 232 steel quotas are quarterly quotas.

Quota Period	Dates
Q1	January 1 – March 31
Q2	April 1 – June 30
Q3	July 1 – September 30
Q4	October 1 – December 31

EU and UK section 232 aluminum quotas are biannual. Period 1 is January 1 –June 30. Period 2 is July 1 – December 31.

If the PSC is **within** the original quota period (regardless of whether the PSC impacts the lines with quota goods) and ample quota exists in that period, the PSC may be filed by the Trade **without** contacting CBP (HQ Quota).

If the PSC is **within** the original quota period (regardless of whether the PSC impacts the quota lines) **and ample quota does not exist**, the Trade will receive an error message when attempting

a PSC. The new summary is **rejected** (the original summary is maintained). The filer must engage HQ Quota to arrange quota reservations advising entry number and quota details.

Once HQ Quota advises the quota is reserved, the filer's successful retransmission must occur within 5 business days, or the reservation expires, and the PSC will not include quota.

If the PSC is **outside** of the original quota period (regardless of whether the changes impact the quota lines) the summary will be accepted (not rejected), and the original quota presentation date will be lost, and incorrect period quota will be attached. Therefore, the Trade **must** engage HQ Quota to reserve quota prior to filing a PSC to avoid loss of quota and presentation date. PSC transmission must occur within 5 business days of the reservation, or the quota reservation will expire, and the PSC will not include correct period quota.

The Centers review PSC submissions based on a variety of risk factors, paying attention to changes in quota lines when reviewing PSC submissions.

HQ Quota cannot provide quota once the quota period limit is filled. This applies to both current and past period quota.

If the quota is filled, commodities must be entered at the "over quota" high duty rate, placed in a warehouse, FTZ, re-exported, or destroyed.

**Please see the flowchart at the end of this chapter for a visual walk-through of PSC/Quota process.**

For technical questions, contact ABI Client Representative.

### **7.15 Quota Cancellation Request**

In cases other than PSCs, when the Filer needs to cancel entries that have quota lines, they must contact HQ Quota to cancel their quota. This is the only method of maintaining quota usage records.

Only HQ Quota cancels quota lines (at the filer request). The processing status is changed to "cancelled." Only the port or Center may cancel the entry.

### **7.16 Validation**

After receiving the Entry or Entry Summary message, ACE performs preliminary data validations on each message to determine if the request should be accepted for quota processing.

The Entry or Entry Summary is rejected and an ABI "SX" type message (*for Entry*) or ABI "AX" type message (*for Entry Summary*) is transmitted to the filer with a REJECT status if any of the following events occur:

- The entry type is not for quota and there is at least one line listing quota goods
- The quota is full, expired, or closed
- The quota is banned or not yet opened
- The merchandise licenses, visas, or certificates are incorrect.

If the quota is at or above threshold, an ABI "SX" or "AX" message is transmitted to the filer to indicate a WARNING that quota is almost full.



If the Entry passes the validations above, the ABI “SX” or “UC” message is transmitted to the filer and the cargo can be released (*subject to other cargo release conditions.*)

If the Entry Summary passes the validations above, an ABI “AX” or “UC” type message is transmitted to the filer indicating the Entry Summary is accepted with an indication quota is waiting to be processed.

Quota Query will provide the status of allocated quota at the time of query but will not include unprocessed quota or quota pending allocation. Refer to ACE ABI CATAIR Quota Query for processes.

Visa, eCERT and other Licenses, Permits and Certificate Reporting (LPC’s):

LPC/Visa/eCERT/Quota requirements are driven by the particular HTS, country and/or textile category depending on the circumstances. CBP quota policies and directives list determining factors for the need to file with a Visa, eCERT or other LPC and which entry type to use. These programs should be reported electronically in the Entry Summary ABI transmission following the formats in the Entry Summary CATAIR.

#### **Quota Resources:**

- [CBP.Gov Quota Page](#)
- [Quota Bulletins](#)
- [Commodity Status Report](#)
- [CBP.Gov Directives](#)

#### **7.17 ACE Definitions Glossary**

**Agency:** Values are CBP or USDA. If CBP is selected, Search Results will only display CBP Quota master data. If USDA is selected, Search Results will only display USDA master data. Please check the USDA website for USDA Agriculture License information.

**Quota ID:** ID number that identifies the master quota record.

**Quota Type:** The type of quota indicated in the quota master record. Values include Tariff Rate and Trade Preference.

**TRQ:** Tariff Rate Quota

**TPL:** Tariff Preference Level

**Quota Status:** Indicates the status of the quota  
(Values include Open, Filled, Banned and Expired)

**Quota Period:** Period for the master quota record. Formatted as YYYYPP: e.g.: 201501 - first period in 2015, 201502 - second period in 2015, etc.

**Tariff (HTS):** Harmonized Tariff Schedule number which is subject to quota.

**Country of Origin:** The country in which the commodity is manufactured, grown, or produced. It has a quota quantity limit or minimum access quantity.

**Importer of Record:** Identification of the importer of record associated to a quota request. Search will filter through both Quota Staging and Quota Allocation tables.

**Entry Number:** Unique identifying number assigned to the Entry by the Filer.

**Description:** Description of the master quota record.

**Start Date:** Starting effective date of the quota master record.

**End Date:** Ending effective date of the quota master record.

**Search:** Displays quota search results.

**Reset:** Clears search quota fields.

### Notes about multiple HTS# Entry Summary submission:

- If there are two HTS numbers, the first one should be a chapter 98 or 99 (*This is not enforced by ACE system*). The second number is the HTS Classification number.
- If there are 3 HTS numbers (CHINA) the first is 9903.88.03 and the second is 98 or 99. The last number is the HTS Classification number.
- If there are 3 HTS (TIB) the first is 9812.XX.XXX and the second is 98 or 99. The last number is the HTS Classification number.

### 7.18 Search Fields Result Categories

**Filter:** Input text used to filter the fields in this section.

**Quota ID/License Number:** ID number that identifies the master quota record.

**Quota/License Limit (UOM):** Quota limit quantity and its associated Unit of Measure (UOM.) Quota limit is the sum of region minimum access quantity and region maximum quantity.

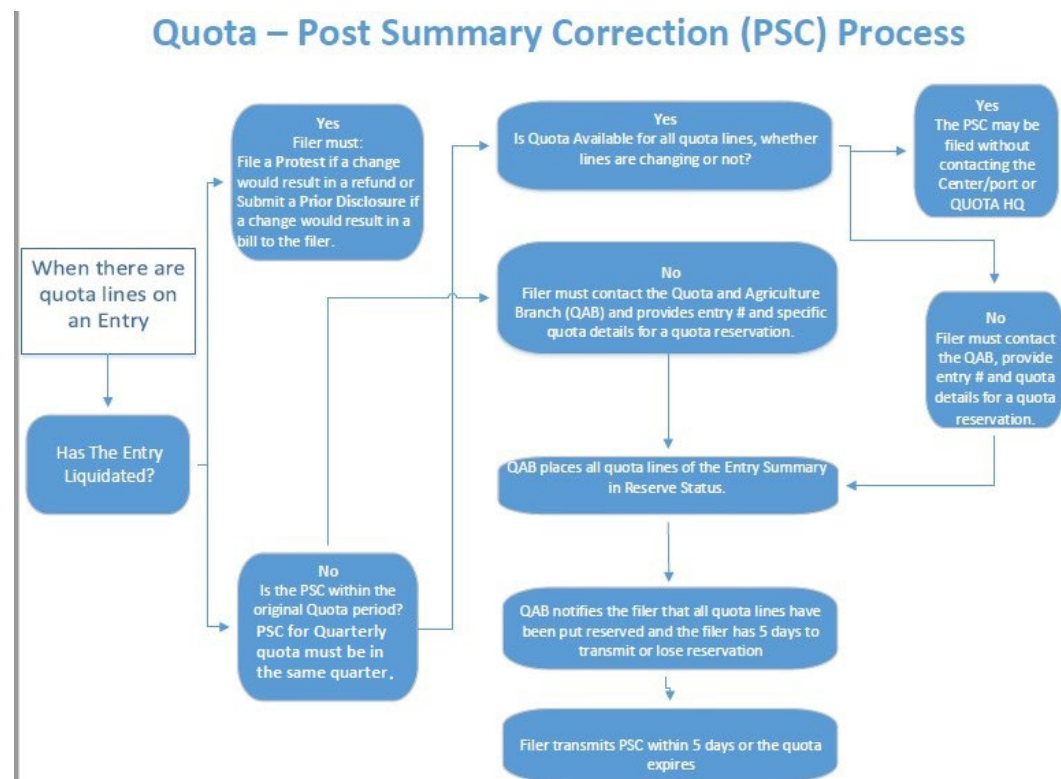
**Quota Allocated:** Quota allocated from the Quota Limit to a Quota request. Quota allocated is the sum of all of the region allocated quantities from the Quota region table.

**Last Transaction Date:** Latest processing date and time from the quota allocation table.

**Filter Menu:** Selectable record values include 5, 10, 25, and all. If the user selects 5, only 5 HTS records should display. If the user selects 10, only 10 HTS records should display, and so on.

**Previous Button:** These buttons will be selectable when there are more than 5 records. This table will display 5 records at a time, so the previous and next buttons will be used to scroll through records.

**Quota Inbox:** The quota inbox alerts indicate entry summaries that need to be checked determine their status. Items include “pending more than 10 days”, “reserved”, “reservation expired”, and “failed”.



## Chapter 8

### Antidumping and Countervailing Duties (AD/CVD)

ACE is the system of record for all AD/CVD case management information, the Department of Commerce, Enforcement and Compliance (DOC/EC) AD/CVD messages, and AD/CVD entries. The Launch Button for the ACE AD/CVD Portal is in the Task Selector under the Reference Tab in the ACE Portal. The Task Selector is a navigational tool that allows users to move quickly from one area to another.

ACE uses the information contained within the AD/CVD case management file to validate AD/CVD entry summaries that are transmitted in ACE; ACE only allows the active AD/CVD case numbers in the case management file to be used on AD/CVD entry summaries.

ACE does not require the filing of paper AD/CVD entry summaries. The responsibility of properly filing the entry summary remains with the importer or his authorized agent.

The trade should contact their client representative regarding any discrepancies discovered in the case management or message files in ACE.

#### 8.1 AD/CVD Case Reference Files

ACE provides an integrated view of all AD/CVD case management data. When a search on an AD/CVD case yields results, standardized ADCVD Case Search results are displayed.

ACE also has a DOC/E&C contact information drop-down display that provides a telephone number so that users may contact the DOC/EC AD/CVD Principal Case Header.

#### 8.2 AD/CVD Principal Case Header

The principal case header contains the following tabs:

- *Company Case*: Lists all the hyperlinked company case numbers associated with a principal case number.
- *Third Country Cases*: Lists hyperlinked third country case numbers that are associated with a principal case number. Selecting a hyperlink will take the user to the header of the third-party case.

The DOC/EC creates ten-digit third country case numbers to allow parties to enter merchandise subject to a DOC order under a principal case number that has undergone transformation in a third country and has a third country CBP country of origin but is still subject to ADCVD under the original principal case number.

- *References*: Contains hyperlinks to any messages that are applicable to the case. This function allows for users to quickly navigate between the various modules when researching a particular case.

The principal case header information displays both the CBP case number and the DOC case number. The CBP and DOC case numbers are usually the same but will occasionally differ due to a variety of technical reasons (for example, DOC uses one case number for hand tools from China, but CBP uses four case numbers due to the ITC final determination in the case). The case header information also includes hyperlinked companion company case number allowing users to immediately determine whether the subject merchandise is subject to both antidumping and countervailing duties.

The country field displays the country name applicable to the case.

The case status may be active or inactive. When the status is listed as active, the case is currently under investigation or subject to an order. Case status is explained in further detail in Section 8.5.

The Suspend ES Liquidation & B/C data field displays a “Yes” or “No” indicator notifying the user whether entries are currently suspended for a case. When this indicator shows “Yes”, ACE will suspend entries as they are filed if all the conditions are found. When this indicator shows “No”, ACE will not allow AD/CVD entries under this case number and not suspend entries as they are filed.

The following information is found under the Case Details tab of the principal case number: The short case name of the products covered by the order, e.g., antifriction bearings, pasta, lined paper products, or wooden bedroom furniture. Under the short case name, there is the official case name. The official case name data field in ACE will be input by DOC/EC from the case name used in the Federal Register Notice. Trade portal users must be mindful that the case name is not the scope. To determine whether a product is within the scope of an AD/CVD order, Trade portal users must follow the instructions issued by DOC/EC that contain this information, e.g., preliminary determination, order, scope rulings, etc.

The Third Country Cases field will display the number of third country case numbers found in the Third Country Cases tab. Many principal case numbers do not have associated third country case numbers. For those cases, a zero will be listed in the field.

The Certificates other than Non-Reimbursement may be Required field is currently not in use.

### **8.3 HTS**

Only the DOC/EC can add HTS numbers in HTS drop down display. ACE validates HTSs that are added to the case file to ensure the HTS exist and that it is an active HTS at the time it is added.

DOC/EC determines whether to add the HTS numbers to the AD/CVD case management file at the time of initiation of investigation or at the time of the preliminary determination. New HTSs may be added to an existing case.

*Written Description Dispositive:* Trade portal users must always remember that the HTS in the AD/CVD case file are present to facilitate the filing of AD/CVD entry summaries in compliance with AD/CVD orders. The written description of the AD/CVD order is always dispositive as to whether any given product is within the scope of an order. When HTS numbers are not listed in Commerce’s instructions or in the AD/CVD case management record in ACE, this cannot be interpreted by the Trade to mean that a commodity is not within the scope of an order.

*Application of HTS:* CBP and trade users must remember that not all products that are properly classified under an HTS are within the scope of an AD/CVD order, for example, HTS numbers that provide for products “not elsewhere specified or included” (NESOI) normally provide for a broad range of products, many of which are not within the scope. Trade users are responsible for filing entry summaries within the scope of an order as AD/CVD entry summaries with the cash deposit requirements for the AD/CVD case. Entry summaries for products that are not within the scope may properly be filed as entry type 01 without the payment of AD/CVD.

#### **8.4 AD/CVD Company Case Header**

The details for the company case header are shown below the ADCVD Case Search Results display under the Details tab. The Details tab is the default tab in the company case header.

Current manufacturer and exporter names are displayed in the header. Detailed histories for certain manufacturer and exporter names are listed in the Company Information History drop-down display.

The Rate Application displays the manufacturer/exporter combination applicable to the company case number. The DOC/EC will enter one of the following three combinations in the Rate Application field: Manufacturer and Exporter Chain, Manufacturer and/or Exporter, and Exporter only. This field is used to verify case numbers are entered using the correct manufacturer/exporter combination.

The Current CD Rate field lists the current cash deposit rate applicable to the case. Further details regarding the rate history can be found in the Rates drop-down display.

The case status may be Active or Inactive for specific company case numbers. When the status is listed as active, the case is currently under investigation or subject to an order. When the status is inactive, ACE displays a reason, for example, “Company Revoked”.

#### **8.5 AD/CVD Company Case Events**

The AD/CVD case milestones in the Events drop-down display makes it much easier for trade portal account users to identify when changes in suspension of entry summaries, bonding and cash deposits are likely to occur. Note, the Events drop-down display can also be found in the principal case header.

Events are sorted by effective date. The effective date and the added date may differ. Normally, the effective date will be the same as the date of the FR Cite.

The description of events below is based on antidumping cases. The injury information below is not applicable to CVD investigations for non-signatory countries to the World Trade Organization (WTO) Agreement on Subsidies and Countervailing Measures.

***Initiation:*** DOC/EC will issue an instruction message to indicate that investigation into an AD/CVD case has been initiated.

At the time of initiation, the DOC/EC does not update ACE to suspend the liquidation of entry summaries. No cash deposits are required for entry summaries.

ACE provides for an amendment to a notice of initiation of an AD/CVD investigation. When an amendment of initiation of an investigation occurs, DOC/EC will add the event information in ACE.

***ITC Preliminary:*** ACE captures the date of the preliminary determination of injury by the ITC and whether the finding is affirmative or negative.

***Affirmative ITC Preliminary Injury Determination:*** Currently, the DOC/EC does not issue a message when the ITC makes an affirmative preliminary determination of injury.

***Negative ITC Preliminary Injury Determination:*** If the ITC makes a negative determination of injury, the ITC will notify the DOC/EC. The DOC/EC will update the events drop-down display to show the status as termination. Since no entry summaries have been suspended, no action is required.

***Preliminary:*** If the preliminary determination is negative, no bond or cash is required. The DOC/EC does not update the Rates and Suspend ES Liquidation| Bond/Cash drop-down for a negative preliminary determination.

If DOC/EC's preliminary determination is affirmative, the DOC/EC updates the event in ACE and continues its investigation. When DOC/EC makes an affirmative finding that critical circumstances exist, this may be the next event shown in ACE.

When the DOC/EC makes an affirmative preliminary determination of AD/CVD, DOC/EC will record this information in ACE. For an affirmative preliminary determination, suspension of liquidation is required. The DOC/EC message on the preliminary determination will provide specific details on the effective dates for the suspension of liquidation of entries, and the rates to be applied to producers and/or foreign exporters individually or in combination. Any affirmative finding that critical circumstances exist will appear in the Events drop-down before the actual preliminary determination.

At the time of the preliminary determination, DOC/EC may determine that one or more named parties are excluded from the investigation. The DOC/EC will also update the information in the Suspend ES Liquidation Bond/Cash drop-down display to show Stop for that company or combination of companies. Trade portal users must comply exactly with DOC/EC's instructions on excluded companies. For example, DOC/EC may indicate that goods produced by a named party are excluded from the investigation because the goods produced by that company are not within the scope of the investigation. Should that be the case, then entry summaries where that company is the producer should be filed as 01 entries. DOC/EC may determine at a later stage of the investigation that the party is subject to the AD/CVD case. If that determination is made, the DOC/EC will make conforming changes in ACE so that entry summaries are suspended from liquidation.

In contrast, if DOC/EC determines a producer is excluded from the investigation, when the producer is also the exporter, then only entry summaries with this producer and exporter combination may be filed as 01 entries.

***DOC/EC Final:*** The updates to ACE are dependent on whether the preliminary determination was negative or affirmative. When a negative preliminary determination is followed by an affirmative final determination, suspension of liquidation cash deposit rates for the named parties will not commence until the final determination.

When an affirmative preliminary determination is followed by a negative final determination, the DOC/EC will update the Events drop-down to display the status as terminated, the Suspend ES| Bond/Cash status to stop the suspension of liquidation, and the B/C requirement to N/A, and issue liquidation instructions for the entry summaries that have been suspended. If the ITC's final injury determination is negative, the investigation is ended. The DOC/EC will update the Suspend ES Liquidation Bond/Cash drop-down in ACE and issue liquidation instructions for the entry summaries that have been suspended.

If the DOC/EC's final determination is affirmative and the ITC's final injury determination is affirmative, the DOC/EC will update the case information in ACE and the case will go to Order.

DOC/EC updates Events to reflect the order effective date, FR Cite, FR date, etc. DOC/EC also updates any company rates and any other changes to reflect the results of the order.

The foregoing events are the most common for all AD/CVD cases. In addition, ACE also may reflect additional AD/CVD case events.

***Suspension Agreements:*** Prior to an AD/CVD case going to order, ACE distinguishes cases that have a suspension agreement. Under the Tariff Act of 1930, as amended, the DOC may, at any stage prior to an order, negotiate a suspension agreement with the foreign government(s) or exporters involved in an AD/CVD investigation.

When suspension agreements are in effect, the DOC/EC will update ACE to reflect no suspension of liquidation of entry summaries and they may be filed as type 01.

Trade portal users must follow instructions issued by DOC/EC. If the suspension agreement expires before it is renegotiated, suspension of liquidation will recommence and will be recorded in ACE. The Suspend ES column will set to Start, and the Bond/Cash column will display either Cash only or Bond/Cash for circumstances where bonds are allowed to be accepted in lieu of cash. Accordingly, when a suspension agreement is reached, the Suspend ES will be set from Start to Stop and the Bond/Cash column will be blank because AD/CVD deposits are no longer required.

The Events drop-down displays Suspension Agreement Begin when the agreement expires and Suspension Agreement End if the agreement is restarted.

**Gap Period:** Under WTO obligations, the U.S. government may only temporarily suspend the liquidation of entry summaries. When that period expires, before the investigation stage has been completed, the Gap Period begins. When this situation occurs, DOC/EC will update ACE and remove the suspension of liquidation. When the next stage of the investigation is completed, the Gap Period ends. DOC/EC will update the Suspend ES Liquidation|Bond/Cash in ACE to start the suspension of liquidation. The Gap Period only occurs before an AD/CVD case goes to order.

The DOC/EC issues liquidation instructions for any entry summaries covered by the GAP period.

Between the dates a Gap Period begins and the date it ends, entry summaries that are within the scope of the investigation may be properly filed as 01 entry summaries without the additional bonding or cash deposit requirements.

**Company Revoked:** In contrast with parties such as foreign producers or exporters that are excluded from an AD/CVD case prior to an order, such parties that meet DOC/EC's requirements after an order are identified as Company Revoked. ACE clearly distinguishes between individual companies that are revoked as compared to when the entire AD/CVD order is revoked, for example, because of a sunset review conducted by the DOC/EC and the ITC.

**Company Reinstated:** The DOC/EC may reinstate a company during an investigation or after an order, depending on its findings. Once a company is reinstated, ACE will validate AD/CVD entry summaries filed with the case number.

**New Shipper Review:** After a case has gone to order, a company that did not participate in the investigation may request treatment as a New Shipper. When the DOC/EC accepts the company as a new shipper, it will commence a New Shipper Review (NSR), create a 10-digit company case suffix, and transmit an instruction message with the effective date of the NSR. The company details will be populated from the AD/CVD case file, under that new AD/CVD case number.

**Company Deactivated and Company Reactivated:** The purpose of these selections in the Events drop-down is to allow the DOC/EC to amend information for inactivated cases. ACE does not permit changes to an inactive case. Accordingly, for an AD/CVD case that has been placed in an inactive status, such as by termination, exclusion, and revocation, the DOC/EC may reactivate the case to update existing information. The DOC/EC may also deactivate a case when it has decided that another firm is its successor-in-interest.



## **8.6 Rates**

The rates are displayed in the Rates drop-down. The rate changes are tracked in ACE for each ten-digit company case number with the date of each rate change listed in the Effective Date column.

The DOC/EC will normally complete the rate for the first time when it makes an affirmative preliminary determination during its investigation.

Other events that may have rate changes are the final affirmative preliminary determination, the order, and the results of the preliminary and final administrative reviews. For these events, rates rarely change for all the company specific cases so trade portal users should be mindful that entry summaries are being submitted at the correct rate.

DOC/EC will update the rate in ACE prior to the effective date, but due to court orders, critical circumstances determinations, manual input errors, etc. situations may occur when the rate is not added until after the effective date. Trade portal users are responsible for the correct deposit of AD/CVD and should promptly submit any additional cash deposit(s) when the rate(s) have been retroactively updated.

The DOC/EC will transmit an instruction message for each effective date.

Trade portal users with questions on an applicable rate should research the DOC/EC messages to determine whether previously transmitted instructions resolve the question.

The ad-valorem rate column will calculate the correct AD/CVD duty for ACE filed entry summaries and will place entry summaries that do not match the ACE calculation into a rejected status.

ACE will verify the correct AD deposits filed with entry summaries and will perform the same verification at liquidation.

ACE also provides a column for a specific rate of duty, that is, a set dollar amount for a given quantity, and lists the applicable Units of measure (UOM) next to the specific rate in the UOM column. Common UOMs are kg for kilograms, pcs for pieces, etc. When the DOC/EC assigns a specific rate of duty for a 10-digit case number, entry summaries filed in ACE will need to include the UOM for that rate. ACE calculates the specific rates of duty and compares them to the ACE entry summary submitted.

CBP and trade portal users should identify whether an inactive date is followed by a retroactive update of a rate. Inactivated essentially equates to a deletion but is stored for record keeping purposes.

## **8.7 Suspend ES Liquidation Bond/Cash**

The Suspend Entry Summary column found in this drop-down displays a Start or Stop indicator. The Start/Stop indicator lets users know whether entries are suspended under an ADCVD case as discussed in Section 8.3.

The DOC/EC will also complete the effective date field and insert the Stop indicator for GAP periods, the exclusion of a company from an AD/CVD investigation, the revocation of a company after an order, or the revocation of an AD/CVD case resulting from a Sunset Review.

The Bond/Cash column shows whether Bond or Cash is required for entry summaries and displays a Start indicator notifying the user of the beginning of suspension of liquidation for entry summaries with an effective date. When the indicator is set to Stop an N/A will appear in the Bond/Cash column and entry summaries will no longer be suspended from the effective date.

### 8.8 Companies Information History

The Companies Information History drop-down display provides a complete list of active manufacturer and exporter names that can be entered under the company case number. Some company case numbers will have a list of names beyond the active manufacturer and exporter names listed in the company case header. These manufacturers and exporters have merchandise subject to ADCVD that would be entered, for example, under AKA or DBA names. When applicable, the display contains the complete history of active manufacturer and exporter names for the case and lists effective dates when company names became active and the dates when company names are inactivated.

Trade users with questions that cannot be answered by reference to the case file and messages should contact the DOC/EC directly.

### 8.9 AD/CVD Company Status Terminology

The following ACE terms are found in the ADCVD Case Reference File within ACE. In the definitions below, unless otherwise specified, “Company” may refer to a single company (or group-entity) designated as an exporter, a producer, or a specific producer/exporter combination.

**Note:** This information is used for cash deposit purposes only. Merchandise may be entered under a specific case number with an assigned cash deposit rate but may be liquidated at a different AD or CVD rate.

**Active:** This case number is active, and entries may be made under it.

When Commerce adds a 10-digit company-specific case number (including the -000 case number) in ACE, the company status field will indicate “Active.” This indicates that the company has an active company-specific case number under that AD/CVD proceeding. With respect to the -000 case number, that means there is an active “all others” case number in a market economy proceeding and an active “country-wide entity” case number in a nonmarket economy proceeding.

- a) For all active 10-digit company case-numbers, Commerce directs CBP to suspend liquidation of the entry, and separately directs CBP regarding the amount of the cash deposit required for entries under that case number. AD/CVD should be reported at the time of entry.<sup>2</sup>
- b) A zero percent cash deposit rate for an active case number is not an indicator that the merchandise is not subject to the respective AD/CVD order. Rather it means that the last calculated cash deposit rate for that company was zero, and AD/CVD should be reported at the time of entry. Should a positive rate be determined at the end of an administrative review, the importer will receive a bill for the difference between its zero cash deposit and the final margin.

---

<sup>2</sup> Bonding, in lieu of cash deposit, is no longer allowed for any entries subject to AD/CVD.

***Inactive - company revoked:*** Order does not apply to this company.

Commerce typically applies “Inactive – company revoked” when it issues a determination to revoke a producer, exporter, or a specific producer/exporter combination from an order, meaning that merchandise from that revoked producer/exporter combination (when not sold through a third-party reseller) is no longer subject to the AD/CVD order.<sup>3</sup> As a result, entries of merchandise from the excluded producer/exporter may not be entered under this 10-digit case number.

***Note:*** Commerce’s revocation determination does not apply to a reseller’s exports to the United States of merchandise sourced from the revoked producer, exporter, or producer/exporter combination.

#### **8.10 AD/CVD Company Status Terminology (continued)**

Accordingly, the importer should enter merchandise sourced from the reseller under the reseller’s 10-digit case number (or where the reseller does not have its own 10-digit case number, the merchandise should enter under the case number ending in -000). Under the reseller scenario, AD/CVD should be reported for merchandise from the reseller at the time of entry.

***Inactive - termination:*** Investigation terminated, no duties on this product from any company in this particular AD or CVD investigation.

Commerce typically applies “Inactive – termination” when it terminates an AD/CVD investigation because the U.S. International Trade Commission determines no injury or no threat of injury, or Commerce determines there is no dumping or subsidization. It may also occur if the Petitioners withdraw the petition. In such instances, the investigation is usually terminated, and the termination carries through from the principal (i.e., 7-digit) case number to all of the 10-digit company case numbers. As a result, no AD/CVD is reported at the time of entry.

***Inactive – company deactivated:*** The order likely still applies to this company, but this case number does not.

Commerce typically applies “Inactive – company deactivated” when there has been a change in status for the company. Note, however, that a “company deactivated” status does not mean that the company is not subject to the AD/CVD order; rather it means that this particular case number is no longer active for the company and merchandise can no longer be entered under this 10-digit case number. The appropriate 10-digit case number for the company will be identified in the AD/CVD cash deposit instructions. If the company is given a different 10-digit company number, that will be noted in the ACE AD/CVD case reference file. Otherwise, if the company is still subject to the order but does not have its own case number, its entries should be made under the “all others” or “country-wide” “000” case number. AD/CVD must be reported at the time of entry using the case number that replaced the deactivated case number for that company. Commerce generally updates the CRF’s AD/CVD Company events tab to reflect “company deactivated” under the following circumstances:

- Nonmarket economy AD proceedings:

---

<sup>3</sup> The regulatory provision that allowed for company specific revocations was rescinded on 5/21/2012, thus company-specific revocations from an order no longer occur effective 6/20/2012 (see 77 FR 29875). Accordingly, there are generally no new company-specific revocations from an order after rescission of the regulation.

- When Commerce issues a final result of administrative review that a company is no longer entitled to separate rate status, and therefore becomes part of the country-wide entity, Commerce will deactivate the 10-digit case number previously applicable to that company, as subsequent shipments from that company should be entered under the country-wide entity case number (i.e., - 000)
- When Commerce issues a final result of an administrative review that an exporter that previously was part of an exporter/producer combination separate rate is entitled to an exporter separate rate (meaning the rate is applicable to the exporter regardless of what company manufactured the merchandise), Commerce will establish a new 10-digit case number for the exporter and deactivate the 10-digit case number(s) applicable to the exporter/producer combination.
- Market economy (AD and CVD) and non-market economy (AD and CVD) proceedings:
  - When Commerce makes an affirmative successor-in-interest determination, Commerce will establish a new 10-digit case number for the company determined to be the successor-in- interest and deactivate the 10-digit case number of the original company.
- Market economy (AD and CVD) and non-market economy (AD and CVD) new shipper reviews:
  - When Commerce issues a final results of new shipper review finding that the new shipper's sales were not bona fide, or when Commerce rescinds a new shipper review, Commerce will deactivate the 10-digit case number that was set up to allow bonding for imports of merchandise shipped by that new shipper exporter/producer combination. Subsequently, entries of shipments from this exporter/producer combination should be made under the country-wide entity case number (i.e., -000).
- ***Inactive – final exclusion:*** Order does not apply to this company.
  - Commerce typically applies “Inactive – final exclusion” when it issues a final determination that merchandise from a particular producer/exporter combination (when not sold through a third-party reseller) is excluded from the AD/CVD order because of a De Minimis or zero margin determination in the underlying investigation. As a result, entries of merchandise from the excluded producer/exporter are not subject to AD/CVD and merchandise may not be entered under this AD/CVD case number.

**Note:** Commerce’s final exclusion determination does not apply to a resellers’ exports to the United States of merchandise sourced from the excluded producer/exporter chain. Accordingly, the importer should enter merchandise sourced from the reseller under the reseller’s 10-digit case number (or where it does not have its own 10- digit case number, it should enter merchandise under the case number ending in -000). Under the reseller scenario, AD/CVD should be reported for merchandise from the reseller at the time of entry.

- ***Inactive – deactivated:*** This case number no longer applies to any company.
  - When Commerce updates the AD/CVD Case Reference File’s AD/CVD Case events drop-down to “Deactivated,” ACE automatically revises the CRF AD/CVD Case and Company status fields to “Inactive – deactivated.” Commerce generally uses this designation when it is making a correction to a previously inactivated or deactivated case number. To make the correction, Commerce must first reactivate the case number and so uses this designation to deactivate after the correction is completed. As a result, no entries may be made under this case number. However, entries of merchandise from the exporter or producer formerly associated with that case number may still be subject to AD/CVD and, in such case, should be entered under the appropriate AD/CVD case number.
- ***Inactive – order revoked:*** Order no longer applies to any company.
  - Commerce typically applies “Inactive – order revoked” when it issues a determination to revoke the order, for example, pursuant to an AD/CVD sunset proceeding. As a result, no AD/CVD is reported at the time of entry.

### 8.11 ADCVD Messages

ACE is the system of record for creating, displaying, and maintaining the DOC/EC messages. DOC/EC creates messages in ACE, which validates header data fields against information contained in the AD/CVD case file.

Public messages will be available to the trade via ACE. Unofficial copies are available on the [ADCVD Search Application](#).

Only the message header contains searchable fields. The message body contains the instructions and is not searchable.

The Message Header and Message Body are collapsible displays listed under the Message Body tab. The Message Body contains the instructions issued by the DOC. The Message Header contains important fields with information from the message body: The access type, public or non-public, indicates who may view a message. Trade portal users should go directly to DOC/EC for a copy of the non-public message.

- The POI/POR start and end date fields allow DOC/EC to readily identify the period for entry summaries that were reviewed during an investigation or administrative review.

Trade portal users are reminded that ACE entry summaries for named manufacturers and foreign exporters must only be made in accordance with DOC/EC’s instructions. That is, where the instructions state that a particular manufacturer and exporter combination has been given a 10-digit case number, both those firms must be present and acting in the role named. Importers and filers should indicate the manufacturers and/or exporters corresponding to the 10-digit case numbers in the MID and AD/CVD Foreign Exporter entry summary fields.

## **8.12 ADCVD Message Type**

Listed below is the message type and message sub-type fields found in the header of DOC messages. The message types usually identify what action is being requested by the DOC whereas the message sub-type identifies the subject matter contained in a message.

### **8.12.1 CD**

Cash Deposit – Change in cash deposit rate prospectively for one or more companies

### **8.12.2 STP SUSP**

Stop Suspension – Terminate suspension of liquidation prospectively

### **8.12.3 INJ/TRO**

Statutory Injunction/TRO – Court ordered injunction against liquidation

### **8.12.4 RFD CD**

Refund Cash Deposit - Refund cash deposits prior to liquidation of the relevant entry

### **8.12.5 ADTNL CD**

Collect additional cash deposit – Collect additional cash deposits on prior suspended entries

### **8.12.6 LQ**

Liquidate prior entries for one or more companies

### **8.12.7 INF**

Informational – Informational only, no action required

### **8.12.8 INQ**

Inquiry generally for no shipments

### **8.12.9 ALI**

Automatic Liquidation Instructions – Liquidate for all firms because no administrative reviews were requested

### **8.12.10 ALWE**

Automatic Liquidation Instructions with Exception – Liquidate for all firms with the exception of firms subject to an administrative review listed in the instructions as exceptions

### **8.12.11 OTH**

Other

Users can search messages by sub-type in advanced search without having to select the message type. The message sub-types are:

### **8.12.12 INV**

Investigation

**8.12.13 ORD**

Order

**8.12.14 TERM**

Termination

**8.12.15 EXP REV**

Expedited Review Final

**8.12.16 ADMIN REV**

Administrative Review Final

**8.12.17 REV ORD**

Revocation of Order

**8.12.18 REV COMPNY**

Revocation of Company

**8.12.19 NSR**

New Shipper Review

**8.12.20 CHNG CIRC**

Changed Circumstances Review

**8.12.21 CIRCUMVNT**

Circumvention

**8.12.22 INSCO**

Scope In – Messages regarding scope rulings determining a product is subject to ADCVD

**8.12.23 OUTSCO**

Scope Out – Messages regarding scope rulings determining a product is outside the scope of ADCVD

**8.12.24 CT DECIS**

Court Decision – Messages regarding the dissolution of an injunction

**8.12.25 SUSP AGR**

Suspension Agreement

**8.12.26 WRIT**

Writ of Mandamus

**8.12.27 OTH**

Other

There is no longer a requirement for a Correction sub-type as there will be a separate demarcation for the correction messages.

The below message types are either no longer valid or have become a subtype in ACE. The advanced search function in ACE allows users to enter the names of discontinued message types and sub-types, providing the ability to retrieve and review older messages when necessary.

**8.12.28 ARF**

Administrative Review Final Results

**8.12.29 ARP**

Administrative Review Preliminary Results

**8.12.30 ENF**

Enforcement Issues, Anti-circumvention Determinations

**8.12.31 FIN**

Final Determination

**8.12.32 FINO**

Final Determinations/Order

**8.12.33 INI**

Initiation of Investigation

**8.12.34 NSR**

New Shipper Review Initiation

**8.12.35 ORD**

Order

**8.12.36 PRE**

Preliminary Determination

**8.12.37 REV**

Revocation

**8.12.38 SCO**

Scope

**8.12.39 TER**

Termination of Investigation Notice

**8.12.40 WRIT**

Writ of Mandamus

The below message sub-types are no longer valid or have become a message type:

**8.12.41 ARF**

Amended Final Results of Review

**8.12.42 ARP**

Amend Preliminary Results of Review



- 8.12.43 AFF**  
Affirmative
- 8.12.44 NEG**  
Negative
- 8.12.45 REF**  
Refund
- 8.12.46 NAFTA**  
NAFTA Free Trade Agreement
- 8.12.47 PRELIM**  
Preliminary
- 8.12.48 TRO**  
Temporary Restraining Order
- 8.12.49 ADRV**  
Administrative Review
- 8.12.50 ALI**  
Automatic Liquidation
- 8.12.51 ALIWE**  
Automatic Liquidation with Exception
- 8.12.52 CTDIS**  
Court Ordered Dissolved
- 8.12.53 GAP**  
Gap Period
- 8.12.54 RES**  
Rescission
- 8.12.55 PARRES**  
Partial Rescission
- 8.12.56 TMI**  
Material Injury Threat
- 8.12.57 ENF**  
Enforcement
- 8.12.58 FRM**  
Firm
- 8.12.59 COURT**  
Court Order

## Chapter 9

### Liquidation

#### 9.1 Liquidation

Liquidation processing for all entry summaries occurs in ACE. Liquidation processing and notification have been streamlined to fit into the ACE concept. CBP's liquidation processing cycle has decreased, while the public will be gaining access to liquidation disposition through CBP's [bulletin notice website](#).

#### 9.2 Weekly Processing

Liquidations process weekly, with entry summaries liquidating every Friday. Once an entry summary liquidation is processed, ACE will automatically populate a liquidation date equal to the next immediate Friday – for liquidations processed before **Wednesday at 11:59:59 p.m. ET**, liquidations will post Friday of the same week; liquidations occurring after this time frame will post the following Friday. Manual liquidations are posted 365 days a year, including holidays.

#### 9.3 Extensions, Suspensions and Deemed Liquidations

The electronic bulletin referenced in Section 9.1 will serve as the [official notice for extensions and suspensions](#). Extensions and suspensions will post same day to the [bulletin](#), within 90 minutes of the extension and suspension action. Sureties and filers will continue to receive extension and suspension courtesy notices, which will be sent via ABI. Non-ABI filers are only given one option for receiving notice, and this is viewing the electronic bulletin. Filers may choose to submit an extension request via paper or electronic format, through the team's email inbox or other established procedure that their assigned [Center](#) follows. If necessary, a liquidation may be extended up to three years. Reports will be available for CBP and the trade to view extension and suspension records.

**Note:** Entry summaries that are deemed liquidated will be displayed on the electronic bulletin as “deemed liquidation” for the basis of liquidation. If no action has been taken to extend or suspend, an entry summary will deem liquidate at 365 days. The deemed liquidation notice should also be populated in ACE as described in 9.1.

#### 9.4 Enforce and Protect Act (EAPA)

As of January 2021, once an Entry Number Query Request (J1-Record) has been made, users will be able to see the following two new codes that indicate the reason for the extension or suspension of liquidation of the entry summary:

- Code 65 alerts users if an entry summary is subject to EAPA Investigation.
- Code 66 alerts users if an entry summary is subject to Court Injunction.

For additional information, please refer to the [AD/CVD Flags for EAPA Evasion and Injunctions Trade User Information Notice](#).

# Chapter 10

## Reconciliation

### 10.1 Reconciliation Participation

Reconciliation (commonly known as Recon) is a voluntary program; allowing an alternative method to amend entry summary data. Reconciliation operates under the National Customs Automation Program Prototype (NCAP/P), which was announced in the Federal Register (63 FR 6257), and which provides guidance published by CBP on reconciliation entries. Refer to the ACE Reconciliation (Prototype) A Guide to [Compliance](#) for additional information.

All importers are automatically eligible to flag electronically filed underlying entries and file electronic reconciliation entries as long as they have a valid continuous bond and a valid Reconciliation entry bond rider on file for each importer of record number at the time the entry summary is flagged. All required data and information must be transmitted electronically using the Automated Broker Interface (ABI) and filed in ACE.

The same surety and the same continuous bond must cover all flagged entry summaries on one reconciliation entry. The continuous bond number, reconciliation bond rider number, and Importer of Record (IOR) number (including the two-digit suffix) listed on the reconciliation entry upon transmission to CBP must match what is on the flagged entry summaries. A reconciliation bond rider is associated to a Continuous Bond number and not an Importer of Record (IOR) number (including Social Security number or Customs Assigned Importer number) IR. As such, a continuous bond having one reconciliation bond rider will cover all IOR numbers associated with it.

The only importers who are not eligible to flag electronically filed underlying entries are those who have been suspended from flagging entry summaries for reconciliation.

### 10.2 Entry Types Eligible

*Only entry types 01, 02, and 06 can be flagged for reconciliation:*

- Entry type 01: Free and dutiable formal consumption entries.
- Entry type 02: Quota/Visa consumption entries. NOTE: Entry type 02 may not be flagged for Classification.
- Entry type 06: Foreign Trade Zone (FTZ) consumption entries. FTZ entries with AD/CVD merchandise are not eligible for reconciliation.

### 10.3 Recon Flagging

An importer may flag an entry summary at the time it is filed by transmitting an electronic indicator. The flag serves as the importers notice of intent to file a reconciliation entry. An importer must use reasonable care when filing the underlying entry summary, including but not limited to, declaring the proper value, classification, and rate of duty on the underlying entry summary, regardless of whether a particular issue has been flagged.

Flagging legally separates the issue(s) flagged from the entry summary, and such issue(s) may only be addressed on a reconciliation entry.

If an entry summary is flagged for a particular issue, a post summary correction may not be filed on that entry addressing the issue which is flagged.

The tracking of flagged entry summaries to file timely for reconciliation is the responsibility of the importer. To assist the importer, CBP provides ACE Reports, free of charge, but the reports are just a tool to assist, the best source for tracking is the method the importer or their agent has in practice.

#### **10.4 Retroactive Flagging**

An Importer may request that CBP retroactively flag an issue on their behalf after the underlying entry summary is filed. A request may be made by sending an email to the Importer of Record's assigned Center of Excellence and Expertise, or if the underlying entry summary was filed in Puerto Rico to the San Juan Field Office. The request must be made at least 60 days before the scheduled liquidation date of the underlying entry summary the importer wishes to have CBP flag retroactively. CBP's decision to grant or deny this request is entirely discretionary and solely within CBP's province. CBP's decision is final and cannot be appealed. CBP will send an email to the importer or agent acting on the importer's behalf when the request is approved or denied along with a list of the entry numbers that were flagged or a list of the entry numbers that were not flagged. It should be noted that CBP intends to grant these requests sparingly and only as a courtesy where appropriate. Retroactive flagging is a courtesy to importers and may be approved on a case-by-case basis. It is incumbent upon the importer to ensure that the information transmitted to CBP is accurate and correct. If there are corrections that must be made once an entry summary has been filed, the importer can file a PSC, 520(d), protest, or prior disclosure as applicable, rather than CBP retroactively flagging. Trade should be mindful that only flagged issues can be reconciled. If non-reconcilable issues are discovered after the PSC timeframe, then a Protest or a Prior Disclosure is the appropriate path forward.

*Examples of why CBP would grant retroactive flagging include but are not limited to:*

- The CBP system was down at time of entry summary filing
- The Trade system was down at time of entry summary filing, and/or
- A circumstance that the Trade had no control over that prevented them from flagging

If an importer forgot to flag, then they should resort to an alternative method available to correct their issue.

#### **10.5 Issues Flagged**

*There are four issues that could be flagged on an entry summary for reconciliation: Value, Classification, 9802, FTA or a combination of:*

- **Value:** This reconciliation flag is open to all value issues (assists, royalties, computed value, and any other factors affecting CBP valuation, such as indirect payments).
- **Classification:** This flag is eligible for reconciliation only when the following issues have been established; pending administration ruling (including pre-classification rulings), protest, and pending a court action.
- **9802:** Subheadings 9802.00.60-9802.00.90, permits for a reduced duty treatment for the value of components manufactured in the U.S. and assembled abroad. The focus is on the value aspect of the 9802, from estimates to actual figures.
- **FTA:** This flag is subject to the obligations of 19 USC 1520(d). The importer must possess a valid certificate of origin when making a Free Trade Agreement (FTA) claim

and present it to CBP upon request. Recon entries claiming FTA must include electronic certifications required by regulation.

*All of the FTA claims that are 520(d) eligible can be flagged for a post-importation claim via Recon:*

- USMCA\*starting July 1, 2020
- Chile FTA
- CAFTA-DR
- Colombia TPA
- KORUS
- Oman FTA
- Panama TPA
- Peru TPA
- NAFTA\*prior to July 1, 2020

Previously flagged entry summaries for NAFTA will be accepted after July 1, 2020.

For entry summaries that are flagged for FTA claims, the filing of a reconciliation entry is considered the exclusive means to make a 1520(d) FTA claim for those entry summaries.

### **10.6 Double Flagged Entry Summary**

A double flagged entry summary is one where an underlying entry summary is flagged for both, FTA and OTHER (value, classification, 9802, or a combination of). Because of FTA's unique nature and different due dates, importers cannot address FTA claims on the same reconciliation entry with other reconciliation issues.

### **10.7 Reconciliation Filing**

Reconciliation entry summaries may be transmitted to any port of entry, and they are processed by the Centers of Excellence and Expertise (Centers) and the San Juan Field Office (SJFO) based on the team code assigned.

Flagged entry summaries filed in Puerto Rico or the U.S. Virgin Islands must be addressed on separate reconciliation entries and submitted to the port of San Juan or the U.S. Virgin Islands; whichever is applicable.

Except for FTA flags, the flagging of an underlying entry summary creates an obligation on the IOR to file a reconciliation entry resolving the flagged issue(s) regardless of whether there are any changes to the flagged entry summaries to report in the reconciliation entry.

Reconciliation entries are not mandatory for entry summaries flagged for FTA but are the exclusive means to file a USMCA claim once the entry summary is flagged for FTA.

Importers are able to combine up to 9,999 underlying entry summaries per reconciliation entry. If more than 9,999 entries are being reconciled, more than one reconciliation entry will need to be filed.

Underlying entry summaries flagged for reconciliation of a particular and common issue should be grouped on one reconciliation entry. Grouping by issue rather than by date can be done as long as the reconciliation entry filing deadline has not been exceeded.

***Timely Filing:***

The filing of a reconciliation entry for a FTA claim is optional but if filed, it must be filed within one year of the date of importation of the goods for which the FTA claim is made. All other reconciliation entries must be filed within 21 months from the date of filing the underlying entry summary.

There are no extensions allowed on the filing deadlines for reconciliation.

***Filing FTA & OTHER:***

One underlying entry summary double flagged for FTA and OTHER will require the filing of two reconciliation entries, one for the FTA claim and one for the other issue(s). The FTA reconciliation entry, if filed, should be filed first so the Special Program Indicator (SPI) can be established. CBP will process the FTA reconciliation entry prior to processing the OTHER reconciliation entry.

Effective January 19, 2023, as stated in CSMS 54774359, the new ACE Recon capability requires original amounts to be reported in ACE when:

- One or more underlying entry summary lines are referenced in an FTA Recon; and
- the FTA Recon is filed and accepted

ACE can also require two reconciled line identity detail groupings when a line is split on an FTA Recon and an OTHER Recon filing. The first grouping must contain the Special Program Indicator (SPI) code, and the second grouping will have a blank SPI code. For example, an entry summary has a line with 100 units. Only 50 of those units qualify for FTA at the time the FTA Recon is filed, so the FTA Recon will have two reconciled rows. The first row will have 50 units with the SPI code and the second row will have 50 units without an SPI code.

There are three ways trade users can report the data:

- Group underlying entry summaries that are not double flagged.
  - Original amounts are not required.
- Group underlying entry summaries that are double flagged.
  - Original amounts are required.
- Group mixed (double flagged and not double flagged) underlying entry summaries.
  - Original amounts are required. There is no partial reporting of original amounts for mixed underlying entry summaries.

Trade users are responsible for reporting accurate original amounts for double flagged entry summaries. If original amounts are not reported when required, an automated rejection will occur with the fatal error message, “ORIG AMTS MISSING; FTA FOUND.”

**10.8 Reconciliation Types (change/no change)**

A Reconciliation is either a change or no change type.

***NOTE:*** This is difference from a Change/No Change liquidation, as explained below.

***Change Reconciliation***

A change reconciliation indicates there was a change in the information flagged. The change could be in the data elements or a revenue adjustment.

### ***No Change Reconciliation***

A no change reconciliation indicates there were no changes to the data elements nor revenue originally flagged on all of the entry summaries.

## **10.9 Reconciliation Method (aggregate and entry –by-entry)**

*There are two methods of filing Reconciliation: Entry-by-Entry and Aggregate:*

### ***Entry-by-Entry***

An entry-by-entry Reconciliation entry must be filed if a refund of duties, fees, or taxes result from the adjustments made, and the importer requests a refund. An entry-by-entry Reconciliation entry must show all revenue adjustments for each flagged entry summary individually. Entry-by-Entry Reconciliation entries may be filed to report increases, decreases, or a mix of changes or no changes, as long as the changes to each flagged entry summary are reported individually.

### ***Aggregate***

Aggregate Reconciliation entries, identifying the flagged entry summaries, must be filed when there are no changes to report about the flagged issues. An importer may file an aggregate Reconciliation entry with summarized data showing reconciled adjustments at an aggregate level when all adjustments covered by the Reconciliation entry result in an increase in the importer's liability for duties, taxes, and fees. A list of the flagged entry summaries is required, but the revenue change need not be attributed individually to each flagged entry summary. If an aggregate Reconciliation entry is filed, drawback may not be claimed on the increased/reconciled adjustment. An aggregate Reconciliation entry reporting a decrease in the duties, fees and taxes may be filed only if the importer waives the right to any corresponding refund of duties, fees and taxes.

### ***No Change Aggregate***

A no change Aggregate recon entry is used only when there is no anticipation to make any changes/modifications to the recon entry. This type and method should not be used for the sole purpose of meeting the filing deadline with the intent to later amend the no change recon entry, prior to its liquidation. If a reduced data, no change Aggregate recon is filed, the entry may be liquidated immediately.

No change aggregate recon entries must be transmitted with zeros in the money fields and cannot include flagged entries that have any adjustments/changes made.

The filing of a reconciliation entry for an FTA issue is optional but if one is filed it must be filed within one year of the date of importation of the goods for which an FTA claim is made through the filing of the FTA reconciliation entry. All other reconciliation entries must be filed within 21 months from the date of filing the underlying entry summary.

## **10.10 Reconciliation Review**

Reconciliation entries are not reviewed by CBP until the flagged entry summaries are liquidated, re-liquidated, or canceled. If the importer requests a cancellation of a flagged entry summary and there is not a replacement entry summary, the importer is not obligated to reconcile the flagged issue(s) if the request to cancel is approved by CBP nor does the flag have to be removed prior to cancellation. If there is a replacement entry summary, then the replacement entry summary should also be flagged for the same recon issue(s).

## **10.11 Edits**

The importer makes any amendments needed for the Reconciliation entry.

## **10.12 Rejections**

The rejection option is primarily used if the importer needs to amend their reconciled data any time upon a CBP review. The rejection places the entry summary into Trade status which allows the importer to retransmit the Reconciliation entry. The filer will receive the reject notification via the Automated Broker Interface (ABI) depending on the software vendor used. The filer/importer has the option to use ACE Report number ES-004 to monitor rejections through ABI and ACE Portal access.

CBP will reject a reconciliation entry if data changes need to be made; importers make their own amendments. CBP should let the importer know why the reconciliation is being rejected and what data needs to be corrected.

The importer may request a reject after filing; however, the reconciliation entry must be paid and not liquidated.

Upon retransmission of a reconciliation entry, additional entry summaries that were not on the original reconciliation entry cannot be allowed if these are added.

Upon retransmission of a reconciliation entry, flagged entry summaries cannot be removed from the reconciliation entry unless CBP has instructed the importer to do so or the flagged entry summary no longer qualifies for reconciliation filing based on an entry type change, or FTA filing, and the importer has informed CBP of the change.

Anytime a reconciliation entry is rejected prior to the filing deadline, the importer has the remainder of the timeline or thirty days from the date of reject to resubmit, whichever is greater. If the timeframe expired, the importer has only thirty days to resubmit the rejected Reconciliation entry.

## **10.13 Rejecting Double Flagged Entries**

If two Reconciliation entries are filed on the same flagged entry summary, the second Reconciliation entry must be filed taking into account changes made to the first Reconciliation entry. If the first Reconciliation entry is rejected by CBP at the time the second Reconciliation entry is filed, the importer should notify CBP upon filing via the comments field. If the importer has not updated the second Reconciliation entry to correct any amendments made on the first Reconciliation entry, the importer should request a rejection on the second Reconciliation entry so that any necessary updates can be made. Upon retransmission of a reconciliation entry, additional entry summaries that were not on the original reconciliation entry cannot be added.

## **10.14 Collections**

Duties, fees, taxes, and interest must be deposited, in accordance with Part 24, at the time of filing a Reconciliation entry if it declares an increase in the importer's liability for duties, fees or taxes. If an entry-by-entry Reconciliation entry is filed, duties, fees, taxes, and interest must be attributed to each affected line on the flagged entry summary and declared according to class code when the deposit is made.

The importer is responsible for paying duties, taxes, and fees, including interest regardless of if there is a net difference of less than \$20 between the total amounts (de Minimis Rule). Initial payment may be made via cash, check, Automated Clearing House (ACH) or by statement. Once the initial Reconciliation payment is paid, any additional payments must be submitted by check.



If paying by check, the importer should include the Reconciliation entry number on the check along with a copy of the 7501 or equivalent document.

To expedite the collection process, CBP recommends that payments for reconciliation entries be filed at the port of entry designated on the reconciliation entry. Payments made at another port of entry may slow down the collection process.

Refer to the “Collections” section in the Business Rules and Process document for additional information.

Currently, CBP is not authorized to refund Merchandise Processing Fees on USMCA post-importation/520(d) claims, including those 520(d) claims submitted via Reconciliation.

### **10.15 Liquidation**

If the reconciliation entry results in a revenue change at liquidation, CBP will issue one bill or refund per reconciliation entry.

An entry not liquidated within one year from the date of the filing of a reconciliation entry will be deemed liquidated by operation of law at the rate of duty, value, quantity, and amount of duties asserted by the importer of record.

#### ***No Change/Change Liquidations:***

This is not to be confused with the above section on change/no change Reconciliation types.

When CBP agrees with the importer’s transmission, it is a Reconciliation “no change” liquidation.

When CBP disagrees with the importer’s transmission, it is a Reconciliation “change” liquidation.

An entry summary that is flagged for reconciliation will be liquidated as to all issues other than those identified for later reconciliation. The flagged issues are transferred to the reconciliation entry which will itself, in turn, be liquidated.

CBP cannot liquidate a reconciliation entry, type 09, until all flagged entry summaries have been liquidated and the amount of interest has been calculated, if applicable.

Notice of liquidation will be given electronically as provided in 19 CFR 159.

#### ***Extending Liquidation:***

Importers retain the right to request extension of liquidation on entry summaries per 19 CFR 159.12, including reconciliation entries. The request for extension must be in writing with an explanation showing good cause of why the extension should be granted. Each request for extension will be evaluated and granted by CBP on a case-by-case basis.

Liquidation of a reconciliation entry may be extended for value, 9802, or classification if the importer can substantiate why the outstanding information is not available at the time of the reconciliation filing deadline.

Refer to the [“Liquidation” chapter](#) in the Business Rules and Process Document for additional information.

### **10.16 Interest Calculations**

Interest accrues on all Reconciliation entries where monetary adjustments take place, whether they are increases or decreases in duties, taxes, and fees. If there is a monetary adjustment, interest is calculated.

Interest will be calculated in accordance with 19 U.S.C. § 1505(c). CBP uses the Internal Revenue Service (IRS) interest rates, published quarterly, to compute the accrual of interest applicable to flagged entry summaries, ordinary entries, and reconciliation. CBP publishes the current interest rate(s) in the Customs Bulletin and Decisions and Federal Register on a quarterly basis.

If interest is due to CBP, the importer will make the payment of interest upon reconciliation filing. If CBP owes interest to the importer, it will be paid upon liquidation of the reconciliation entry.

#### ***Interest on an Entry-by-Entry Reconciliation:***

If a refund is claimed (money due to the importer), no interest calculations are required of the importer. CBP will calculate the interest due on the refund using the entry-by-entry method of calculation.

If no refund is claimed (money owed to CBP), importers must calculate the interest amount due for each flagged entry summary and report those adjustments to CBP when filing the Reconciliation entry.

Interest on an entry-by-entry Reconciliation accrues on each flagged entry summary on which the importer declares an increase in its liability for duties, fees, or taxes from the date of filing of the flagged entry summary to the date of the filing of the Reconciliation entry.

#### ***Interest on an Aggregate Reconciliation:***

Interest on an aggregate Reconciliation entry on which the importer declares an increase in liability for duties, fees or taxes accrues from the midpoint date of the Reconciliation entry to the date of the filing of the Reconciliation entry. The midpoint date is the date that is exactly in the middle of the time period which begins with the filing date of the oldest flagged entry summary on a Reconciliation entry and ends on the date of the filing of a Reconciliation entry.

Interest Calculations can be found on CBP.gov at [Interest Calculation | U.S. Customs and Border Protection](#)

### **10.17 Compliance**

CBP will monitor importers for patterns of misconduct that may result in suspension from flagging entry summaries for reconciliation filing.

Violations by the importer may be subject to liquidated damages, penalties and/or other administrative sanctions and/or prevented from flagging entry summaries for reconciliation filing. Any actions commenced by CBP for misconduct may be appealed through existing procedures or, if none exists, to the Center Director within 30 days of the action.

If CBP suspends the importer from flagging entry summaries for reconciliation a written notice on a CBP letterhead should be provided to the Importer notifying the participant and listing the reason(s) why they were removed.

Suspended importers are still required to file reconciliation entries timely during the suspension period for underlying entries flagged prior to the suspension becoming effective.

An importer suspended from flagging entry summaries who wishes to be reinstated must submit a request in writing to its assigned Center or the local port of entry if a Center is not assigned. The request for reinstatement must address the reasons for the suspension and fully describe all corrective actions taken to address the grounds for suspension.

Center or Port personnel assigned will provide a written response for the reinstatement request on a CBP letterhead in a timely manner. If the reinstatement is denied, CBP will list the reason(s) why and provide the importer a chance to ask for reinstatement one year from the date of suspension.

Flagging of an entry summary creates an obligation on the part of the importer to file a Reconciliation within the allotted time, covering the flagged issue(s) on that entry summary. The obligation to file carries liquidated damage implications for failure to do so timely.

### **10.18 Liquidated Damages**

The reconciliation entry is an entry in its own right and has the same legal status as other CBP entries. For these reasons, late filing and non-filing of reconciliation entries will be dealt with using different mechanisms.

CBP issues monthly reconciliation liquidated damage claims for each continuous bond number under the affected flagged entry summary filed. If an importer receives a no file violation on a monthly liquidated damage claim covering flagged entry summaries that have not been reconciled, the importer must submit a reconciliation entry, type 09 that contains only those flagged entry summaries listed on the violation. There are no conversions from no file to late file under this program. Filing the reconciliation entry type 09 is a petition for mitigation. Mitigation is afforded for no file entry summaries once the reconciliation entry, type 09, is filed.

CBP will not issue liquidated damages for entry summaries flagged for FTA that are not reconciled. The only consequence of a failure to file a FTA reconciliation is the importer's loss of the 520(d) benefit provided under the statute.

### **10.19 Prior Disclosures**

Upon reconciliation entry filing, importers must indicate to CBP if a prior disclosure has been made on any of the flagged entry summaries.

### **10.20 Protest**

Upon liquidation of a flagged entry summary, any non-flagged issue decided by CBP as part of that liquidation may be protested pursuant to 19 U.S.C. 1514. The flagged issues may only be protested after liquidation of the reconciliation entry.

Upon liquidation of a reconciliation entry, any flagged issue decided by CBP as part of that liquidation may be protested pursuant to 19 U.S.C. 1514. A protest against the decisions made in the liquidation of the reconciliation entry may only address the issues flagged on the entry summaries and transferred to the reconciliation entry. The protest on the reconciliation, it may not address non-flagged issues as they were decided upon liquidation of the flagged entry summaries.

A protest on a reconciliation entry must be submitted using the entry-by-entry method, regardless of whether the reconciliation entry was previously filed as an entry-by-entry reconciliation or an aggregate reconciliation entry.

If there is an open protest on the flagged entry summaries, importers should request a liquidation extension on the reconciliation entry until the protest has been decided in case there is an impact on the original duties/taxes/fee amounts transmitted on the flagged entry summaries.

### **10.21 Drawback**

Drawback entries or certificates concerning flagged entries shall not be filed until the reconciliation entry is filed with all associated duties, taxes, fees, and interest deposited.

If the reconciliation entry is filed using the aggregate method, drawback cannot be claimed on any increased/reconciled adjustments, however, drawback can be claimed on the amount paid on the flagged entry summaries.

If the reconciliation entry is filed using the entry-by-entry method, the importer has full drawback privileges on both, the estimated duties, fees, and taxes deposited at the time of filing the flagged entry summaries and any increased adjustment resulting from the reconciliation if the reconciliation entry is filed and all associated duties, taxes, fees, and interest are deposited.

If an entry summary is flagged for FTA and no reconciliation entry is filed, drawback cannot be claimed on that flagged entry summary until the flag is removed.

In the case of a drawback claim and a reconciliation entry resulting in a refund against the same flagged entry, the importer is responsible for ensuring that claims for refunds in excess of the duties, fees, and taxes deposited are not filed with CBP and for substantiating how the separate refund requests apply to different merchandise.

### **10.22 References**

ACE Reconciliation (Prototype) A Guide to [Compliance](#)

Reconciliation Federal Register [Notices](#)

Reconciliation [Background](#)

CBP and Trade Automated Interface Requirements ([CATAIR](#))

ACE CATAIR Reconciliation Error [Dictionary](#)

If you have any questions or require additional information, please send an email to [OT-RECONFOLDER@cbp.dhs.gov](mailto:OT-RECONFOLDER@cbp.dhs.gov).

## Chapter 11

### Protest and 520(d) Claims

Effective August 27, 2016, all electronic protest submissions must be filed in the Automated Commercial Environment (ACE). CBP retired the ability to electronically file protest through the Automated Broker Interface (ABI) to the Automated Commercial System (ACS) and authorized electronic submission through the ACE Secure Data Portal. Protest filers will no longer be permitted to file 514 protests ([19 U.S.C. 1514](#)) or 520(d) post-importation claims ([19 U.S.C. 1520\(d\)](#)) in ACS. In order to file protests in ACE, filers must have a protest filer account established within the ACE Portal. Assistance for trade community users in the form of a [Quick Reference Guide \(QRG\), ACE Protest for Trade](#) with instructions for applying for a protest filer account, accessing and navigating the protest user interface, and adding and amending protest records can be found on [CBP.gov](#). The Client Representatives are a point of contact for the trade community when it relates to automating their systems for interactions with CBP, system-related problems after automation and any questions on transmitting data to CBP.

**Note:** The Office of Trade issues all the policy and procedures for processing electronic protests in the ACE Protest Module.

#### 11.1 Protest Application

The Protest Module provides an electronic form that enables the creation of electronic protests, amending of data on previously submitted protests and visibility of the status of protests submitted through the ACE Portal. The online form supports every aspect of creating a protest and captures the same information as the paper [CBP Form 19](#).

The 520(d) post-importation claim can also be entered via the Protest Module. The online form for entering data is similar to the form for the section 514 protest.

#### 11.2 Electronic Protest Submissions

The place of filing electronic protests is the ACE Protest Module. The date of filing is the date on which the protest is received by the ACE Protest Module is determined based on midnight Eastern Time (ET). This means that to be considered timely, an electronic filing in the ACE Protest Module must be received by 11:59 p.m. on the final day of the filing period. The protest filer and other designated parties will receive an electronic message via email confirming receipt of a protest filing in ACE.

Electronic protest data and associated entry summaries must be input into the ACE Protest Module by the protest filer. The lead protest number and all associated entry summary numbers must be valid entry numbers and exist in ACE. The protest filer must upload all supporting documents associated with the protest through the ACE portal. Supporting documents should include, but not limited to, the commercial invoice, corrected entry summary information in an Excel spreadsheet or other document, declaration statement, USMCA Certificate of Origin, Manufacturer Affidavit, Rulings, pictures, and other documents that support the claim at protest.

**Note:** The CBP Form 7501 is not required for protest filing in ACE unless manual (non-ABI) entry summaries are associated with the protest record.

Filers who elect to provide samples to support an electronic protest submission may submit the samples directly to the Port or Center team designated as the Control Team on the lead entry summary or may upload pictures, sketches, or diagrams of the protested merchandise to the protest record via the ACE Portal. In both instances, the “Sample Provided” checkbox in the online form must be selected for CBP awareness that a sample is being provided.

When all the required data has been saved and accepted without errors, the ACE Protest Module will automatically assign a protest number for the filer to reference. Filers may amend, edit, and view protests they have added via the ACE Portal. ACE will generate and send messages electronically via email to the protest filer and parties designated as email recipients in the protest record of CBP decisions regarding electronic protests (e.g., approved, denied, suspended, etc.).

Trade parties are required to input email addresses for receipt of notifications on protests (1 is required; up to 4 allowed). Notifications include those for protest being added, suspended, decided, etc. If protests are not submitted electronically, trade parties will receive no status notifications until the protest decision copy is mailed.

The Protest Module does not have a print feature for printing the online form. Therefore, the protest filer does not have an output option to be able to share the submitted information.

**Note:** When the protest of a liquidation is submitted by the importer or filer to tender additional duties, taxes, or fees owed to CBP, the protest will be denied if the approval and re-liquidation of the protest is not within CBP’s ninety-day (90) voluntary re-liquidation period (19 U.S.C. 1501). CBP cannot re-liquidate the entry to the detriment of the importer if the period of voluntary re-liquidation has expired (19 U.S.C. 1514(a)). Within 90 days of liquidation, an importer or filer may submit a letter as per [19 CFR 141.105](#) with a check for the additional funds to the Port, requesting voluntary re-liquidation in accordance with [19 CFR 173.3](#). The filer may also submit a prior disclosure to correct the error.

### **11.3 Adding Entry Summary Numbers**

Entry summary numbers may be added to the protest record either by typing individual entry summary numbers in the “Add Entry” field of the protest record or uploading a file of entry summary numbers in the “Browse” field. Only .txt files of entry summary numbers can be uploaded. The file must be no larger than 1 MB. The ACE Protest Module will validate the entry summary number to ensure it is a valid number that exists in ACE and is not a duplicate.

### **11.4 Uploading Supporting Documents**

Supporting files may be uploaded to the ACE Portal, such as documents, pictures, etc., that support the protest. All file types, except those in .tiff format, can be uploaded. The file size can be no larger than 10 MB per file.

A spreadsheet documenting all the entry summaries and the changes described in the protest, should the protest be approved, would be helpful for the Centers in processing approved protests and will facilitate a faster refund process. The spreadsheet is not a requirement for protest submission but will assist the Centers. If a spreadsheet is submitted, it must be formatted as documented in CSMS 49573954.

### **11.5 Validations**

The ACE Protest Module validates much of the entered data on the form by checking for proper formatting of numbers and confirming that entered data, such as importer and entry summary numbers are valid and exist in ACE.

When the Protest Module detects invalid data, error messages will display. No incomplete protests are allowed. The protests cannot be saved until all required data is entered and any errors are corrected.

### **11.6 Protest Number**

Once a protest number has been assigned by the ACE Protest Module, it cannot be deleted by either the filer or CBP.

### **11.7 Application for Further Review (AFR)**

When a protest is filed through the ACE Protest Module, the protest filer must use the Protest Module to submit AFR. AFR can be requested when creating a protest or editing a protest. When AFR is requested, an AFR tab is added to the protest to capture a response to the AFR questions in the AFR tab and a written justification for further review. The written justification must be entered in the text box provided or uploaded separately.

### **11.8 Accelerated Disposition (AD)**

The protest filer must submit the request for Accelerated Disposition via certified or registered mail with the Center or Port Director with whom the protest was filed. Requesting Accelerated Disposition is not part of the protest creation process in ACE. With the electronic form, Accelerated Disposition is requested when the form is edited, not created. Filers should refer to the Quick Reference Guide for instructions to request or withdraw Accelerated Disposition.

The date of the request for Accelerated Disposition will be based on the date of mailing. The protest filer may electronically withdraw a request for accelerated disposition of a protest filed through the ACE Protest Module any time prior to the 30 days after the date of the request or the CBP decision on the protest, whichever comes first.

### **11.9 Amending Protest**

An amendment to a protest filed electronically must be made through the ACE Protest Module. The legal requirement for amending a protest is the 180-day period after liquidation or re-liquidation, or a CBP decision which involves neither a liquidation nor re-liquidation, the same timeframe as submission of a protest.

The date of filing an amendment for an electronic protest will be the date on which the protest amendment is received electronically by the ACE Protest Module. An amendment to a paper submission shall be deemed filed on the date it is received at the Port in which it is filed. Trade users should review Federal Register Notice [81 FR 53497](#), 19 CFR 174.14(a), and 19 CFR 174.23 for additional guidance on amending protests.

### **11.10 Withdrawing a Protest in ACE**

When a protest is filed through the ACE Protest Module, the protest filer's request to withdraw a protest must be submitted through the ACE Protest Module. Only the protest filer or CBP is allowed to "Withdraw" a protest through the ACE Protest Module. Once the protest has been "Withdrawn" the protest cannot be reinstated in ACE.

### **11.11 Paper Protests**

Paper protest submissions are still supported and processed by Center personnel by inputting and uploading the protest data into ACE protest module. 19 CFR Part 174 of CBP regulations allow for paper protests until further notice. The paper protest will be assigned to the Center team designated as the Control Team on the lead entry summary.

For paper protests received at the Ports and input by Center personnel, filers will **not** be able to check the status by way of their portal account. The original entry filer can perform an entry summary query via ABI. A protest decision copy will be mailed to the protest filer when a decision has been rendered.

### **11.12 Protest on Non-Revenue Related Changes**

CBP does allow section 514 protests for non-revenue related changes if the non-revenue related change is not adverse to the importer. Per 19 CFR Part 174.11, a protest may cover: administrative decisions and/or any clerical error, mistake of fact, or other inadvertence, whether or not resulting from or contained in an electronic submission, adverse to the importer in any entry, liquidation, or re-liquidation. If the error, mistake of fact, or other inadvertence is adverse to the importer, then a protest is the proper mechanism.



## Chapter 12

### Warehouse Entries and Withdrawals

#### 12.0 Overview

ACE allows importers and brokers to submit electronic (fully paperless) entries. The following warehouse entry types can be filed electronically in ACE:

- 21—Warehouse
- 22—Re-Warehouse
- 31—Warehouse Withdrawal Consumption
- 32—Warehouse Withdrawal Quota
- 34—Warehouse Withdrawal Antidumping/Countervailing Duty,
- 38—Warehouse Withdrawal Antidumping/Countervailing Duty & Quota/Visa Combination.

#### 12.1 Basic Requirements for Warehouse Entries and Withdrawals

Filers, importers, brokers, etc. will need to provide verification of “acceptance” of warehouse entries (*ACE Entry Type 21/22*) to the warehouse proprietor. The printout package information for the warehouse proprietor should be a [CBPF 7501](#) (*ACE Entry Summary*) “like” document, to include:

- The description of the merchandise going to the warehouse
- Quantity being released/entered into warehouse
- Invoice
- Bill of lading information or a [CBPF 6043](#) (*Delivery ticket*).
- A printout of CBPF 3461 for Non-ABI entry.
- CBP stamps copies of the CBPF 3461.

If the entry is a re-warehouse entry (entry type code 22), the entry must be filed on CBP Form 7501. Customs Form 6043 (Delivery Ticket) should be filed with the CF 7501, unless transfer of the merchandise to the warehouse is authorized on an extra copy of CBP Form 7501.

If alcohol or tobacco products are imported and entered for warehouse, the Internal Revenue Tax becomes due and payable within 14 days after the first withdrawal from the bonded warehouse. The last day for payment of such tax is the 14<sup>th</sup> day after the last day of the semimonthly period during which the withdrawal occurs, pursuant to 26USC5061(d)(1). If a type 22 entry is a withdrawal for export only, no IRT is required to be paid on the associated 21. Except for articles destined for export as provided in section (b) (2) subparagraph (D) of the 26 USC 5061.

To facilitate warehouse withdrawals (*ACE Entry Type 31/32*) filers must provide CBPF 7501 (*Entry summary*) “like” documents or [CBPF 7512](#) (*Transportation Entry and Manifest of Goods Subject to CBP Inspection and Permit*) in the case of in-bond shipments as verification of “acceptance” to the warehouse proprietor.

**Notes:** For audit purposes, these “like” documents will satisfy due diligence on record retention for signed off copies for release. Validating the acceptance before release of merchandise from the warehouse is important for quota merchandise, withdrawals entry types 32/38.

The warehouse proprietor must verify the quantity released for quota against the warehouse withdrawal entry that was accepted by CBP Quota prior to releasing the goods associated with the entry from the warehouse and avoid redelivery or potential liquidated damage cases.

There is no limit in the number of re-warehouse entries that can be filed on the same merchandise (except class 6) within five years from import date 19 CFR 144.41.

**Note:** Related warehouse and withdrawal CSMS messages: [CSMS #46977381 - The ACE DIS XML implementation Guide has been updated.](#) [CSMS #48704481 - Finalize Tuna Warehouse Withdrawals 2021.](#)

## **12.2 Basic Processes for Warehouse Entry and Withdrawals**

A completed ACE Cargo Release and ACE Entry Summary must be filed with CBP. Incomplete submission of information will be rejected to the Trade for completion. All submitted documents must be reviewed for completeness and accuracy, as cited in 19 CFR 144.11. Warehouse entries/withdrawals can be verified by CBP at any time using audit/reconciliation/compliance review procedures.

Blanket withdrawals will remain a paper process at this time.

“Export Only” documents must be uploaded into DIS by the trade to notify CBP of intent.

Estimated duties, taxes and fees shall be deposited at the time merchandise is withdrawn from the warehouse for consumption, as cited in 19 CFR 144.12. The only exception is the Harbor Maintenance Fee (HMF), which is collected at time of entry into the warehouse on the entry summary, 19 CFR 24.24.

When a filer submits a final warehouse withdrawal and places an indicator on the entry withdrawal, this indicator will also update the warehouse summary with final indicator in ACE. The final withdrawal indicator in ACE is CBP’s notification to perform a final review and close out of the entry. These entry summaries can be identified by running ACE report ES-007 Warehouse Entry Summaries without Final Withdrawal and selecting “Y” instead of “N” for “final warehouse withdrawal made indicator.” Filers should ensure and confirm with warehouse proprietors there is no remaining merchandise left behind in the warehouse before placing a final withdrawal indicator on the entry, as ACE will prevent the filing of further withdrawals against the warehouse entry once the final withdrawal indicator has been placed. There should not be a remaining balance of merchandise after the final warehouse withdrawal indicator was placed and warehouse proprietor must confirm zero balance of merchandise to CBP. If a final withdrawal indicator was placed erroneously when there was still merchandise left behind in the warehouse, the assigned Center must be notified immediately. Please refer to CSMS #43089259 or [CBP.gov](#) for the team codes and format.

## **12.3 Document Requirements for Warehouse Withdrawals**

The following documentation requirements apply to warehouse withdrawal entries (entry types 31, 32, 34, and 38):

## 12.4 Warehouse Withdrawal Entries

When making a warehouse withdrawal entry, members of the trade community do not have to provide additional documentation for the entry, such as the original warehouse entry's (entry type 21) documentation, unless it is requested by CBP.

**Note:** CBP personnel have a right to request this warehouse entry information/documentation and are not required to justify why they need this information. All required documentation must be uploaded into DIS.

CBP may request warehouse documentation through ACE within 30 days from the entry summary date. If after 30 days from the entry summary date, CBP's personnel will request warehouse entry information/documentation using CBP Form 28-Request for Information.

### ***Final Warehouse Withdrawal Entries***

Per 19 CFR 19.12(d)(4)(ii), when making the final warehouse withdrawal, which, per 19 CFR 144.32(a)(3), means "the quantity remaining in the warehouse after the withdrawal" related to the original warehouse entry (entry type 21) is zero, the following documentation must be provided by the trade community within 30 calendar days of final warehouse withdrawal:

### ***Submitting the Permit File Folder or Activity Summary Report to DIS***

The permit file folder should contain documentation that confirms that all of the goods associated with the original warehouse entry have been removed from the warehouse or are otherwise accounted for. The permit file folder documentation includes a copy of the original warehouse entry's documentation, "Manifest Discrepancy Report," and documentation of any shortages or damage to the goods.

The Permit File Folder or activity summary report must be filed by the warehouse proprietor to CBP within 30 calendar days after the final withdrawal (19 CFR 19.12(d)(4)(ii) or when requested by CBP in case merchandise has not been withdrawn during the five years bonded period. Members of the trade community can find permit file folder documentation requirements in 19 CFR 19.12.

The 'Permit File Folder' label available in DIS facilitates and assists trade users when filing the permit file folder or activity summary report after reporting a final warehouse withdrawal. If the activity summary report is submitted this should account for all merchandise including but not limited to list all warehouse transactions, receipts, withdrawals, manipulations, shortages, and destructions.

For reporting a final withdrawal, the submission through DIS of the "Permit File Folder" is required, as confirmation for closing of the warehouse entry. Although paper submissions remain available at the port of entry, the closure documents must be uploaded in DIS. Warehouse proprietors or authorized party will upload the permit file folder or activity summary report in DIS for review by CBP. If paper submissions are made at the port of entry, CBP personnel at the location will upload the permit file folder or activity summary report to DIS. Permit File Folder, Activity Summary Report or formal notification of the final withdrawal should be submitted by the warehouse proprietor into DIS, followed by an email notification to the assigned Center regarding all documentation available in DIS unless otherwise requested. The permit file folder or entry activity summary must be submitted within 30 calendar days of each final withdrawal. The activity summary report is submitted when permit file folder exemption exists. If the activity

summary report is submitted this should account for all merchandise including but not limited to list all warehouse transactions such as receipts, withdrawals, manipulations, shortages, and destructions. Prior to submission to CBP, the warehouse proprietor must ensure the accuracy of the summary report and that all supporting documentation is on file and available for review if requested by CBP.

Trade users must ensure when reporting a final withdrawal that all reported warehouse withdrawals account for the total of merchandise. No remaining merchandise at the warehouse (zero balance as required by 19 CFR 144.32(a)), and that all duties, taxes and fees have been paid. CBP is not responsible for delayed processes due to incomplete submission of information. When submitting closing documents to DIS please ensure to provide the assigned Center team code number within the Automated Commercial Environment (ACE) modules. Please refer to CSMS [#43089259](#) for the new team codes and format. In case there is not a Center control team assigned to the entry, the closure documents will still need to be uploaded in DIS, and the filing port Entry Branch will have to be notified of the warehouse closure and documentation submitted.

Email notification to the assigned Center after permit file folder has been submitted to DIS should be sent. All Center email addresses are available on [CBP.gov](#).

[The ACE DIS XML implementation Guide has been updated.](#) The [ACE-DIS Implementation Guide](#) available on CBP.gov provides the message formats and technical specifications necessary to electronically transmit data to CBP's automated systems (Please refer to the [CSMS #46977381](#)). [The updated ACE DIS XML Implementation Guide](#) on page 79 provides the codes, and Appendix B the General Guidelines for Documents Submitted to DIS. The submission of the permit file folder and documentation for the warehouse entry closure will follow current format and procedures available for submitting documents in DIS. It is important to transmit data with the symbols and marks as needed for successful submission or DIS will reject the submission.

**Note:** Trade Community users please be aware that when uploading documents in DIS, there will be a DIS-ID number generated. Please refer to that DIS-ID number when communicating or sending e-mail notification to CBP, Center Personnel regarding documents available in DIS.

Exemption for the submission of the Permit File Folder or Activity Summary Report for the final withdrawal may be granted at the discretion of the Center Director to furnish a formal notification of final withdrawal in lieu of the requirement to submit the permit file folder or entry activity summary within 30 calendar days of each final withdrawal 19CFR19.12 (4)(iv).

Warehouse proprietors may refer to 19 CFR 19.12 for inventory control and record keeping system for the applicable class of warehouse.

**Note:** CBP is not required to request the information above for the final warehouse withdrawal entry. CBP expects the trade community to submit this information without being asked to do so. CBP is not responsible for delayed processes due to incomplete submission of information. Trade community users are encouraged to make submissions through DIS, a paper submission may delay processes and closures.

### ***Other Warehouse Withdrawals***

Regulations and procedures for warehouse withdrawals made on textiles or quota merchandise for consumption remain the same, per 19 CFR 144.34(b).

### **12.5 Requesting warehouse withdrawal extension beyond the five-year end date**

Trade users can request warehouse withdrawal extensions beyond the five years end date extension. The filing of a “proper request and good cause being shown” is a precondition for CBP approval and the granting of the extension 19 C.F.R. § 144.5; 19 U.S.C. § 1557(a)(1). Request must be received in writing within the five-year bonded warehouse period from the date of importation, although it is expected that most requests for extending the warehouse period would be submitted in the fifth year. If good cause is shown, the Center Director may extend the five-year time limit.

These extensions apply to the five years warehouse time period to submit warehouse withdrawals. This is not referring to liquidation extensions.

Trade users must complete and submit a separate request for each warehouse entry to CBP. Requesting the extension for a warehouse entry type 22 beyond five years expiration end date will not apply to the original warehouse entry type 21 and vice versa. Trade users should be mindful that when CBP extends the withdrawal date on one entry type does not automatically extend it on the other. Removing the extension on one entry type also does not remove it on the other. A request for extending beyond the five-year warehouse withdrawal end date extension will not be granted by CBP if:

- The warehouse entry summary is **not** an Entry Type 21 or 22
- The warehouse entry summary has a final withdrawal reported
- The warehouse entry summary is pending liquidation
- The warehouse entry summary is not in CBP control and accepted status
- The request for extension request is received after the five-year bonded warehouse period has expired i.e., it is more than five years from the date of importation
- The request for extension request is received after the previously approved extension has expired
- The warehouse entry summary has unpaid duties or charges on the entry and/or associated withdrawals

### **12.6 Reports**

The warehouse extension functionality does not provide e-mail notification to the trade users when an extension has been granted. Data elements have been added to the *ES-007 Warehouse Entry Summaries without Final Withdrawal* and the *ES-009 Warehouse Entry Summary Alert Reports*. Trade users can leverage these reports to see end dates for warehouse entry summaries and the extended end date.

## Chapter 13

### Drawback

The Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA) requires drawback claims to be submitted and processed electronically. The Automated Commercial Environment (ACE) will be the sole electronic data interchange system in which to file drawback claims.

**Note:** For guidance on pre/non-TFTEA drawback processing, please refer to “[Appendix 2](#)”.

#### 13.1 TFTEA

TFTEA drawback claims will be entered into ACE as entry type ‘47’ with the applicable code/ statutory provision.

In ACE, codes 51-75 are TFTEA provisions:

ACE CODE	TFTEA PROVISION	TFTEA PROVISION DESCRIPTION
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
55	TFTEA 1313(c)(3)	TFTEA Rejected merchandise that has been determined to be defective at the time of importation
56	TFTEA 1313(c)(4)	TFTEA Rejected merchandise that was ultimately sold at retail
57	TFTEA 1313(d)	TFTEA Flavoring extracts; medicinal or toilet preparations; bottled distilled spirits and wines (Internal revenue tax on flavoring extracts and medicinal or toilet preparations (including perfumery manufactured from domestic tax paid alcohol))
58	TFTEA 1313(j)(1)	TFTEA Direct identification unused merchandise drawback
59	TFTEA 1313(j)(2)	TFTEA Substitution unused merchandise drawback
60	TFTEA 1313(p)	TFTEA Substitution of finished petroleum derivatives
61	TFTEA 1313(b)(p)	TFTEA Manufactured petroleum derivatives

62	TFTEA 1313(b)(p)/1309	TFTEA Manufactured petroleum derivatives/Supplies for certain vessels and aircraft
63	TFTEA 1313(p)/1309	TFTEA Substitution of finished petroleum derivatives/Supplies for certain vessels and aircraft
64	TFTEA 5062(c)	TFTEA Distilled spirits, wines, or beer which are unmerchantable or do not conform to sample or specifications
65	TFTEA 1313(j)(1)/1313(q)	TFTEA Direct identification unused merchandise drawback/Packaging material
66	TFTEA 1313(j)(2)/1313(q)	TFTEA Substitution unused merchandise drawback/Packaging material
67	TFTEA 1313(c)(1)/1313(q)	TFTEA Rejected Merchandise that does not conform to sample or specifications/Packaging material
68	TFTEA 1313(c)(2)/1313(q)	TFTEA Rejected merchandise that has been shipped without the consent of the consignee/Packaging material
69	TFTEA 1313(c)(3)/1313(q)	TFTEA Rejected merchandise that has been determined to be defective at the time of importation/Packaging material
70	TFTEA 1313(c)(4)/1313(q)	TFTEA Rejected merchandise that was ultimately sold at retail/Packaging
71	TFTEA 1313(a)/1313(q)	TFTEA Direct Identification Manufacturing Drawback (Articles made from imported merchandise)/Packaging material
72	TFTEA 1313(b)/ 1313(q)	TFTEA Substitution Manufacturing Drawback (Substitution for drawback purposes)/Packaging material
73	TFTEA 1313(j)(2) NAFTA Exemptions	TFTEA Substitution unused merchandise drawback NAFTA Exemptions
74	TFTEA 1313(j)(2) WINE ALTERNATE STANDARD	TFTEA Substitution unused merchandise drawback TABLE WINE. (ONLY for alternative substitution standard in 19 CFR 190.32(d).)
75	TFTEA 1313(b) SOUGHT CHEMICALS	TFTEA Substitution Manufacturing Drawback SOUGHT CHEMICALS

TFTEA claims may be filed up to 5 years after the date of importation of the merchandise that is identified or designated as the basis for the drawback claim. (For TFTEA 1313(d) claims, which

have no associated imported merchandise, the filing deadline is 3 years after exportation.) *ACE will automatically reject untimely filed claims; with the untimely imports/exports).*

### 13.2 Elements of a “complete claim”

A complete drawback claim shall consist of a successful claim acceptance in ACE and the successful upload of mandatory documents into the Digital Image System (DIS). Documents must be uploaded within 24 hours of claim acceptance in order to maintain the claim date generated by the ACE submission.

The following, amongst other information as specified in the draft CATAIR, must be provided when filing a TFTEA claim:

- Drawback Entry #
- Filing Port Code
- Claimant ID #
- Drawback Provision
- Drawback Claim Date
- Total Drawback Amount Requested
- Import Entry Summary Line Level Data, including 10-digit HTSUS/Schedule B HTSUS Data (*Add ‘00’ to 8-digit HTS, if necessary*)
- Information on Exportation or Destruction
- Information on NAFTA/USMCA (As applicable)
- Notice of Intent to Export or Destroy (As applicable)
- Quantity/Unit of measure (*Must match UOM on 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.*)
- Duties, Taxes, and Fees Paid on Imported Merchandise
- Entered Value per Unit (*calculated differently for direct identification and substitution claims*).

**Note:** 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.

- Import Tracing Identification Number (ITIN) - unique identification number used to associate the imported merchandise and any substituted merchandise with any intermediate products (if applicable) and the drawback-eligible exported or destroyed merchandise or finished article(s). (See CATAIR for guidance on constructing ITIN)
- Manufacture Tracing Identification Number (MTIN) - unique identification number used to associate the manufactured merchandise, including any intermediate products, with the drawback-eligible exported or destroyed finished article(s). (See CATAIR for guidance on constructing MTIN) (As applicable)
- Ruling Numbers (As applicable)
- Product Description: Please see the reporting requirements and examples below:



**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 must adhere to the above standard).

**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

**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

**Substitution Unused:** The 41 and 71 record listed in the CATAIR will differ, please see below:

**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 DS 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.

### Example 1: Motor Cars

		Quantity	General	Special
8703 (con.)	Motor cars and other motor vehicles principally designed for the transport of persons (other than those of heading 8702), including station wagons and racing cars: (con.)			
8703.24.00	Other vehicles, with spark-ignition internal combustion reciprocating piston engine: (con.)			
	Of a cylinder capacity exceeding 3,000 cc	2.5%		Free (A+, AU, B, BH, 10%, CA, CL, CO, D, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)
10	Ambulances, hearses and prison vans	No.		
30	Motor homes	No.		
	Other:			
	New:			
	Having engines with not more than 4 cylinders:			
32	Of an interior volume not exceeding 2.4 m <sup>3</sup>	No.		
34	Of an interior volume exceeding 2.4 m <sup>3</sup> but not exceeding 2.8 m <sup>3</sup>	No.		
36	Of an interior volume exceeding 2.8 m <sup>3</sup> but not exceeding 3.1 m <sup>3</sup>	No.		
38	Of an interior volume exceeding 3.1 m <sup>3</sup> but not exceeding 3.4 m <sup>3</sup>	No.		
42	Of an interior volume exceeding 3.4 m <sup>3</sup>	No.		
	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>	No.		

**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

## Example 2: Footwear

Heading/ Subheading	Stat. Suf- fix	Article Description	Unit of Quantity	Rates or Duty		
				General	Special	2
6403 (con.)		Footwear with outer soles of rubber, plastics, leather or composition leather and uppers of leather: (con.)				
6403.91		Other footwear:				
6403.91.11	00	Covering the ankle: Footwear made on a base or platform of wood, not having an inner sole or a protective metal toe-cap.....	prs.....	Free 1/		33 1/3%
6403.91.30		Other: Welt footwear.....	prs.....	5% 1/	Free (AU, BH, CA, CL, CO, D, IL, JO, KR, MA, MX, OM, P, PA, PE, R, SG)	20%
	10	Work footwear:				
	25	For men.....	prs.....			
		Other.....	prs.....			
		Other:				
	35	For men:				
	40	With pigskin uppers.....	prs.....			
	80	Other.....	prs.....			
	91	For women.....	prs.....			
6403.91.60		Other: For men, youths and boys.....	prs.....	8.5% 1/	Free (AU, BH, CA, CL, CO, D, E, IL, JO, KR, MA, MX, OM, P, PA, PE, R, SG)	20%
	10	Work footwear.....	prs.....			
		Other:				
		Tennis shoes, basketball shoes, gym shoes, training shoes and the like, for men:				
	30	With pigskin uppers.....	prs.....			
	40	Other.....	prs.....			
		Other tennis shoes, basketball shoes, gym shoes, training shoes and the like:				
	50	With pigskin uppers.....	prs.....			
	60	Other.....	prs.....			
		Other:				

Tariff Description: 6403.91.6010 – Work Footwear

## Correct Drawback Claim Description:

41 Record: Work Footwear

71 Record: Style 123/ Men’s /Black

Filers will be required, when applicable, to certify the following in ACE:

- Bill of Material/Formula
- Petroleum
- NAFTA/USMCA
- Substituted Unused Wine

- Oil Spill Tax
- Valuation of Destroyed Merchandise
- Accelerated Payment
- Waiver of Prior Notice

Claimants may file an electronic certification, within the claim export record, when an executed waiver/assignment letter is on file. The actual waiver/assignment letter may be requested and verified as required.

Where applicable, the following documents, which are required as part of a complete claim, must be successfully uploaded in DIS within 24 hours of ACE acceptance:

- CBPF 7553 - Notice(s) of Intent to Export, Destroy, or Return Merchandise for Purposes of Drawback. This form is not required for deemed exportations.
- For 1313(c) -Documents to establish that merchandise did not conform to sample or specification, was shipped without the consent of consignee, or was defective as of the time of importation.
- For 5062(c) -certification of the importer setting forth in detail the facts that cause the merchandise to be un-merchantable.
- For 1313(d) - Production Exhibit
- 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.

**Note:** In circumstances when the number of CF 214's required to be uploaded for a singular drawback claim become too burdensome (10 or more), CBP will allow the claimant to upload a recap worksheet that at minimum must contain a listing of the designated Admission Numbers and their respective import dates.

- TFTEA mixed claims (see 14.5)
- Oil spill tax: tax worksheet, tax return IRS Forms 720, 720x, and 662
- Quarterly HMF payments: CBP Form 349, CBP Form 350 when applicable, and the entry summary recap sheet.
- § 1309(b) claims: Notice of Lading and Master Declaration.
- NAFTA/USMCA support
- Assignment letter, unless certified in claim ('Waiver' checkbox located in the export record).
- § 1592(d) Payments utilizing the 'Adjusted Claimed Amount' field: entry application spreadsheet (Appendix H of the CATAIR)
- Reconciliation entry spreadsheet (Appendix G of the CATAIR) for the following circumstances:
  - Reconciliation resulted in a refund.
  - Reconciliation resulted in additional payments that are claimed in the adjusted claimed amount field.

- Prior Disclosure spreadsheet (per the Drawback CATAIR Appendix H) for the following circumstances:
  - Utilizing the ‘Adjusted Claimed Amount’ field.
  - Additional funds tendered.

Circumstances where funds cannot be designated:

- Prior disclosure funds where the loss of revenue was derived by sampling.
- Funds tendered in a prior disclosure where an offset was utilized.

**Note:** Paper certification is required when an electronic, mandatory certification is not made.

Optional: Cover sheet with point of contact information (name, address, e-mail, and phone number). This information although not required, is helpful to ensure the timeliness of responses.

**Note:** The documents listed are not all-inclusive but are required documents that are subject to the specific drawback provision. See the DIS Implementation Guide for forms and document codes.

Filers will certify, via electronic signature in ACE that required documents will be uploaded into DIS in conformity with the TFTEA definition of a complete claim.

Drawback Specialists will perform an initial review, no later than the end of the next business day after submission of documents, to verify completeness and sufficiency of documents. Drawback Specialists will notify filer via email, phone, and/or by U.S. mail of missing, incomplete, or unsatisfactory documentation. The claim is deemed incomplete.

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

Under TFTEA, HTSUS based standards replace commercial interchangeability and same kind and quality requirements:

- Substitution under 19 U.S.C. 1313(b), manufacturing drawback claims, requires that the substituted merchandise used in manufacturing be classifiable under the same 8-digit HTSUS subheading number as the designated imported merchandise.
- Substitution under 19 U.S.C. 1313(j)(2), unused merchandise drawback claims, requires that the substituted merchandise be classifiable under the same 8-digit HTSUS subheading number as the imported merchandise, except that:
  - For 19 U.S.C. 1313(j) (2) claims, there are restrictions with respect to HTSUS basket provisions (i.e., subheadings with descriptions that begin with the term “other”)
  - Specifically, merchandise cannot be substituted if the textual description at the 8-digit HTSUS subheading number begins with the term “other”, unless the imported merchandise and the substituted merchandise are both classifiable under the same 10-digit HTSUS number and the description for that 10-digit HTSUS statistical reporting number does not begin with the term “other”.

*Claimants may seek administrative rulings on the HTSUS classification for all potential drawback-eligible goods, even if they are not for importation, in accordance with 19 CFR 177.*

All supporting records related to drawback claims must be maintained three years from the date of liquidation, in accordance with TFTEA drawback laws. *Unsubstantiated claims will be denied.* ACE will issue an informational message indicating that a one-time waiver (OTW) is required. Upon receipt of that message, claimants have 30 days to present the OTW approval to CBP. (For pending OTW, space fill in ACE).

For TFTEA drawback claims, ACE is designed to validate claim data at the line level of the underlying consumption entry. TFTEA claims must contain line level data for underlying consumption entries, to include the 10-digit HTSUS subheading UOM (see note), quantity, rate of duty, tax and entered value.

Claimants designating monies that were paid on the designated merchandise through a prior disclosure, a § 1592(d) duty demand, or through an additional reconciliation payment, must utilize the ‘Adjusted Claimed Amount’ field. Reconciliation and Adjusted Claim Worksheets must be uploaded within 24 hours if affecting the aggregate claimed amount.

**Note:** 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.

### **13.3 Provision Designation Limitations**

Imported merchandise on a single-entry summary line item must not be designated as the basis for both direct identification (refunds based on invoice values) and substitution drawback (refunds based on per unit averaging) claims.

The type of designation (Direct Identification/Substitution) that is first filed on the entry summary line will determine the type of provision that can be used to file a drawback claim until all drawback benefits on that line have been exhausted.

Transferors should inform transferees, when known, of any previous claims and the line designation type.

If the filer enters an incorrect designation, the claim will be rejected, and must be corrected before being resubmitted.

Both the importer and claimant are “joint and several” liable for mistakes on drawback claims.

### **13.4 Mixed Claims**

Mixed use claims are TFTEA substitution drawback claims (refund calculation based on per unit averaging) that designates an entry summary line item from import entries previously designated on a non-TFTEA drawback claim (refund calculation based on invoice values).

The two calculation methodologies, per-unit averaging and invoice value calculations, are not mathematically compatible when computing duty on an import entry summary line and may create a revenue risk for CBP.

When filer transmits a TFTEA substitution drawback claim in ACE, an informational message is generated to identify the use of a mixed claim.

An entry summary line item will be allowed for use on the TFTEA substitution claim only if it can be documented by the claimant that the line item was unused on the non-TFTEA claim.

Claimants must provide the following information via a DIS-upload ONLY within 30-days from the date that the filer receives a mixed-use informational message in ACE:

- Summary document that shows which lines on the import entry summary have been used on past core non-TFTEA drawback claims.
- Import entry summary and associated invoices.
- All prior drawback claims that designated the import entry; and
- All relevant post summary corrections for the import entry/perfections of the prior drawback claims.

### **13.5 System Validations and Rejections**

If a claim has passed all validations, the filer will receive an automated message stating the claim was successfully accepted.

If CBP rejects an ABI claim submission, filers will receive an automated message identifying the data elements that caused the rejection.

If the filer receives a system rejection, the filer should first refer to the error dictionary to troubleshoot error codes. If unresolved, filers may contact the Drawback Office for assistance with errors that are of a regulatory or operational nature or contact the Client Representative for assistance with technical, software or ACE issues.

Rejected claims should be corrected and resubmitted, ensuring that all underlying claims are within the five-year filing period.

If the filer or Drawback Office discovers discrepancies in the ACE record input and/or documentation submitted in DIS after claim passes ACE validations, Drawback Offices and filers will work together to resolve issues. For assistance, filer should contact the Drawback Office where the claim was filed. Drawback Offices will contact filers and claimants via email, phone, or ACE portal.

### **13.6 UOM X**

ACE will validate that the UOM=X matches the UOM=X on the import entry summary and drawback claim. Claims with UOM=X may require manual review by Drawback Specialists. Drawback Specialists may issue CBP form 28, Request for Additional Information, to the filer for documents to assist in UOM validations.

### **13.7 Action Indicators ‘X’, ‘T’, ‘E’ and ‘D’**

The CD/CMD is obsolete, however data fields in ACE are used to document movement of merchandise (export, destruction, manufacturing for transfer, and transfer) that is the subject of the drawback claim.

When action indicators ‘X’ and ‘T’ are used, manufacturing ruling number and date used are required (except transfer only).

Action indicator ‘X’ is used for designated merchandise that has been used in a manufacturing process and will not be transferred to a separate legal entity prior to exportation or destruction.

Action indicator ‘T’ is used when merchandise and drawback rights have been transferred to a separate legal entity; or merchandise and drawback rights have been transferred to a separate legal entity for manufacturing.

Action indicator ‘T’ may also be used for merchandise when drawback rights have been transferred only (i.e., direct unused).

Action indicator ‘D’ is used for designated merchandise that has been destroyed.

Action indicator ‘E’ is used for designated merchandise that has been exported.

ACE will notify the filer of indicator errors. For example, action indicators ‘E’ and ‘D’ cannot be used on the same record, as goods cannot be exported and destroyed.

### **13.8 Accelerated Payment (AP), Bonds and E-Bond**

Accelerated drawback payments are secured by a type 1A bond and such bonds will be filed through eBonds in ACE. Claims that are not accelerated do not require a bond.

Accelerated payment will be authorized when a claimant is approved for accelerated payment privileges and the payment is secured by a sufficient 1A bond and a valid accelerated payment request is accepted by ACE.

Duties, taxes, and fees are eligible for accelerated payment, however, fees under Appendix D of the CATAIR are not eligible for AP. If these fees are included on a drawback claim where AP is requested, the entire claim will be AP ineligible.

AP is not authorized when the claim is transmitted with an insufficient or inactive bond, a provisional ruling number, or an unapproved class code (not all inclusive). In such cases, ACE will remove the AP request prior to accepting the claim. Once rectified, the claim may be resubmitted for AP.

If the requirements for a complete claim (i.e., insufficient documentation, missing NOI, etc.) are not met prior to payment certification by CBP, AP will be unset by a drawback specialist. Once unset, AP cannot be added back, disallowing AP privileges throughout the life of the claim.

A certification of conformity, via electronic signature in ACE, allows claimants to operate under TFTEA using the same AP privileges granted under 19 CFR Part 191 prior to February 24, 2018. Claimants may only operate under the provisions in which AP was previously granted or as described below.

Claimants that had AP privileges under 19 USC 1313(j)(1), also received AP 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. Eligible claims are certified for accelerated payment within 3 weeks from the date a valid accelerated payment request is accepted by ACE.

### **13.9 Limited Modification of Manufacturing Rulings**

Manufacturing rulings were modified to comply with TFTEA, as rulings issued under 19 CFR Part 191 did not fully conform to the new statutes and future regulations promulgated under TFTEA.

Certification must be provided in ACE to confirm that all TFTEA-drawback claims made under the subject manufacturing ruling will be in conformity with applicable statutory and future regulatory requirements.

Limited modification applications to update manufacturing rulings to comply with TFTEA must have been submitted no later than February 23, 2019. Any manufacturing rulings for which applications for limited modifications had not been received by that date are not eligible for TFTEA drawback claims. Claimants, manufacturers, or producers must submit a request for a new ruling.

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.



### **13.10 Waiver of Prior Notice (WPN) Privileges**

Under TFTEA, there are no changes to current privilege application processes. Privilege applications are still reviewed manually.

Claimant will receive WPN privileges under TFTEA for the same provision in which WPN was granted under 19 CFR Part 191.

Claimants that had WPN privileges under 19 USC 1313(j)(1), also received 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.

Claimants that have 1313(j) (2) WPN privileges, but do not have 1313(j) (1) WPN privileges must submit an application to the Drawback Office to be granted 1313(j) (1) privileges under TFTEA.

### **13.11 Post Entry Summary Actions and Impact on Drawback**

For TFTEA claims, filers should report the original entry summary line-item data on claims, however, in some instances; filers may receive a mismatch fatal error message due to post entry summary changes (i.e., protest, post summary correction, reconciliation) that altered the original underlying entry summary data.

CBP policy directs the roles and responsibilities of processing post entry summary actions to the Entry Specialists and Import Specialists at the Centers.

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:  
[gmb.clientrepoutreach@cbp.dhs.gov](mailto:gmb.clientrepoutreach@cbp.dhs.gov).

Drawback Specialists can view entry summaries that are the subject of post entry summary actions to assist filers with obtaining the appropriate entry summary data for filing claims.

Post Summary Corrections (PSC) are submitted to CBP within 300 days of liquidation of entry summary. The PSC replaces the old entry summary. Filers should use the most up to date information when filing drawback claims.

A reconciliation entry (entry type 09) will be filed to reconcile flags, 12 months from import date for FTA and 21 months after entry summary filing date for 9802, value, classification, or combination thereof.

- A drawback claim may only be filed after all entry summary flags have been reconciled (entry type 09). For the following claim types, filers must complete the spreadsheet found in Appendix G of the CATAIR and upload to DIS within 24 hours of claim acceptance: claims where reconciliation resulted in a refund; claims where there is an increase in the value of the reconciled import entry line and the increase, or a portion of the increase, is claimed.

- For Reconciliation that resulted in no change or a refund to the importer, filers must proportionately calculate the drawback based upon the final Reconciliation payment and input that amount into the ‘Claimed Amount’ and ‘Calculated Amount’ input fields.
- If reconciliation resulted in an additional payment to CBP, filers must proportionately calculate the drawback based upon the original duty payment and the additional payment; the portion calculated on the original payment will be entered in the ‘Claimed Amount’ and ‘Calculated Amount’ input fields, and the additional payment will be entered proportionately into the ‘Adjusted Claimed Amount’ field.
- Import entry line items covered by blanket (aggregate) reconciliation entries are not eligible for additional drawback refunds.

Importers are required to submit true and accurate information to CBP, including dutiable elements. If it is determined that sufficient duties, taxes, or fees were not paid at the time of importation, a prior disclosure with tender may be submitted to CBP.

As outlined in 19. U.S.C § 1514, interested parties may file protests for clerical errors, mistakes of fact, or other inadvertences and decisions made by CBP. Protests are submitted in the protest module in ACE within 180 days of liquidation or re-liquidation. If the Import Specialist agrees with the protest, changes are made in ACE by the Import Specialists and the entry summary is re-liquidated. When processing drawback claims, Drawback Specialists will review decisions made on protests to determine if changes to duty, classification, or value affect drawback.

If the drawback claim would have otherwise been properly and timely filed with the required documents to complete the claim (per TFTEA definition of a complete claim), and no other chronic fatal errors would have prevented acceptance in ACE, CBP may backdate the claim to the attempted submission date.

### **13.12 Factory Location Recordation Requirements**

Where the Drawback CATAIR requires listing a factory location in the claim transmission, claimants may record ‘multi’ when there is more than one factory location.

### **13.13 Request for Additional Information**

When additional documentation is needed, CBP will initially send a CBP Form 28 to the filer, claimant, or both -via the ACE Secure Data Portal, via U.S. mail, or both. Subsequent request may be sent via e-mail.

After acceptance in ACE, claims are filtered through the Automated Targeting System (ATS), CBPs risk assessment tool. Filer may receive an automated ‘UC2’ message stating, ‘documents required’. No action is required until the actual CBP Form 28 has been received.

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

Upon request, records must be provided to CBP as outlined in CBP Form 28.

All responses (DIS uploads) may include the contact information of the official in the claimants’ organization who is responsible for the oversight of the claimants’ drawback program.

### **13.14 Amendments and Perfections**

ACE does not allow for amendments and perfections by the filer after an ABI claim has been accepted by CBP and claim is in CBP status. Filer must contact the Drawback Office where the claim was filed for assistance when seeking to amend or perfect a claim.

The Drawback Office will place the claim back in Trade control for filer to make changes to the claim. Updated claims will be validated for acceptance.

Amendments are allowed within the 5-year filing period. Perfection is allowed before liquidation. Liquidated claims may not be amended or perfected; however, they may be protested.

Additional/supplemental documentation, when requested, must be uploaded into DIS.

### **13.15 Liquidation**

For claims that are unilaterally diminished or denied by CBP, a CF-29 will be issued by the processing office.

For questions about claim liquidations, please contact the Drawback Office assigned to your entry.

For information regarding the Liquidation process, please review the ACE Business Rules section on “Liquidation”.

# Chapter 14

## ACE Reports

### 14.1 ACE Reports Overview

The ACE Secure Data Portal can be accessed at: [CBP.gov Ace Data Portal](#).

Information for applying for an account is available at: [CBP.gov Applying for an Account](#).

If you need help establishing an ACE Portal account or have ACE account questions, please contact the ACE Help Desk by:

Phone: (866) 530-4172

Email: [ace.support@cbp.dhs.gov](mailto:ace.support@cbp.dhs.gov)

ACE reports are available in the public workspaces. By clicking the link below, ACE reports Training, Video and User Guides are available to Trade: [ACE Training and Reference Guides | U.S. Customs and Border Protection](#). Running Standard Reports or creating Ad Hoc Reports are tools available to Trade to facilitate entry summary queries as well as monitor compliance with Customs.

Entry Summary (ES) universe and various ACE canned reports are available. The universe and set of standard reports provide users the ability to query a robust set of data elements for both ACS and ACE sourced entry summaries. The following **Entry Summary (ES)** universe standardized reports are available in ACE Reports.

- Entry Summary & Entry Summary New
- AD/CVD Entries
- AD/CVD Reference
- Drawback & Drawback New
- Liquidation & Liquidation New
- Reconciliation & Reconciliation New
- Trade Remedy & Trade Remedy New

These standard reports are intended to serve as a template to guide users in constructing reports for commonly requested data pertaining to entry summary filings.

### 14.2 ACE Reports Information and Training

[ACE Reports Information Notice | U.S. Customs and Border Protection](#)

Data definitions for all ACE data elements, descriptions of the standard reports available as well as updated versions of the "ACE Reports Data Dictionary - Trade" and the "ACE Reports Catalog - Trade" can be accessed through the ACE Portal by logging in to their broker or importer account.

The "ACE Reports Catalog - Trade" is a reference guide available to Trade and it is designated to enhance the understanding of ACE reports by identifying, categorizing, and describing public "canned" reports.

**Note:** The **ACE Reports Data Dictionary** is a reference guide designed to enhance the understanding of ACE Reports by clearly defining data universes and data objects available to system users. It is meant to assist users in identifying data sets and/or specific objects that best fulfill a particular business need and to encourage overall use of the reporting tool. The dictionary does not list each individual public “canned” report available to users; this information is available in the **ACE Reports Catalog**.

Training information on running Standard ACE reports and using Ad Hoc reporting capabilities including videos that will walk new users through ACE reports can be found in the following link: [CBP.gov ACE Reports Training and Reference](#). Brokers and Importers can navigate ACE reports from the ACE Portal by accessing their broker or importer account.

## Chapter 15

### Defense Contract Management Agency (DCMA) Entries Processing DCMA Entry Summaries

The Defense Contract Management Agency (DCMA) is the Department of the Defense (DoD) component that works directly with Defense suppliers to help ensure that DoD federal and allied government supplies and services are delivered on time within the United States.

DCMA entries allow duty-free treatment for articles for military departments when the merchandise is certified to the Commissioner of Customs. A Harbor Maintenance Fee (HMF) is exempt on an Entry Summary line (when MOT 10, 11, or 12) when the article is classified under some HTS chapter 98 provisions. Chapter 9808 has been added to that list ([CSMS #47138649](#)).

Pursuant to 19 CFR 10.102(a), duty-free certification is required to admit articles free of duty under HTS 9808.00.30, 9808.00.40, or 9808.00.50. Duty-free certificates must be submitted electronically in ACE to be reviewed against the entry summary for which a claim for duty-free status is made under the U.S. Harmonized Tariff Schedule and classified as 9808.00.30.

The trade will no longer request a duty-free certificate for commercial shipments by registering for the Duty Free Entry (DFE) eTool. The Duty Free Entry (DFE) eTool System was replaced by the new Procurement Integrated Enterprise Environment (PIEE) Platform. Brokers will not be granted access to PIEE. The vendor (prime contractor) will be responsible for associating the appropriate brokers/filers to their contracts within PIEE. Brokers/filers will receive tokenized emails generated by the vendor through PIEE with a link that will take them to the duty-free certificate form to complete. Once the duty-free certificate form is completed, the information will be validated by the DCMA DFE Team. After the validation is complete, the broker/filer will receive another tokenized email with a link to print their approved DFE certificate.

The new [DCMA - PIEE](#) has no impact on the submission of duty-free certificates for CBP purposes. Importers and brokers are responsible for submitting duty-free certificates to CBP to receive duty-free treatment.

CBP requires the importer or authorized agent to submit the duty-free certificate received from DCMA-NY via the Document Image System (DIS). The certificate should be made available in DIS with the associated entry number for CBP and verification purposes within six months from the date of entry. The duty free certificate is not required for the original filing or release; it is required for the duty free status and liquidation of the entry ([CSMS #46189077](#)). If a duty-free certificate is not submitted to CBP within six months from the date of entry or release under the immediate delivery release procedures, the entry will be liquidated dutiable with the applicable HTS. The importer or authorized agent must maintain on record the duty-free certificate received from DCMA New York.

**Note:** For inquiries related to DCMA commercial or military shipments, a new DCMA's Duty Free Entry Team Group Inbox is available: [dcma.stlouis-mo.hq.mbx.duty-free-entry@mail.mil](mailto:dcma.stlouis-mo.hq.mbx.duty-free-entry@mail.mil).

## Chapter 16

### United States-Mexico-Canada Agreement (USMCA) Duty Deferral

#### USMCA Duty Deferral

Duty Deferral entry summaries are identified by entry type code, 08. USMCA Duty Deferral is defined as any good that has been imported into a USMCA country under a duty deferral program, (Foreign Trade Zone (FTZ), Bonded Warehouse, or Temporary Importation Under Bond (TIB) entered under HTS subheading 9813.00.05), and is manufactured, changed in condition, and is subsequently exported to the territory of another USMCA country. Such a good shall be assessed duties as if the exported good had been withdrawn for domestic consumption. The duties due upon export include, but are not limited to, anti-dumping duties and countervailing duties (ADD/CVD), agriculture fees, and merchandise processing fees (MPF).

The following processes are not considered a change in condition provided that the operation does not materially alter the characteristics of the good.

1. Mere dilution with water or another substance.
2. Cleaning including removal of rust, grease, paint, or other coatings.
3. Application of preservative, including lubricants, protective encapsulation, or preservation paint.
4. Trimming, slitting, filing, or cutting.
5. Putting up in measured doses, or packing, repacking, packaging, or repacking; or
6. Testing, marking, labeling, sorting, or grading.

The USMCA Duty Deferral Entry Program represents a two-part process. The first part represents the “USMCA Duty Deferral Entry” which will contain both header and detailed line-item information. This information is reported within 10 days of the date of export from the USMCA country. The second part, due within 60 calendar days of export, is the claim portion, representing the USMCA country entry information related to the exportation reported in the first part. The claim information will include the USMCA country line-item data. The filer should compare the duties paid in the USMCA country on the exported good to the duties owed in the U.S. on the imported foreign merchandise.

If the Canadian or Mexican duty is more than the U.S. duty owed, the filer is allowed to waive the entire U.S. duty obligation.

If the Canadian or Mexican duty owed is less than the U.S. duty owed, the filer is allowed to subtract the amount of Canadian or Mexican duty paid against the U.S. duty owed and pay the remainder.

## Chapter 17

### Foreign Trade Zones (Entry Type 06)

#### 17.1 Foreign Trade Zone Entry Summary in ACE

Entry and entry summary documentation covering merchandise being imported from a Foreign Trade Zone (FTZ) can be transmitted electronically to CBP. Procedures for filing electronic entries and electronic entry summaries are found in 19 CFR 143(d). Procedures for qualifying for ABI are specified in 19 CFR 143(a). Merchandise is admitted to the zone on a e214 in ACE. The updated ACE CATAIR Appendix P V2.1 FTZ Error Codes document is available on [CBP.gov](http://CBP.gov), provides a listing of FTZ Error Codes and corresponding text messages for e214 FTZ

Admissions. ACE Foreign Trade Zone (FTZ / e214) requires an active FTZ Operator Bond for FTZ admissions and Permit to Transfer movements into a FTZ site. Updates available on the ACE [FTZ Admission \(e214\) CATAIR](#) reflect the workflow changes to FTZ processes, including changes for Post-admission correction requests, Zone status changes, Notification messages, Expanded Zone ID, Regulations and procedures on zone operations in 19 CFR 146.

Entry summaries must be filed for FTZ as type 06, within 10 working days after cargo release has been authorized by CBP, as set forth in 19 CFR 142.12 and 19 CFR 146.62(a). The following are some special instructions for completion of an entry type 06 entry summary data filing:

- **Block 2 (Entry Type)** – Insert entry type code 06 (Foreign Trade Zone / Consumption) or 08 (*NAFTA Duty Deferral*). This entry type code must be used for all merchandise transferred from a zone for consumption, including visa, and AD/CVD merchandise.
- **Block 8 (Importing Carrier)** – For merchandise arriving in the customs territory from a U.S. FTZ, Insert "FTZ" followed by the FTZ number.

**Note:** What is known as the “Foreign Trade Zone Identifier” on the electronic entry summary transaction should be provided in this block according to the format rules, which can be found in the following document: “[Entry Summary Create/Update Chapter of the ACE CATAIR](#)”. Refer to “Note 2” of the 11-Record (Import) Entry Summary Header Content.

- **Block 13 (Manufacturer Identification Number - MID)** – When an entry summary covers merchandise from more than one manufacturer, record the word “MULTI” in this block, and the MID is to be reported at the HTS line level. In “Column 28”, indicate the MID Code corresponding to each line item. If there is more than one vendor for a particular HTS number, separate line items are required for each MID.

