
Great Idea Form

Requirement Summary

GIF #: 674	REV-GIF-010	Status:	New	Submit Date:	3/3/08
Title:	Refund to Sureties				

Origination

Requirement Initiator:	Barry O'Brien
Initiator Email:	Bo'brien@hasbro.com
Initiator Phone:	401-431-8270
Sponsor:	James Byram (Updated 9/8/09)

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:
ACE	Entry Summary Accounts and Revenue (ESAR) A2.4

Requirements Description

Business Area:	Revenue
Request Type:	Business Need
Impacts Trade?	Yes
Description of Change:	<p><i>Create an accounting component to ACE to ensure that any and all refunds on payments by the surety under its bonds will be tendered directly to the surety with applicable interest, rather than to the bond principal. This component would embrace all payments by the surety under its bonds including increased duties, estimated duties, Section 1592(d) duties, taxes, fees, liquidated damages, and penalties.</i></p> <p><i>When sureties tender duties, liquidated damages, and applicable penalties to CBP in accordance with their bond obligations, they, and not the bond principal, are legally entitled to directly receive whatever refunds are determined to be owed. This is the case even where the importer has filed an administrative protest against liquidated duties or a petition against any other bill. The ACE accounting system should be programmed to record and track payments made by the sureties and automatically generate refunds of such payments to them. In tendering duties, liquidated damages, taxes, fees and penalties to CBP, sureties should not have to incur the expense and time in recovering misdirected refunds from recalcitrant principals, which in effect increases their bond risks.</i></p>

	<p><i>ACE should record and track, on an entry or transaction basis with corresponding bond number, all payments made by the surety to ensure that refunds are not made to the importer of record or some other party. The accounting program should automatically "certify" the bill-paying surety for a potential refund on associated entries or transactions.</i></p>
Benefit of Change:	<p><i>A defaulting importer of record will not be rewarded with a refund of payments made by the surety or some other payer and sureties will not be burdened with costly and unnecessary collection suits to recover monies that it tendered to CBP upon demand. The increased risk associated with the possibility of a misdirected refund could lead to higher bond amounts and higher premiums for importers. A program to identify, track and certify bill payers for potential refunds will streamline the refund process and ensure that the actual bill payer obtains the appropriate refund.</i></p>
Impact Assessment:	Unknown at time of entry in tool.

System/Subsystem

System:	ACS /ACE	Cargo Business Area:	Entry Summary Accounts and Revenue (ESAR)
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Implementation Requirements

Needed By Date:		Change Urgency:	Critical
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:
original sponsor = Don Yando, changed to John Leonard

Related Items:

CR#:	CR Name:
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: