
Great Idea Form

Requirement Summary

GIF- 916		Status:		Submit Date:	July 14, 2009
Title:					

Origination

Requirement Initiator:	Art Litman
Initiator Email:	litman@customsAdvice.com
Initiator Phone:	310-838-4205
Sponsor:	Kim Santos, CBP; Joe Palmer, CBP

Source:

Source:
Trade Request

Business Sponsor

Business Office:	Office of Information and Technology
Executive Director for the Business Office:	Lou Samenfink

CSPO Planning

Change to CSPO System?	
Change Planned?	Where/When Planned?
Assign to System:	Assign to Release/Delivery:

Requirements Description

Business Area:	
Request Type:	Business Need
Impacts Trade?	Yes
Description of Change:	<p>Provide a mechanism to allow electronic payment of duties to document physical inventory shortages against warehouse entries via ACH through ACE. The mechanism should provide a means for the filer to consolidate the payment of duty applicable to all underlying entries in a summary format. MPF is not applicable to withdrawals to document physical inventory shortages, and should therefore not be calculated in the amount due and payable.</p> <p>Bonded warehouse operators are required to conduct at least an annual physical inventory of all merchandise in the warehouse, or periodic cycle counts of selected categories of merchandise such that each category of merchandise is counted a least once during the year (19CFR19.12(d)(5)). Because most operators use the FIFO method of recordkeeping and the unit shortages are posted against the oldest entries, there are multiple entries involved in processing the duty payments on the shortages. As a result of the volume of entries involved in a single physical inventory, the regulations permit the port director to allow the consolidation of duties and taxes applicable to multiple shortages in one payment (19CFR 19.12(d)(3)). However, there is currently no mechanism in ACS to file a summary of duty payments</p>

	electronically. The majority of bonded warehouse operators have developed summary reports approved by the port director that are submitted manually. Payment is not made through ACH. Further, payment cannot be made by transmitting individual withdrawals for consumption on an entry type 31 because MPF is not applicable for withdrawals to document physical inventory shortages (User Fee Handbook, HB5300-07A, pg. 27, Part C; pg. 28 Part G). Providing a mechanism to automate the submission of duty payments on inventory shortages in a summary format without calculation of MPF via ACH would reduce paperwork and processing time for both Customs and the trade.
Benefit of Change:	Reduces the amount of paper processed by Customs and the trade. Reduces workload for CBP thus providing a more efficient use of resources. Facilitates the payment of duty by allow a single payment through ACH.
Impact Assessment:	

System/Subsystem

System:		Cargo Business Area:	
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Implementation Requirements

Needed By Date:	M2.3	Change Urgency:	
Level of Effort:		Cost Estimate:	

Sponsor Recommendation

Sponsor Recommendation:	
Sponsor Comments:	

Board Disposition

Date:	Disposition:	Comments:

Next Steps:

Next Steps:

Reasons for

Return/Deferral/Withdrawn/Rejection/Forward to PO

Reason for Return:	
Reason for Deferral:	
Reason for Withdrawal:	
Reason for Rejection:	
Reason for Forward to PO:	

Secretary Comments:

Comments:

Related Items:

CR#:	CR Name:
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PTR#:	PTR Name:

Attachments

Attachments:	
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Action Descriptions

Document History

Action History

Date:	User Name:	Note:

Update History

Date:	User Name:	Note:
