
Great Idea Form

Requirement Summary

GIF- 930	ENT-041	Status:		Submit Date:	July 16, 2009
Title:	CSPO GIF 930 (ENT 031) Post Summary Corrections Via ABI				

Origination

Requirement Initiator:	Art Litman
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Initiator Phone:	
Sponsor:	Janet Pence

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>The trade needs the ability to make post-summary (pre-liquidation) amendments and corrections to the Entry Summary data initially filed and accepted by CBP. These ACE replacement Entry Summary submissions will be known as Post Summary Corrections (PSC). This document from the TSN Entry Committee focuses on the corrections to be made via the ABI process. A separate document will provide information on these corrections via the Secure Data Portal.</p> <p>Entry Summary/PSC Versioning: Each PSC will be a “full replace” of the initial Entry Summary or, if there was a previous PSC, it will be the most recent version of the PSC. Each PSC will have a new Declaration of Importer of Record and will be recertified. Note that the term “full replace” simply means that the filer will resend a full data set for the entry summary, not just a line item replacement. As a result, each PSC will be tracked as a version. CBP will need to keep track of these versions so that all parties will know the current “accepted” version and be able to get access to previous versions, should it be necessary. This will probably mean we need a version numbering system so that we will be able to have access to, for example, version 2 of 3.</p> <p>The trade initially indicated that we would like to simply correct the line that was affected by the change and not retransmit everything.</p>

This was reflected in the initial ENT-041. Subsequent detailed discussions between CBP and the Trade Ambassadors, the Entry Committee and the Transition Committee led everyone to agree that incremental transmissions are difficult to track and could lead to confusion. As a result of these discussions we have all agreed that a full replace is the best alternative. This allows for unique and easy identification of corrections. It will also be helpful for subsequent drawback entries.

Types of Corrections:

PSCs should be allowed for all types of corrections: At the header, line and declaration levels. In addition to duties, corrections should be accepted for changes that meet the regulatory disclosure requirement under the Declaration of Importer of Record on the Entry Summary that may have no duty consequences. Such corrections could, for example, change a classification, add a forgotten invoice, correct an error in a related/not related declaration, change a statistical quantity, or refine a date.

The trade would also like the ability to make corrections to other governmental agency requirements. For example, to amend the reimbursement statement for AD/CVD transactions once that capability is available, or to change PGA information, such as FDA product codes, establishment numbers and other information that is deemed inaccurate.

Action by CBP:

Many of the PSCs will be filed very soon after the initial filing of the underlying summaries. It is in both CBP and the trades interest, where possible, to have the accepted PSC replace the original entry summary on a daily or PMS statement. This will avoid having CBP issue refund checks and avoid the trade, where an error created a large overpayment, having to pay these large sums one month, only to get refunds the next.

As such, it is in everyone's benefit to have CBP take action (acceptance or rejection) as quickly as possible. In this spirit, the trade requests that, initially, CBP take no longer than 30 days for action on the PSC. As we get more experience with this, the trade would like CBP to move the response time as close as possible to two weeks.

Receipt of PSC:

It is expected that these PSC transmissions will be received by CBP in the same manner as the initial transmission; with the exception that the process may include a review by an Import Specialist prior to acceptance. If the PSC passes the edits and is accepted for further internal CBP review the broker/filer (ABI) and importer (portal) would be advised. Later, after review, an acceptance or rejection would be also advised to the broker/filer and importer.

Once a PSC has been submitted, any subsequent PSCs will be

rejected until the pending PSC has been either accepted or rejected.

Unique Identifiers:

As the trade and CBP agree that each PSC would represent a full replacement correction to the prior Entry Summary or PSC, a system needs to be devised to keep sequential track of each accepted version of the Entry Summary. For example, a second correction could be shown as Accepted Version 2 of 2. This way all parties would know what they are reviewing and could know if the item is the current version of the Summary.

Reason Codes:

The PSC will include general reason codes, such as classification, valuation, quantity, and Trade Agreements. These reason codes are to help alert CBP to where the changes occurred. Any questions requiring detail discussion will be handled through the Form 28 process. Because of the potential legal ramifications that may result from filing some PSCs, there should be a discussion between CBP and the Entry, Accounts and Legal/Policy committees to ensure that the reason codes we agree upon do not place an importer at a disadvantage in cases of legal action.

Line Level Corrections:

It is expected that in ACE the individual lines will be numbered sequentially. Because the PSC will be a full replacement of the initial Entry Summary or prior PSC, the replacement data will be numbered exactly the same as what was sent in the prior Entry Summary – with the exception of what is being changed. Where a correction is being made to a line value, classification or quantity, the change will be made to that line, with the proper reason code(s). Should the format of the line change or the line be eliminated, the original line number will be retained but will be transmitted with blank filler information. The corrected line will be numbered and placed as a new last line(s) with the associated reason codes.

Should additional data be added to the Entry Summary, it will be added at the end of the existing lines and numbered sequentially.

[see open issues for further discussion]

Payment:

If the PSC is made on an entry summary where Periodic Monthly Statement is being used, and if the correction is accepted within the statement period of the original Entry Summary, then it will replace the payment due on the PMS. If PMS is used but it is not within the initial Entry Summary statement period, then the importer or their agent shall have the opportunity to elect (via the portal) whether or not increases and/or refunds appear on subsequent statements.

Reports:

The status of the PSC should be visible via the Entry Summary Query in ABI. This report should allow us to know if the PSC is accepted, pending, approved, refund pending, etc. If denied, a

reason code should be associated with the record.

Reconciliation Flagging:

The PSC will be a method for an importer to flag or de-flag a line for Reconciliation. CBP should allow the importer to use PSC as an optional way to finalize a Reconciliation flag by making the proper adjustment(s) and providing data that satisfies the Reconciliation requirements.

PSCs, Penalties and the 10-day Free Period:

The PSC process resulted from several years of discussions between the trade and CBP – first under the Entry Revision Process (ERP I-III) and later at the TSN. CBP’s acceptance that unintentional errors will happen and, absent a showing of intent or a willful disregard for Customs laws, the correction process should be as simple as the initial filing of the entry summary data, represented the breakthrough that allowed us to go forward. The understanding by the trade is that the mere filing of a PSC correction, absent bad intent, would not precipitate a penalty or liquidated damage claim. Given this understanding, CBP and the trade agreed that the PSC should be an electronic way of resolving the issues in SILs (Supplemental Information Letters) and relieving CBP of the enormous burden of handling the associated paperwork.

However, during our discussions there was concern expressed by CBP over the number of corrections that might be made and the potential need for penalties to address situations where CBP believed there were too many careless errors being made. It was pointed out by the trade that under the ACS system we have a full 10 working days to make corrections with no consequences. Because ACE introduces full tracking of all changes (to address the need for a solid audit trail) the trade became concerned about CBP’s visibility to all these changes that occur within the first 10 days that heretofore had been invisible to CBP. Since it is in CBP’s best interest to receive entry summaries as early as possible, the trade has asked that the first 10 working days after release be considered a “free period,” during which an unlimited number of changes to the summary be allowed without any legal consequences.

IASS:

The trade wants to ensure that as PSC is being designed in such a way that it can be easily modified to accommodate the IASS entry type when that is implemented.

De-minimus:

To save everyone extra work, the trade would like CBP to allow them to forgo payment or refunds of duties associated with PSCs where the duty differences are under \$20. That is, importers would not be required to pay increases under \$20 and CBP would not refund duties where the amount is under \$20.

Prior Disclosure:

Members of the trade would like the ability to designate a PSC change as being covered under prior disclosure provisions of the law. We would like ACE to provide the electronic means to conform to prior disclosure regulations.

Time Period for PSC:

The importer will be able to make multiple PSCs prior to liquidation.

The trade would like PSC(s) to be accepted up to 10 months after the time of entry. The trade would also like the ability to transmit beyond this period for unliquidated entries and understands that CBP may need agreement to extend the liquidation period in such cases. In addition, there was some discussion of a PSC being transmitted post liquidation in support of a protest and acceptance being tied to acceptance of the protest.

PSC/ISF/Entry Alignment:

When an entry summary is transmitted as a unified filing to satisfy the ISF requirement, if a PSC is made for that summary prior to release the PSC shall also act as an amendment to the ISF. This way a correction made through PSC will ensure that the ISF, Entry and Entry Summary data are the same.

Drawback:

When developing the PSC it is important to note that drawback is also an entry type. The trade would also like drawback entries to be corrected using a similar PSC drawback program. These PSC drawback programs would be developed and implemented when the redesigned drawback programs are implemented.

Requests for Liquidation Extensions:

Since both CBP and the trade have agreed that PSCs can be filed after 180 days, as long as the importer requests a 1-year extension of liquidation, it is important that this capability be captured in the design.

Participating Government Agencies/ITDS:

Trade would like the ability to correct data transmitted for PGAs utilizing the PSC process. Under ITDS many other agencies requirements will be aligned with the ACE summary process and their data will, initially, be transmitted with the summary data. As such, it is very likely that many corrections will not only affect the CBP computation of duties, but will also affect data supplied to other agencies. These should also be easily updated or corrected through the PSC process.

Portal Implications:

Under the original ENT-041 trade members requested enhanced PSC portal visibility and reports through the Secure Data Portal. The Accounts Committee will submit detailed GIFs requesting portal visibility and reports on the PSC process along with a GIF for making PSC corrections through the portal. We hereby incorporate

these GIFs by reference, but to preserve these issues pending these GIFs being presented, we list some of the key items included in that original ENT:

Full Visibility – All PSC information transmitted through ABI should be visible in the importer’s portal. When PSCs are filed and processed by CBP, the trade would like all steps to be visible on the importer’s portal, including, but not limited to the same information provided back through ABI.

- That would include visible copies of the PSCs.
- A full history of changes on the Entry Summary.

Push Capability – The importers would like to be affirmatively notified on their portal account when a PSC is received for one of their Entry Summaries and of all subsequent actions taken by CBP to that PSC.

Reports – For statistical purposes, however, we would like the final, accepted PSC to be reflected in reports.

Portal Corrections – ENT-041 requested a process be implemented that would allow importers to make PSCs through their portals. The trade account owner or proxy wishes the ability to designate account users by IR number(s) who can file post summary corrections. This was controversial and needs to be fully discussed as broker/filers also wanted visibility to all changes made over an importer’s portal so that their systems would also be in sync with CBP’s.

Batch Upload Capability – The trade would like the ability to feed corrections through their automation systems to make batch corrections to multiple entries. An example of this would be where the importer wishes to flag/deflag a number of Reconciliation entries.

Open Issues:

- Can the superseding bond and actual owner’s declarations be corrected via PSC?
- Should the corrections be at two levels, 1) for line level changes and 2) for header level changes with regard to how we deal with change codes?
 - On line level the changes would be tracked at for specific line(s); either correction to the line, or the line “zeroed out” and a new line(s) added at the end
 - These could include classification changes, value changes, changes to charges, flagging/deflagging reconciliations, duty

	<p>computation errors and the like.</p> <ul style="list-style-type: none"> ○ On header changes that are pervasive, should we simply do a full replace with no tracking? <ul style="list-style-type: none"> ▪ These would include situations where an incorrect invoice was used for an entry summary, situations where the changes affect all lines – such as correcting values, charges, fees, etc. • When an item is flagged/deflagged, we need to ensure that this is captured on the related Reconciliation Entry. • There was discussion of actual changes and incidental changes; such as when a value change might be the primary change, but that change would cause the charges and fees to change on every line of the summary. We need to discuss how reason codes would be used here. The trade believes that we should only have to flag the primary change.
Benefit of Change:	
Impact Assessment:	

System/Subsystem

System:		Cargo Business Area:	
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Implementation Requirements

Needed By Date:	A2.3	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:

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Related Items:

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

Attachments:	
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Action Descriptions

Document History

Action History

Date:	User Name:	Note:
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Update History

Date:	User Name:	Note:
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