

# Legal and Policy Update

**Jeremy Baskin**  
**Richard McManus**



U.S. Customs and  
Border Protection

# Legislative Changes



U.S. Customs and  
Border Protection

Unrestricted  
Legal and Policy

December 12, 2006

# Legislative Changes

## Miscellaneous Trade and Technical Corrections Act of 2006

- Entry
  - Removal of the requirement that an importer of record notify CBP before electing to file an import activity summary statement
  - Also allows the inclusion of immediate delivery entries in an import activity summary statement
  - Amendment to 19 U.S.C. 1484
- Pre-liquidation Refunds
  - Allows CBP to make pre-liquidation refunds when an importer declares they are correcting an entry for reasons beyond a clerical error
  - Amendment to 19 U.S.C. 1520(a)



# Legislative Changes (con't)

## Miscellaneous Trade and Technical Corrections Act of 2006

### ■ Warehouse

- Allows CBP, in its discretion, to permit merchandise to remain in a bonded warehouse for longer than the five year limitation period if a proper request is filed and good cause shown
- Deletes the restriction that merchandise only be withdrawn in its original packages and in no less quantity than an entire bale, cask, box, or other package, or if in bulk, in the entire quantity imported, or in a quantity no less than one ton weight
- The law now provides that merchandise shall only be withdrawn in such quantity and in such condition as prescribed by regulation, and that upon permission merchandise may be cleaned, sorted, repacked, or otherwise changed in condition
- Amendment to 19 U.S.C. 1557, 1559, and 1562



# Proposed Legislation

## **DRAWBACK**

- Legislation needs to be passed before programming can begin
- Will allow for much needed automation
- Will remove the subjectivity currently associated with drawback
- Purpose of legislation is to:
  - Automate drawback claims consistent with ACE programming
  - Simplify drawback law
  - Enable CBP to protect revenue



# ACE Federal Register Notices



U.S. Customs and  
Border Protection

Unrestricted  
Legal and Policy

December 12, 2006

# ACE Federal Register Notices

- CBP published a Federal Register Notice (71 FR 62922) on October 27, 2006, detailing the first group of land border ports to require truck carriers to file electronic manifests
  - Ports immediately impacted include ports in the states of Washington and Arizona, as well as the following ports in the state of North Dakota: Pembina, Neche, Walhalla, Maida, Hannah Sarles, and Hansboro
- The requirement to submit e-Manifests at these initial ports will be implemented effective January 25, 2007 (90 days from date of publication of the mandatory notice)
- The e-Manifest can be submitted to CBP using the ACE Secure Data Portal or via CBP approved Electronic Data Interface (EDI) transmissions.



# ACE Federal Register Notices (cont)

- Additional notices announcing mandatory e-Manifest dates for subsequent ports will be published in the Federal Register 90 days in advance of implementation and posted on the CBP Website
- Second cluster to be mandated, currently scheduled for sometime in February 2007, includes specified ports in the states of California, Texas, and New Mexico





# ACE Federal Register Notices (cont)

## e-Manifest Trucks

- Federal Register Notices published to date, announcing ACE deployment clusters
  - Specified ports in the state of Texas
    - 71 FR 3875, published January 24, 2006
  - Specified ports in the states of Texas, New Mexico, and California
    - 71 FR 23941, published April 25, 2006
  - Specified ports in the state of New York
    - 71 FR 42103, published July 25, 2006
  - Specified ports in the states of Vermont and New Hampshire
    - 71 FR
  - Remaining ports in the state of North Dakota
    - 71 FR



# ACE Federal Register Notices (cont)

## Remaining Deployment Clusters

- Idaho/Montana
  - Currently scheduled for no earlier than January 9, 2007
- Maine
  - Currently scheduled for no earlier than February 12, 2007
- Minnesota
  - Currently scheduled for no earlier than April 10, 2007
- Alaska
  - Currently scheduled for no earlier than May 16, 2007



# ACE Federal Register Notices (cont)

## TO BE PUBLISHED

- CBP will publish a Federal Register Notice announcing the ability of third parties to submit a manifest on behalf of a carrier via the ACE Secure Data Portal
  - Carriers with current ACE portal accounts will be able to do so from their current accounts
  - Currently third parties can file manifests via EDI
- CBP will publish a Federal Register Notice announcing new shipment release types via the portal



# ACE Federal Register Notices (cont)

## Periodic Monthly Statement

- Announcement that periodic monthly statement and payment process is available when filing entry for split shipments and unassembled or disassembled entities imported on multiple conveyances
- 71 FR 32114, published June 2, 2006
- Announcement of liquidated damages for late or non-payment of estimated duties through periodic monthly statements
- TBD



# ACE Federal Register Notices (cont)

## Anti Dumping/Countervailing Duties & Reconciliation

- CBP will announce a voluntary program for importers who have entries with lines subject to AD/CVD
- Will allow for the paperless filing of AD/CVD entries
- Entries of AD/CVD merchandise subject to AD/CVD, and reconciliation entries filed under this test, may be filed using remote location filing procedures
- Will allow CBP to liquidate all issues on underlying flagged entries except the final AD/CVD duty rate issue, which will be transferred to a reconciliation entry
- All AD/CVD entry summary lines filed under this test with identical importer of record, case number, continuous bond, and period of review will be grouped on one reconciliation entry
- Liquidation of the reconciliation entry will be suspended until CBP receives liquidation instructions from the Department of Commerce



# ACE Federal Register Notices (cont'd)

## Terms and Conditions Document

- CBP will publish a Federal Register Notice announcing a revised Terms and Conditions (T&C) document
  - Publication of the T&C in the Federal Register will replace the requirement to sign and submit the T&C
- Upon publication of the Terms and Conditions document, CBP will also post a revised ACE application document to [cbp.gov](http://cbp.gov)
- The revised ACE application will take the place of the current power of attorney and additional account/account owner documents





# U.S. Customs and Border Protection