If the product is of foreign origin, or in privileged foreign status, provide the MID for the foreign manufacturer. If the product is manufactured in the zone use the following MID construction: [CD 099 3550-055, November 24, 1986](#), “Instructions for Deriving Manufacturer/Shipper Identification Code”

- **Country of Origin:** US
- **Manufacturer Name:** FTZ
- **Street Address:** Zone number (if subzone, place subzone designation in City field in front of zone User’s name)



Examples:

- Smith Manufacturing, Inc., located in FTZ 215, Subzone G [aka 215G]: USFTZ215GSM
- Jones & Co., located in General Purpose (acreage) Zone located in FTZ 220: USFT220JON

**Note:** Blocks 9, 11, 12, 14, 15, 16, 17, 19, and 20 should not be filled out.

## **17.2 Weekly Foreign Trade Zone Entry Summary**

Entry summary for an entry type 06 (FTZ) transaction submitted as a Weekly Entry shall be filed in ACE no later than the 10<sup>th</sup> business day following the first day of the FTZ Site Operator's 7-Day Zone Week, or the date the CBP authorizes cargo release of the merchandise covered by the 06 entry, whichever is later 19 CFR 142.12(b). If the importer is not required to file the entry summary documentation at the time of entry under the provisions of § 142.13, or if he does not elect to do so, the entry summary documentation shall be filed, with estimated duties attached, within 10 working days after the time of entry.

### **Reporting of Quantity and Value by HTS Line:**

The entry summary must reflect the merchandise *actually* entered during the covered 7-day Zone Week period. 'Actually entered' refers to the merchandise which the Importer and FTZ Operator intends to remove from a FTZ and enter into the United States' market with the approval from CBP's Office of Field Operations. Weekly Entry must be filed listing the HTS lines, quantities, and values of the merchandise *actually* removed from the FTZ during the 7-day period. The merchandise is not required to have already been physically removed from the FTZ at the time of the filing of the entry summary.

An entry summary shall **not** be accepted if:

- The entry summary contains HTS numbers, including but not limited to, HTS number/Zone Status/Country of Origin combinations which were not present on the corresponding Cargo Release Weekly Entry submission that was authorized by CBP field personnel.
- It does not include the reported quantity and value by HTS line as specified above.

If a supplementary Weekly Entry transaction is filed to cover extra estimated entered merchandise during the 7-day period, a separate entry summary must be filed to cover that supplementary entry transaction. Although, there is not a limit on the number of Weekly Entry submissions for a single importer of record from a single FTZ. The filing of an additional Weekly Entry will incur on additional MPF due to CBP; importers do not generally file additional Weekly Entries unless they need to.

### *Limitations and Prohibitions:*

- Quota class merchandise is prohibited from weekly entry procedures.
- **Sugar-Processing Operations** – A weekly entry for estimated production shall not be accepted for any sugar or sugar-containing product which is subject to an absolute quota.
- **Textiles and textile products** which are not eligible for weekly entry procedures due to restrictions found in 19 CFR 146.63(d).

### **17.3 Additional Foreign Trade Zone Information**

For additional information about FTZ entry and entry summary can be found online at [www.cbp.gov](http://www.cbp.gov). These sources include: the “[Foreign Trade Zone Manual](#)” and 19 CFR 146. Interim guidance for FTZ Operator Bond Amounts please refer to [CSMS #44578062](#). A bond of a foreign trade zone operator must contain the conditions listed in this section and must be a continuous bond 19 CFR § 113.73. ACE eBond validates every data element contained in an electronically submitted bond. The bond submission will be rejected if one or more validations fail, and the Surety Agent Filer will receive a response message with a specific error indicating the reason. The interim guidance serves as a supplement to 19 CFR 113.13 and Customs Directive 3510-004, Monetary Guidelines for Setting Bond Amounts, dated July 23, 1991, and takes precedence over FTZ Manual - Section 12.2. This guidance will remain in effect from the date of issuance until either updated interim guidance or an updated directive is issued with a risk-based FTZ operator bond formula. For further details on Bonds please refer to Chapter 3.

## **Chapter 18**

### **Trade Fair Foreign Exhibits (Entry Type 24)**

#### **18.1 Trade Fair Entry Summaries**

The Secretary of Commerce reviews and approves or disapproves each request for Trade Fair status. The Secretary also designates the name of the fair, the place where the fair will be held, the date when the fair will open and close, and the name of the operator. If the request is approved, the Secretary notifies the Commissioner of CBP, authorizing the designation of the Trade Fair, and naming the operator of the Trade Fair prior to Trade Fair entries being filed.

#### **18.2 Trade Fair Requirements and Submission**

Trade Fair entries, Entry Type 24, should be submitted under the name of the fair operator, at the port in which the fair is taking place. The fair operator shall file a bond, containing the bond conditions listed on 19 CFR 113.62, in such amount as the port director requires (19 CFR 147.3). Articles which may be entered for a fair are provided by 19 CFR 147.2 and shall be entered upon arrival at the port of the fair with the text specified in 19 CFR 147.11(c). The information required by the special form should be submitted to CBP personnel for acceptance on paper submission, paper submission of the Entry Summary CBPF 7501 is not required.

#### **18.3 Trade Fair Entered for Consumption**

If merchandise from Trade Fairs is entered for consumption, the new formal consumption entry must be submitted to CBP with payment of duties, taxes, and fees to close the Trade Fair entry. Trade Fair entries are not exempt from Harbor Maintenance Fee (HMF) pursuant to 19 CFR 24.24(c). Harbor Maintenance Fee that was paid on a Trade Fair entry should not also be charged on the new consumption entry. All other duties and fees remain applicable on the consumption entry. ACE records the new consumption entry number that closes the Trade Fair entry and name of Trade Fair Operator.

#### **18.4 Exporting a Trade Fair**

When merchandise from a trade fair is exported the following export documentation is acceptable:

- Immediate Exportation (IE) - Only acceptable if the lading portion is properly completed.
- Customs Form 7512 Transportation and Exportation (T&E) - Only acceptable if submitted with the bill of lading showing export from the United States.

The fair operator shall be liable for the payment of any unpaid duties, taxes, fees, charges, or an exaction due on any article lost or stolen from the fair premises regardless of the operator's fault. If the broker/importer does not submit the closure documentation on the Trade Fair entry summaries or does not respond to a demand for redelivery, then liquidated damages shall be assessed against the Trade Fair operator as prescribed in 19 CFR 141.113 (g).

# Chapter 19

## Collections

### 19.1 Collections Scope

The collection of duties/taxes/fees, along with the processing of the collection of supplemental payments, and collection of bills are all processed in the ACE Module.

### 19.2 Single Pay

ACE entry summaries must be paid via statement processing or single pay. For single pay, the trade must submit a CBP form 7501 or equivalent document with payment, when entries are taken off of statement for single payment.

### 19.3 Statement Non-ACH and ACH

ACE Statements Collections Release One Deployed, September 2019. For specific details on the release and information, please review the [Collections, Release One: Information Notice](#). Statements can be paid either with cash/single check or via Automated Clearing House (ACH). For statements paid on a check (not ACH), a copy of the statement must be submitted with the check payment, to the port of release for CBP manual processing.

If paying via ACH, no documents are necessary. The ACH statement collection is all processed electronically with debit/credit payment.

### 19.4 Periodic Monthly Statement (PMS)

The periodic monthly statement (PMS) allows users to consolidate periodic daily statements and pay once a month.

Once a preliminary daily statement (*periodic daily or regular daily*) is generated for the entry summary, the entry summary is updated to “CBP” control.

Once an entry summary control status is “CBP”, ACE begins tracking the entry summary versions.

ACE entry summaries paid on a statement (*daily or monthly*) may have circumstances in which an ACE entry summary must be removed from a statement. For [guidance on removing entries from statement](#), please review [CSMS # 43387297](#).

After a debit authorization has been processed on a daily Periodic Monthly Statement (PMS), single pay is the only payment option for an entry summary removed from a PMS statement. If the entry summary is not scheduled for another statement, then the filer must submit payment, along with the 7501-equivalent document. Once CBP processes the collection, the entry summary control changes from Trade to CBP.

The filer will submit an ABI transmission to remove the entry summary from statement processing. The entry summary control will change from “CBP” to “Trade.” However, once the debit authorization is processed for a statement, the filer may not move an entry summary from that statement to another statement.

Duty Free Entry summary removed from a preliminary daily statement, and not placed on another statement, requires CBP personnel to manually place the entry summary in “CBP” control.

### **19.5 Supplemental Payments: PSC, Bills, Etc.**

When submitting supplemental payments, money should be submitted at the Port of Entry with a copy of a 7501-equivalent document. However, if the supplemental payment is submitted to a location other than the Port of Entry, there will be an increased processing time to post the payment to the entry summary.

For bill payments, a copy of the bill or a document with the bill number must be submitted with the money owed to the port listed on the bill.

**Note:** The trade is required to pay additional duties after an AD/CVD rejection upon re-submission of the entry summary on the 10<sup>th</sup> day.

For further clarification on the collections processing mentioned above please visit our website at, <https://www.cbp.gov/trade/priority-issues/revenue> .

### **19.6 Available Reports**

- REV- 101 Monthly Statement Overview
- REV- 102 Daily Statement Overview
- REV- 103 Periodic Daily Statement Entry Summary List
- REV- 104 Daily Statement Entry Summary List
- REV- 307 Deferred Tax Consolidated Open Unpaid Report
- REV- 308 Deferred Tax Entry Bill Report
- REV- 405 Trade Open Bills Report
- REV- 603 Trade Refund Report

ACE Reports Training can be found at, [CBP.gov ACE Training and Reference Guide](#)

## **Chapter 20**

### **Informal Entries**

#### **20.1 Informal Entries Overview**

An informal entry is an entry with a value that does not exceed \$2500. Per 19 CFR 142.4(c), The Port Director may waive the requirement for surety or cash deposit on the bond required by this section when (i) the value of the merchandise which the bond secures does not exceed \$2500.00, (ii) the entry summary documentation is filed and estimated duties, if any, are deposited prior to release of the merchandise and (iii) the importer has not been delinquent or otherwise remiss in any transaction with Customs.

Informal entries with a value of the merchandise not exceeding \$2500.00, and presented with estimated duties, taxes, and fees, at the time of presentation are not required to have a bond. These informal entries liquidate within 24 hours.

Restricted and/or prohibited merchandise, and merchandise which is subject to a quota or other quantitative restraints, is not permitted to be filed on an informal entry, and thus requires formal entry. Moreover, CBP notes that formal entries are required for all antidumping and countervailing duties entries. For merchandise eligible for informal entry please refer to 19 CFR 143.21.

**Note:** Please refer to CSMS# 12-000019 Correction to Memorandum on Bond Requirements for Informal Entries that was sent on 01/24/2012 to the Trade.

#### **20.2 Informal Entry Processing**

Since informal entries liquidate within 24 hours, they cannot be cancelled, nor can a PSC be filed on an informal entry. If necessary, an importer may choose to file a protest if they feel that CBP has made an adverse decision against their informal entry. Informal entry procedures are prescribed by 19 CFR 128.24.

The importer of record cannot be changed on informal entries. Use of a CBP Form 3347, Declaration of Owner, For Merchandise Obtained (Otherwise Than) in Pursuance of a Purchase or Agreement to Purchase, is restricted to formal entries only. If a CBP Form 3347 is received from the trade for an informal entry, CBP will notify the filer that their request has been rejected and cannot be updated.

## **Chapter 21**

### **HTS Reporting For Multiple Classifications**

#### **21.1 HTS Multiple Classification Reporting**

The purpose of this section is to outline the order of reporting in ACE for multiple Harmonized Tariff Schedule (HTS) on the same entry summary line when a Chapter 98 or 99 HTS is required. ACE is the system of record for all entry summaries.

#### **21.2 HTSUS Reporting Multiple Classification Guidance**

An entry summary in which a heading or subheading in Chapter 98 and/or 99 is claimed on imported merchandise, the following instructions will apply for the order of reporting the HTS on an entry summary line.

##### **HTS SEQUENCE:**

- 1)** Chapter 98 (if applicable)
- 2)** Chapter 99 number(s) for additional duties
- 3)** For trade remedies:
  - a.)** First report the Chapter 99 HTS for Section 301
  - b.)** Followed by the Chapter 99 HTS for Section 232 or 201 duties (if applicable),
  - c.)** Followed by the Chapter 99 HTS for Section 201 or 232 quota (if applicable).
  - d.)** Chapter 99 number(s) for REPLACEMENT duty or other use (i.e., Miscellaneous Tariff Bill (MTB) or other provisions)
  - e.)** Chapter 99 number for quota not covered by #3 (if applicable)
  - f.)** Chapter 1 to 97 Commodity Tariff

#### **21.3 Entered Value**

The entered value of the commodity being imported on the entry summary line should be reported on the Chapter 1-97 HTS classification for the commodity being imported. Except if Chapter 98 reporting provisions require the entered value to be reported differently.

#### **21.4 References**

Questions from the importing community concerning ACE entry filing and rejections should be referred to their Client Representative.

Related Cargo System Messaging Service (CSMS) Message No. [39587858](#).

## Chapter 22

# Outage and Closure Procedures

### 22.1 Overview

Entry Summary outage occurs when a trade member's system is inaccessible, or when a CBP computer system is unavailable to users (internal, external or both), and as a result, electronic processing of entry summaries, payments or other processes may not be completed in a timely manner.

The guidance in this section provides policy and processing for CBP and Trade outages involving entry summary filing and payment only. The guidance does not include policy and processing for cargo release/cargo processing of downtime.

CBP recognizes that unforeseen circumstances, completely out of the control of importers, may result in the temporary impossibility of importers to comply with entry filing and/or payment due dates. CBP will take these factors into account when determining whether enforcement actions are warranted or appropriate. CBP expects that as soon as the unforeseen circumstances are resolved, importers will immediately file and/or pay without any further delay.

### 22.2 Policy

CBP will take into account difficulties, caused by weather-related incidents or trade outages, when determining if it is appropriate to pursue liquidated damages for late filings and deposits.

This process is not all-inclusive, as unusual circumstances may be present, and alternative options may or may not be available.

### 22.3 Process

#### *Weather Related Incidents:*

In the event of trade interruptions resulting from hurricanes and other weather-related incidents, CBP encourages filers to schedule entry summary payments in advanced to the extent possible.

In those instances, where a weather-related incident results in a filer not being able to comply with the entry summary filing or payment deadlines, the filer should contact their assigned Client Representative.

#### *Trade Downtime:*

In the event of a trade outage incident for situations such as their filing system is inaccessible; the trade user sends a request for Trade outage to their Client Representative. If determined appropriate, the Client Representative will issue internal guidance for consideration when liquidated damages are being assessed for impacted entry summaries.

#### *Reporting Trade Outage/Downtime due to a Cybersecurity Incident:*

If a member of the trade community experiences a cybersecurity incident that impacts the company's ability to transmit transactions to CBP, CBP has identified the following Initial Steps/Communication for Reporting Cybersecurity Incident to CBP:



- Who to contact at CBP?
  - All security incidents that have any effect on the security posture of CBP must be reported to the CBP Office of Information Technology (OIT) Security Operations Center (CBP SOC) at 703-921-6507.
  - During business hours (6:30 am-7:30 pm ET): Contact CBP OIT SOC at 703-921-6507 and if applicable, contact the party's Client Representative. If the Client Representative is unknown, please contact [gmb.clientrepoutreach@cbp.dhs.gov](mailto:gmb.clientrepoutreach@cbp.dhs.gov).
  - After business hours (after 7:30 pm ET): Contact CBP OIT SOC and the CBP Technology Service Desk at [ACE.SUPPORT@cbp.dhs.gov](mailto:ACE.SUPPORT@cbp.dhs.gov) (with the Client Representative email address on copy, as appropriate).
- When to contact CBP?
  - CBP should be contacted immediately once a cybersecurity incident is discovered.
- What to report to CBP?
  - Information to report includes the type of attack, mitigation procedures being performed by the company, potential scale (i.e., nationwide or localized), and length of outage (i.e., hours, days, or weeks).

## Chapter 23

### Create/Update Importer Identification Form (CBPF 5106)

#### 23.1 Create/Update Importer Identification Form (CBP Form 5106)

Members of the trade community use the “Create/Update Importer Identification Form”, commonly referred to as the “CBP Form 5106”, to register an entity as an Importer of Record (IOR). The latest version of the CBP Form 5106 can be found on cbp.gov at:

[CBP Form 5106 - Create/Update Importer Identity Form | U.S. Customs and Border Protection](#)

If you are having trouble opening the form, follow the below options:

#### Mitigation options:

- ✓ Open in a different browser
- ✓ Save form to your computer then open with Adobe Reader/Acrobat 8 or higher instead of a browser

Registering as an IOR with CBP is necessary if an entity intends to be involved as an importer, consignee/ultimate consignee, sold to party, 4811 party, etc., on an informal or formal entry. Currently, individuals and organizations do not need to be registered as an IOR with CBP to make a section 321 entry (also referred to as de minimis). De minimis entries are for shipments imported by one person on one day valued at \$800.00 or less.

#### 23.2 CBP Form 5106 Identification Numbers

The number used to identify an IOR will be either an Internal Revenue Service (IRS) Employer Identification Number (EIN), a Social Security Number (SSN), or a CBP-Assigned Number (CAN). Depending on the identification number used to register an IOR, different requirements may apply.

#### EINs

Entities that have an EIN from the IRS should register their IOR using that number by entering it into block 1B of the CBP Form 5106. If an EIN is provided in block 1B, no selections need to be made in block 1E. To be accepted, EINs must be provided on the PDF version of the 5106 in the following format:

XX-XXXXXXX

**Note:** EINs are the only IRS provided number that CBP accepts on the CBP Form 5106 and that a two-character alphanumeric division suffix, that does not contain “O”, “Z”, or “I”, may be provided. For more information on division suffixes, please go to 23.10.

#### SSNs

Entities can register as an IOR using an SSN by entering it into block 1B of the CBP Form 5106. If an SSN is used to register an IOR, the name of the importer must match the name listed on the SSN card associated with the IOR. Entities creating an IOR using an SSN can provide another company name using blocks 1C and 1D of the PDF version of the form. Information on how to use blocks 1C and 1D can be found in 23.10. If an SSN is provided in block 1B, no selections

need to be made in block 1E. To be accepted, SSNs must be provided on the PDF version of the 5106 in the following format:

XXX-XX-XXXX

Typically, individuals associate their IORs with SSNs. However, an organization, such as a corporation, partnership, sole proprietorship, etc., may also elect to use a valid SSN of one of its officers as its IOR identification number. For privacy reasons, CBP encourages entities to use an EIN to create an IOR whenever possible.

**Note:** CBP has added an option that allows individuals to use a CBP-Assigned Number in place of their SSN. Additional information on this process can be found in 23.2.

### **CBP-Assigned Numbers**

CBP typically gives CBP-Assigned Numbers to foreign entities that do not have an SSN or EIN. In most situations, CBP will only accept requests for a CBP-Assigned Number if its physical location address is foreign. When updating a CBP-Assigned Number using a PDF version of the 5106, it will only be accepted in the following format:

XXXXXX-XXXXX

**Note:** If an entity is located at a foreign physical location address but is a subsidiary or division of an organization with an EIN, it should not request a CBP-Assigned Number. Instead, it should follow the steps for requesting a new EIN division suffix as outlined in 23.10.

As of March 16, 2019, CBP provides members of the trade community the option of requesting a CBP-Assigned Number despite having an SSN. Members of the trade community who have an EIN should not request a CBP-Assigned Number, as doing so violates the requirements outlined in [19 CFR 24.5](#).

### **Using a CBP-Assigned Number in place of an SSN**

The following steps outline how members of the trade community can request a CBP-Assigned Number for an individual with an SSN:

**Step 1:** In block 1E, the trade user selects the “I have an SSN but wish to use a CBP-Assigned Number on all my entry documents”.

