How can you and your clients get the most out of a Foreign-Trade Zone or other Bonded Facility?

FACILITIES & PROGRAMS
Identify Your Scope

• Temporary Importation?
• Storage prior to Entering U.S. Commerce?
• Manipulation of merchandise or packaging?
• Manufacturing?
• Ultimate Exportation?
• Breaking bulk and redelivery of cargo?
Know Your Options

**Foreign-Trade Zones** are frequently used for storage, testing, cleaning, processing, assembling, manufacturing, re-labeling, repackaging, displaying, exhibition and repairing of merchandise.

**Bonded Warehouses** are generally used for the storage of imported merchandise entered for warehousing, placed in General Order, or for the manipulation of merchandise in-bond.

**Temporary Import Bonds** allow articles (not expected to be sold or consumed) to be entered into the United States on a temporary basis.

**Container Freight Stations** are designated facilities for the loading, consolidating, or devanning of containerized cargo.
Understand the Differences

• Time Limits
• Entry Filing & Duty Payment
• Permissible Merchandise
• Activities Allowed
• State & Local Inventory Tax

...And these are only a few of them!
## Foreign-Trade Zones

<table>
<thead>
<tr>
<th><strong>Time Limits</strong></th>
<th>Unlimited</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Entry &amp; Duty</strong></td>
<td>Entry &amp; Duty payment are only filed on cargo entering the commerce of the United States upon exiting the zone.</td>
</tr>
<tr>
<td><strong>Merchandise</strong></td>
<td>Foreign &amp; Domestic Merchandise</td>
</tr>
<tr>
<td><strong>Activities</strong></td>
<td>Assembly, Testing, Sampling, Re-Labeling, Re-packaging, Mixing, Destruction, Manipulation, Cleaning, Storing, Exhibition, &amp; Manufacturing*</td>
</tr>
<tr>
<td><strong>Inventory Tax</strong></td>
<td>Foreign merchandise as well as Domestic merchandise for export is not usually subject to State or Local tax.</td>
</tr>
</tbody>
</table>
Bonded Warehouses

**Time Limits**
Storage may not exceed 5 years.

**Entry & Duty**
Enter must be filed to place goods into the warehouse; however Duty and MPF are not paid until the warehouse withdrawal.

**Merchandise**
Only foreign merchandise may be placed in a bonded warehouse.

**Activities**
Assembly, Sampling, Re-labeling, Re-marking, Manipulation, & Storing. Also Sorting, Cleaning & Repacking may be permitted under approval. Manufacturing is prohibited except for export.

**Inventory Tax**
State & Local inventory tax is applicable.
Temporary Import Bonds

**Time Limits**
Must be exported within 1 year from date of importation, with up to 2 additional 1-year extensions.

**Entry & Duty**
Entry is filed at time of importation of merchandise, and cargo enters the U.S. free of duty on a temporary basis.

**Merchandise**
Foreign Merchandise may be imported under a TIB.

**Activities**
Repair, Alteration, and Processing. Merchandise under a TIB may not be sold in the U.S.

**Inventory Tax**
State & Local inventory tax is applicable.
## Container Freight Stations

<table>
<thead>
<tr>
<th>Time Limits</th>
<th>Entry must be made within the regulatory time frame or cargo will be placed in General Order.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entry &amp; Duty</td>
<td>Entry must be filed to remove merchandise from the CFS in order to enter the commerce of the U.S.. All duty and applicable fees are paid at time of entry.</td>
</tr>
<tr>
<td>Merchandise</td>
<td>Foreign and Domestic Merchandise may be in a CFS for loading and/or unloading.</td>
</tr>
<tr>
<td>Activities</td>
<td>Receiving, loading, and/or devanning of containers. CBP will also allow merchandise to be marked in the CFS.</td>
</tr>
<tr>
<td>Inventory Tax</td>
<td>State &amp; Local inventory tax is applicable.</td>
</tr>
</tbody>
</table>
Okay...
Now What?
## Comparison Summary

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>FTZ</th>
<th>BONDED WHSE</th>
<th>TIB</th>
<th>CFS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Time Limits</td>
<td>Unlimited</td>
<td>5 Years</td>
<td>1 Year (+2)</td>
<td>General Order</td>
</tr>
<tr>
<td>Entry &amp; Duty</td>
<td>Exiting FTZ*</td>
<td>Placement &amp; Withdrawal</td>
<td>Importation</td>
<td>Importation</td>
</tr>
<tr>
<td>Merchandise</td>
<td>Foreign &amp; Domestic</td>
<td>Foreign</td>
<td>Foreign</td>
<td>Foreign &amp; Domestic</td>
</tr>
<tr>
<td>Activities</td>
<td>Manufacturing 😊</td>
<td>Manufacturing 😞</td>
<td>Cannot be sold in the U.S.</td>
<td>Consolidation &amp; Devanning</td>
</tr>
<tr>
<td>Inventory Tax</td>
<td>No (Well... with exception)</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
</tbody>
</table>

* Only on product entering Commerce of U.S.
Target the Best Option

• Customer’s Situation
• Strategic Goals
• Location, Location, Location
• Timing to get everything in place
Save the Day... Again 😊