**Step 2:** In block 3J, the trade user provides the IOR owner’s title full name (Last, First Middle Initial), direct phone number, email address, and SSN. Even though this field is flagged as optional, it is mandatory in this situation.

**Note:** Requesting that a CBP-Assigned Number be used in place of an SSN can also be done using the ACE Portal or ABI Functionality by following the same steps using the Portal/ABI equivalents.

Trade users who follow the steps above enable CBP to meet its IOR regulatory requirements (refer to 19 CFR 24.5) of collecting either an SSN or EIN, when available, from the IOR while allowing the trade user to use a CBP-Assigned Number on their entry documents.

**Note:** Only one CBP-Assigned Number can be requested per SSN for an individual who does not have an EIN. Individuals who have EINs are not eligible to request CBP-Assigned Number to represent the business entity associated with the EIN.

If a member of the trade community is currently using their SSN as their IOR number, they may request a CBP-Assigned Number to replace it. In these situations, CBP will void the old SSN based IOR and only accept the new CBP-Assigned Number based record.

### **23.3 CBP Form 5106 Create/Update Access**

Licensed Customs Brokers, Self-Filers, and CBP Personnel must request permission to be able to process CBP Form 5106 create and update requests in ACE.

Non-self-filing importers or other members of the trade community who are interested in using a CBP Form 5106 to create or update an IOR will need to contact an Entry Specialist Team at the Centers of Excellence and Expertise (Centers), entry personnel at the Port, or the CBP Office of Finance (OF) Revenue Division for Void or Frozen IR#s. Please refer to 23.5 (Submitting A CBP Form 5106 to CBP) for additional information.

### **Trade ACE Portal and ABI access**

Licensed Customs Brokers and Self-Filers can request that CBP grant access to the ACE CBP Form 5106 Portal and ABI functionality by following the instructions outlined on [cbp.gov](https://www.cbp.gov/trade/automated/getting-started) at: <https://www.cbp.gov/trade/automated/getting-started>.

### **23.4 ACE Portal Versus ABI Limitations**

Members of the trade community who use the ACE Portal will have certain limitations around CBP-Assigned Numbers that members who use the CBP Form 5106 ABI functionality will not have. The information below outlines these limitations.

#### **ACE Portal**

Only Licensed Customs Brokers will be able to create an IOR for a new entity within the ACE Portal. Any other trade user who has access to the ACE Portal will need to follow the manual CBP Form 5106 submission procedures outlined in 23.5.

**Note:** The name of the “Certifying Individual” input into the portal should always be the individual who signed the form. If a Customs Broker with a Power of Attorney (POA) inputs a change without a signed form from their client, the name of the licensed Customs Broker who has the POA should be input as the “Certifying Individual”. The “electronic signature” checkbox will be for whoever is entered as the certifying individual.

#### **CBP Form 5106 ABI**

Licensed Customs Brokers who have access to the CBP Form 5106 ABI functionality will be able to request and update CBP-Assigned Numbers. Self-Filers are also able to use the 5106 ABI functionality to create or update IORs that are connected to their entity, including IORs associated with CBP-Assigned Number.

**Note:** The name of the “Certifying Individual” input into the ABI TL record should always be the individual who signed the form. If a Customs Broker with a Power of Attorney (POA) inputs a change without a signed form from their client, the name of the licensed Customs Broker who has the POA should appear as the “Certifying Individual” in the ABI TL record. The “electronic signature” checkbox will be for whoever is entered as the certifying individual.

### **23.5 Submitting A CBP Form 5106 to CBP**

Licensed Customs Brokers, Self-Filers, and other members of the trade community who need to submit a CBP Form 5106, but do not have ACE portal or ABI access, can submit a filled out and signed CBP Form 5106 to either the Center, Port, or OF Revenue Division. The submitted CBP Form 5106 must be the latest version or it will be rejected. The latest version of the PDF/paper version of CBP Form 5106 can be found on [cbp.gov](http://cbp.gov) at:

[CBP Form 5106 - Create/Update Importer Identity Form | U.S. Customs and Border Protection.](#)

Determining where to send/email the CBP Form 5106 is based on the below guidelines.

- Center of Excellence and Expertise (Centers)- If the importer has been assigned to a Center, send requests to the Center email address that can be found at [https://www.cbp.gov/trade/centers-excellence-and-expertise-information/cee-directory.](https://www.cbp.gov/trade/centers-excellence-and-expertise-information/cee-directory)
- Port of Entry- If the importer has not been assigned to a Center, refer to Center link above to determine which port location the request should be submitted.
- Revenue Division- If the importer is in void or frozen status, send inquiry to [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov), using the naming convention Void IR# or Frozen IR#, respectively in the subject line.

#### **Center or Ports**

##### *CBP Form 5106 Create or Update Request*

Members of the trade community can request that CBP personnel process a CBP Form 5106 create or update request by submitting a completed and signed copy of the form that has, at a minimum, all the mandatory data elements filled out on it shown with a red asterisk (\*).

**Note: Center personnel can still process a CBP Form 5106** create and/or update request, even if the IOR being created and/or updated is not assigned to the Center but the import articles would fall under the HTSUS statistical suffixes assigned to that Center. However, only the OF Revenue Division can update IOR’s in “Void” or “Frozen” status.

#### **Office of Finance (OF)**

##### *CBP Form 5106 Create or Update Request*

Members of the trade community can request that the OF Revenue Division process a CBP Form 5106 create or update request by emailing a signed copy of the latest CBP Form 5106 with, at a minimum, all the mandatory data elements filled out to [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov).

**Note:** When possible, members of the trade community should process 5106 create or update requests through a Customs Broker or as a Self-Filer using ACE. If this is not possible, then the request may be sent to the Center or Port. While the OF Revenue Division is capable of processing these requests, it should only be asked to do so if the Center or Port is unable to process the request. However, all requests for Void or Frozen IR #'s must be sent to OF.

### **23.6 CBP Form 5106 Updates**

Creation of and updates to IOR data by members of the trade community using a CBP Form 5106 have special requirements depending upon the method used to update the record. The information in this section outlines what needs to be considered when members of the trade community update or create CBP Form 5106 data via ABI, the ACE Portal, or through a request to CBP personnel.

#### **Submitting Updates Using ABI or the ACE Portal**

When a licensed Customs Broker or Self-Filer updates an IOR using either the 5106 ACE ABI functionality or ACE Portal, all the data previously provided on the form, excluding contact information, must be resubmitted (*3J. Business Structure/Beneficial Owner/Company Officers on the PDF version of the form*). If an optional data element is not resubmitted, the system will update the IOR to reflect that no data has been provided for that field.

#### **Submitting Updates to CBP Personnel**

Members of the trade community can submit a completed and signed PDF copy of the CBP Form 5106 to the Center it is associated with the Port or the OF Revenue Division (Void & Frozen IR) to create an IOR or make updates to an existing record. The submitted CBP Form 5106 must be the latest version or it will be rejected. The latest version of the PDF/paper version of CBP Form 5106 can be found on cbp.gov at: <https://www.cbp.gov/document/forms/cbp-form-5106-createupdate-importer-identity-form>.

When updating an IOR using a PDF 5106, CBP will keep all the optional data elements that were previously filled out on the form unless the member of the trade community who is submitting the 5106 update request either inputs new information into their optional data elements in section 3 or type/write-in an “R”, which stands for remove. Unlike the ACE Portal and ABI Functionality, if CBP receives a PDF 5106 update request that has blank optional data elements and information was previously submitted for them, the agency will keep the previously entered optional data information.

**Note:** All mandatory data elements will have to be re-entered on the PDF 5106 update request and the request will have to be signed in order for it to be accepted by a Center, Port, or the OF Revenue Division. It is critical to not send these requests to multiple locations to avoid duplication of work.

This means that address information will also need to be re-entered. Entering the word “Same” will not be accepted for either the mailing address or the physical location address. If the physical location address is left blank and the mailing address is provided, CBP will assume that the physical location address is the same as the mailing address regardless of the physical location address information that was previously on file.

### 23.7 CBP-Assigned Number Lookup

Members of the trade community who receive an R05 “*Importer already on file*” error message when requesting that ACE create a CBP-Assigned Number for an IOR may request that CBP looks up the number by emailing a valid signed power of attorney with the IOR’s name and address on it to the Center or Port as outlined in Section 23.5. It is critical to not send these requests to multiple locations to avoid duplication of work.

### 23.8 IOR Statuses

IORs have a number of different statuses. In order for an IOR to be used as a party on an entry, it must be in “Active” status. The status of an IOR can be identified in the 5106 ACE Portal under the “Administration Control Information” section. If the IOR is in any other status than “active”, ACE will reject any pending entry on which it is identified.

**Active Status:** If an IOR’s status in the system is listed as being “10 - Active”, a member of the trade community can use it on entry and entry summary documents.

**Inactive Status:** If an IOR’s status in the system is “20 – Inactive”, it means that the number has not been used for an entry summary for an extended period. Members of the trade community are unable to use IORs that are in “inactive” status on entry and entry summary documents.

**Note:** If an IOR associated with an EIN or SSN is inactive, it **DOES NOT** mean that the EIN or SSN associated with it is inactive. This means that the EIN or SSN can still be used normally for all non-entry related purposes.

#### ***IOR Reactivation***

To reactivate an inactive IOR, a signed copy of the latest version of the CBP Form 5106 must be completed. If the trade is unable to reactivate the IOR using ABI, the completed form may be provided to the Center or Port with all the mandatory data elements filled out on it. When submitting a CBP Form 5106 to the Center or Port for reactivation the team must be notified that the CBP Form 5106 is being submitted in order to reactivate an IOR that already exists but is currently in “20 – Inactive” status.

**Note:** Members of the trade community who have 5106 ABI functionality are able to reactivate IORs using ABI.

#### **Void Status**

If an IOR’s status in the system is “40 – Void”, it means that CBP has voided the number because the agency believes it is no longer in use. Additional information on why CBP might void an IOR is available on the “Voided Importer Record FAQs” page located at:

<https://www.cbp.gov/trade/priority-issues/revenue/bonds/voided-importer-record-faqs>.

In addition to the reasons why CBP might void an IOR listed on the FAQ page, an IOR may also be voided by CBP if it is not associated with an entry summary for 12 months or more. However, there are some special exceptions to CBP’s void policy. For example, CBP will not void IORs with a valid bond or an unliquidated warehouse entry even if they are not associated with an entry filed in the past 12 months.



**Note:** If an IOR associated with an EIN or SSN is voided, it **DOES NOT** mean that the EIN or SSN associated with it is voided. This means that the EIN or SSN can still be used normally for all purposes other than being listed as a party's IOR number on an entry.

### ***Un-voiding IORs***

Members of the trade community can un-void an IOR by emailing an un-void request to the OF Revenue Division at [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov) with the appropriate supporting documentation. To be accepted, the subject line of the un-void request email to the OF Revenue Division must be "Void IR#" and include the number associated with the IOR. The supporting documentation varies depending on which type of identification number (EIN, SSN, or CBP-Assigned Number) is associated with the IOR. Information on what documentation is required to un-void an IOR is available on the "Voided Importer Record FAQ" webpage on cbp.gov located at: <https://www.cbp.gov/trade/priority-issues/revenue/bonds/voided-importer-record-faqs>.

**Note:** When CBP voids an IOR associated with an EIN or SSN it **DOES NOT** mean that the EIN or SSN has been voided. Both of those identification numbers will work for all other purposes other than being used as an IOR identification number on an entry.

### ***Voiding IORs***

Members of the trade community can request that CBP void an IOR by emailing the OF Revenue Division at [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov). To be voided, the subject line of the void request email to the OF Revenue Division must be "Void IR#" and include the number associated with the IOR. This should be done in any instance where there are multiple IORs with the same name for one entity or where an entity will no longer be involved with the importation of goods into the United States.

### ***Frozen IORs***

Designating the name and title/position of the individual(s) in their company authorized to effect name/address changes to the Importer's Record Number (IRN). Doing so limits who can affect name/address changes to the IRN. Only the Surety Bonds & Accounts Team (SBAT) can process a name/address change on a "frozen" account. If a CBP Form 5106 is submitted to the SBAT a name/address change will only be made if the form is signed by one of the authorized individuals. Participation in the "Freeze" Program is voluntary.

Link <https://www.cbp.gov/trade/priority-issues/revenue/bonds/freeze-program> contains more information on this program or if you have specific questions concerning frozen accounts, email [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov).

### ***Other Statuses***

For information on other IOR statuses, such as suspended or sanctioned, contact the OF Revenue Division at [bondquestions@cbp.dhs.gov](mailto:bondquestions@cbp.dhs.gov). To be reviewed, the subject line of the status request email to the OF Revenue Division must be whatever the status of the IOR is followed by "IR#" and include the number associated with the record.

### ***Checking the Status of an IOR***

Members of the trade community can check the status of an IOR by emailing the SSN, EIN, or CBP-Assigned Number associated with it to an Entry Specialist Team at a Center or the Port as outlined under Section 23.5.



**Note:** When sending an SSN, CBP strongly recommends that it is sent in a password protected Word document or PDF and that the document/file's password is sent in a separate email.

Members of the trade community who are unsure of an IOR's status should ask CBP to confirm whether it is currently in "10 – Active" status before using it on an entry.

### **23.9 Invalid Address Bypass**

If an accurate address is rejected by the system and can be verified by the U.S. Postal Service, the Postal Service of the IOR's home country (if it is a foreign address), or map software (such as Google Maps, Apple Maps, etc.), the trade user may request an address validation bypass by an Entry Specialist. However, before requesting this, CBP recommends that the trade review the 5106 Error Dictionary to see if the trade can rectify the issue.

**Note:** The Entry Specialist who processes the address bypass will need to confirm that the address is on the U.S. Postal Service, the Postal Service of the IOR's home country (if it is a foreign address), or map software (such as Google Maps, Apple Maps, etc.). To make this process as smooth as possible, members of the trade community who intend to request a 5106 address bypass should provide links proving that the address is valid in their bypass request email.

### **Requesting an Address Validation Bypass**

To have an incorrectly rejected address processed by CBP, trade users should submit a completed and signed CBP Form 5106, along with the proof of a valid address, to the Center or Port. CBP Personnel should be alerted to the fact that the request is being submitted to them because the system incorrectly rejected it when the Customs Broker or Self-Filer tried to submit it in ACE.

### **23.10 DIV, AKA, and DBA IOR's**

Members of the trade community can add a "DIV" (division of), "AKA" (also known as), or "DBA" (doing business as) name to their IOR when they are filling out their CBP Form 5106 create or update request. The reasons and steps for doing this are outlined below:

#### **"DIV" – EIN Division**

An organization with an EIN may use the same EIN to create multiple divisions, with unique suffixes, within an organization. The division suffix is the two alphanumeric characters that follow the 9-digit EIN number. This means that the first nine numbers are the EIN, and the last two alphanumeric characters are the division's suffix. For example, if "E" is part of an EIN number and "D" is a part of the division suffix, the format for an EIN based IOR number would be as follows:

EE-EEEEEEDD

The only characters that cannot be used for division suffixes are outlined in [19 CFR 24.5\(d\)](#).

#### *EIN Division Creation Requests*

Per 19 CFR 24.5(d), the system will automatically assign an alphanumeric division suffix of "00" to an EIN based IOR if no other suffix is provided by the IOR's requestor on the CBP Form 5106 PDF, ACE Portal, or ABI functionality. Members of the trade community should follow the steps below to request a different, non "00", division number for an EIN:

**Step 1:** In block 1A or its ACE equivalent, provide the name of the division. To avoid potential entry processing delays and confusion, CBP recommends that the division's name is different from the parent company's registered IOR name.

**Step 2:** In block 1B, provide the parent company's 9-digit EIN and add a two alphanumeric number to it. The division suffix can be letters (*excluding the letters referenced in 19 CFR 24.5(d)*), numbers, or a combination of the two. For example, an acceptable division suffix could be "11", "AA", "1A", etc.

**Note:** A new division IOR cannot be created using a division suffix that already exists for a given EIN.

**Step 3:** Under block 1C, select the "DIV" option.

**Step 4:** Under block 1D, provide the official legal name of the entity (parent company).

**Step 5:** The rest of the 5106 submission should be filled out as normal. The submission process for CBP Form 5106 IOR division request is the same as the standard CBP Form 5106 create/add request process.

### **"AKA" and "DBA" Names**

Typically, members of the trade community provide an AKA name when an entity is known under another name. Members of the trade community should provide a DBA name when a business primarily conducts business under another name.

#### *AKA and DBA Name Addition Request*

Members of the trade community can add either an AKA or DBA to an IOR by following the steps below:

**Step 1:** In block 1A, provide the official legal name of the entity.

**Step 2:** In block 1C, select either the AKA or DBA checkbox depending on what type of alternative name is being added to the IOR.

**Step 3:** In block 1D, provide the alternative, AKA or DBA, name.

**Step 4:** Fill out all the mandatory data elements on the form and submit the CBP Form via the 5106 ACE Portal, the 5106 ABI Functionality, or to an Entry Specialist Team or OF Financial Program Specialist.

### **23.11 Additional 5106 Information and References**

The links and email addresses below can be used for additional information or assistance with CBP Form 5106 formatting and processing:

#### **Formatting CBP Form 5106 in ACE**

For guidance on how to format a CBP Form 5106 create or update request in ACE, refer to the Create/Update Importer Record CATAIR located on cbp.gov at:

<https://www.cbp.gov/document/technical-documentation/ace-draft-catair-importerconsignee-createupdate>

**CBP Form 5106 Error Messages**

For information on the various CBP Form 5106 Condition Codes/Error Messages in ACE, refer to the ACE 5106 Error Dictionary on cbp.gov at: <https://www.cbp.gov/document/technical-documentation/ace-5106-error-dictionary>.

**Additional CBP Form 5106 Information**

Links to resources on the CBP Form 5106 can be found on the “Create/Update Importer Identity Form (CBP Form 5106)” site page on cbp.gov, which can be found at: <https://www.cbp.gov/trade/programs-administration/entry-summary/cbp-form-5106>.

**5106 Policy Questions**

Policy questions about the CBP Form 5106 should be emailed to: [otentrysummary@cbp.dhs.gov](mailto:otentrysummary@cbp.dhs.gov).

## Chapter 24

### Consolidated Express Filings (CEF)

#### Consolidated Express Filings Overview

Entry type 11 Consolidated Express Filings (CEF), formerly referred to as consolidated express informals, are filed by one of the two following scenarios:

- **Scenario 1:** One consolidated express informal consignment entry per port, per carrier, per day.
- **Scenario 2:** One consolidated express informal consignment entry per port, per carrier, per day and per flight.

Prior to the ACE deployment, the only option for filing consolidated informals was a manual, non-ABI process. Filers provided manifest release documents consolidated onto a single paper CBP Form 7501 and accompanied check payments to CBP.

CEF deployment in ACE allows authorized Customs Brokers to submit entry summary data via ABI for CEFs, along with daily statement payment for duties only, to reduce processing time and paper. If requested by CBP, filers will submit supporting manifest release documentation via the Document Image System (DIS). If CBP does not request documentation, the trade is required to retain its documents per CBP's recordkeeping requirements. Entry summaries that are subject to AD/CVD, quota or required by any other formal process are not allowed to be filed via CEF.

Carriers will have the ability to continue to use the paper process for consolidated informals and will be required to use the paper process if any fee or tax collection is necessary, such as Agriculture Marketing Service (AMS) fees and Internal Revenue Tax. Merchandise Processing Fee will continue to be collected on a quarterly basis identified in 19 CFR 24.23.

The CEF indicator has been added to the Entry Summary Universe as a data element, which will allow filers to identify CEF entry summaries in an ACE Entry Summary Report.

**Note:** For additional information trade users may refer to the [Consolidated Express Filings Information Notice available on CBP.gov](#), which provides further details of the changes in ACE and additional resources available.