

Drawback: ACE/TFTEA After 4 Years

Panelists: Dave Corn
NCBFAA Board Member /
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Drawback and Revenue
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Moderator: Michael Cerny
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Drawback: ACE and TFTEA After 4 Years

Speakers:

Jennelle Cray, Supervisory Program Manager, US CBP

Acenitha Kennedy Andrade, Supervisory Program Manager, US CBP

Dave Corn, Executive Vice President, Comstock & Theakston

Moderator: Michael Cerny, Chief Legal Officer, Charter Brokerage

Office of Trade

U.S. Customs and Border Protection

Acenitha Kennedy Andrade
Supervisory Program Manager
U.S. Customs and Border Protection

Jennelle Cray
Supervisory Program Manager
U.S. Customs and Border Protection

Drawback: A Brief History

- Drawback Functionality was deployed in ACE on February 24, 2018, in accordance with the Trade Facilitation Trade Enforcement Act (TFTEA) of 2015
- February 24, 2019: all Drawback claims must be filed in ACE per TFTEA
- More than 107,000 claims have been filed since February 2018



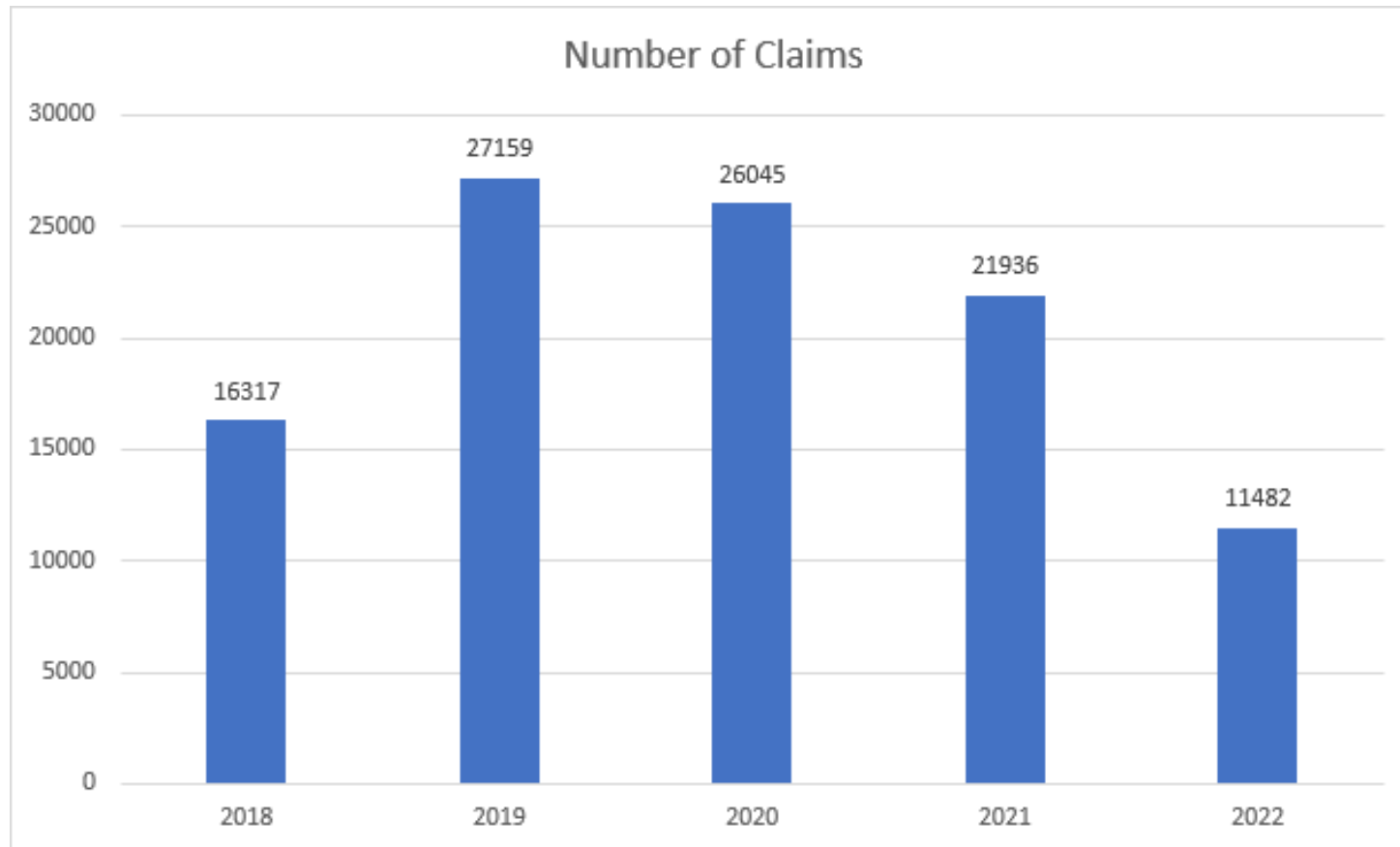
Drawback: Stats At-A-Glance

Total Claim Inventory:

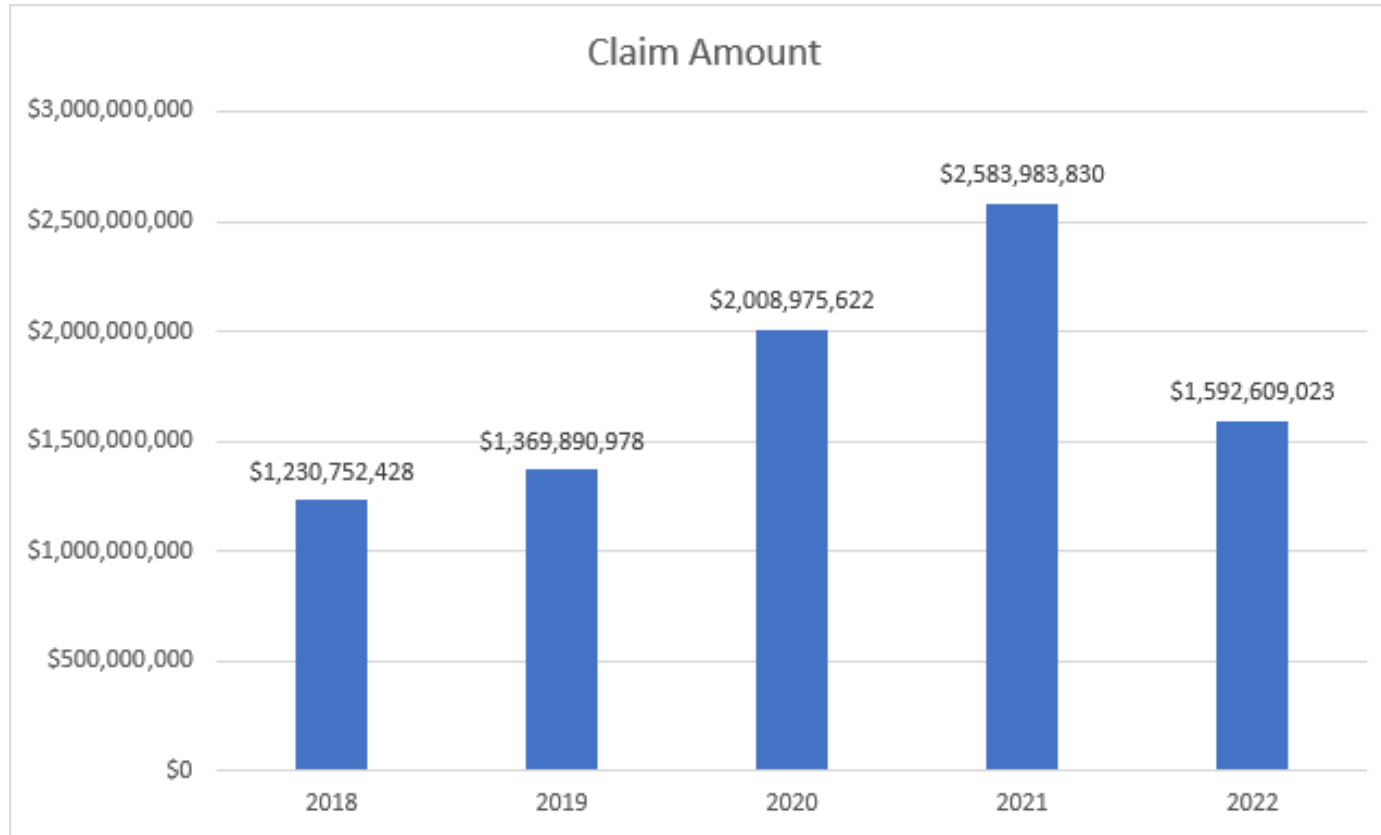
- 60K claims totaling \$6.4B
 - 48K TFTEA claims totaling \$5.5B
 - 11K CORE/ACS claims totaling \$928M



Drawback: Stats At-A-Glance

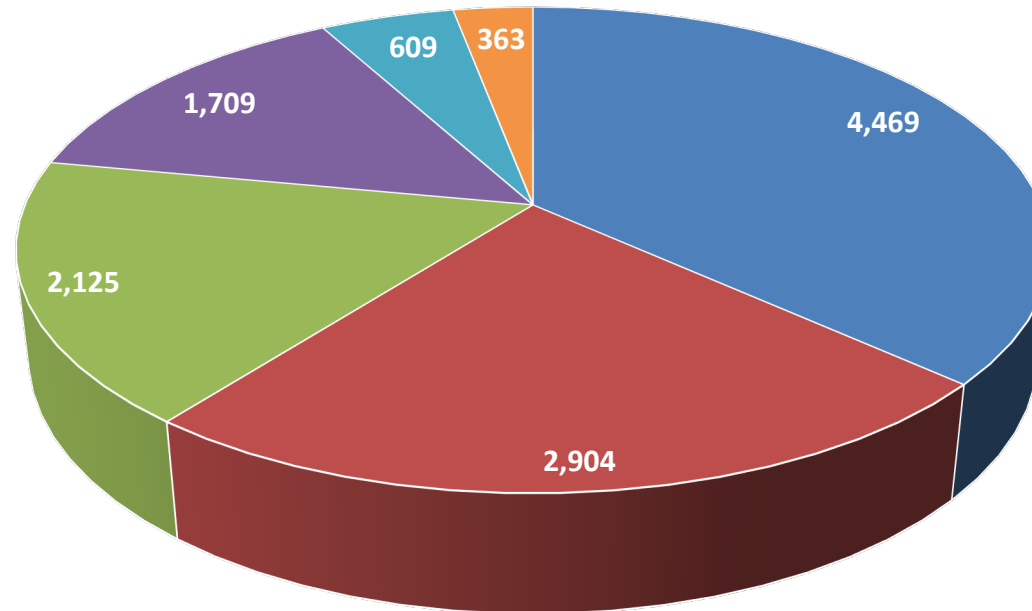


Drawback: Stats At-A-Glance



Drawback: Stats At-A-Glance

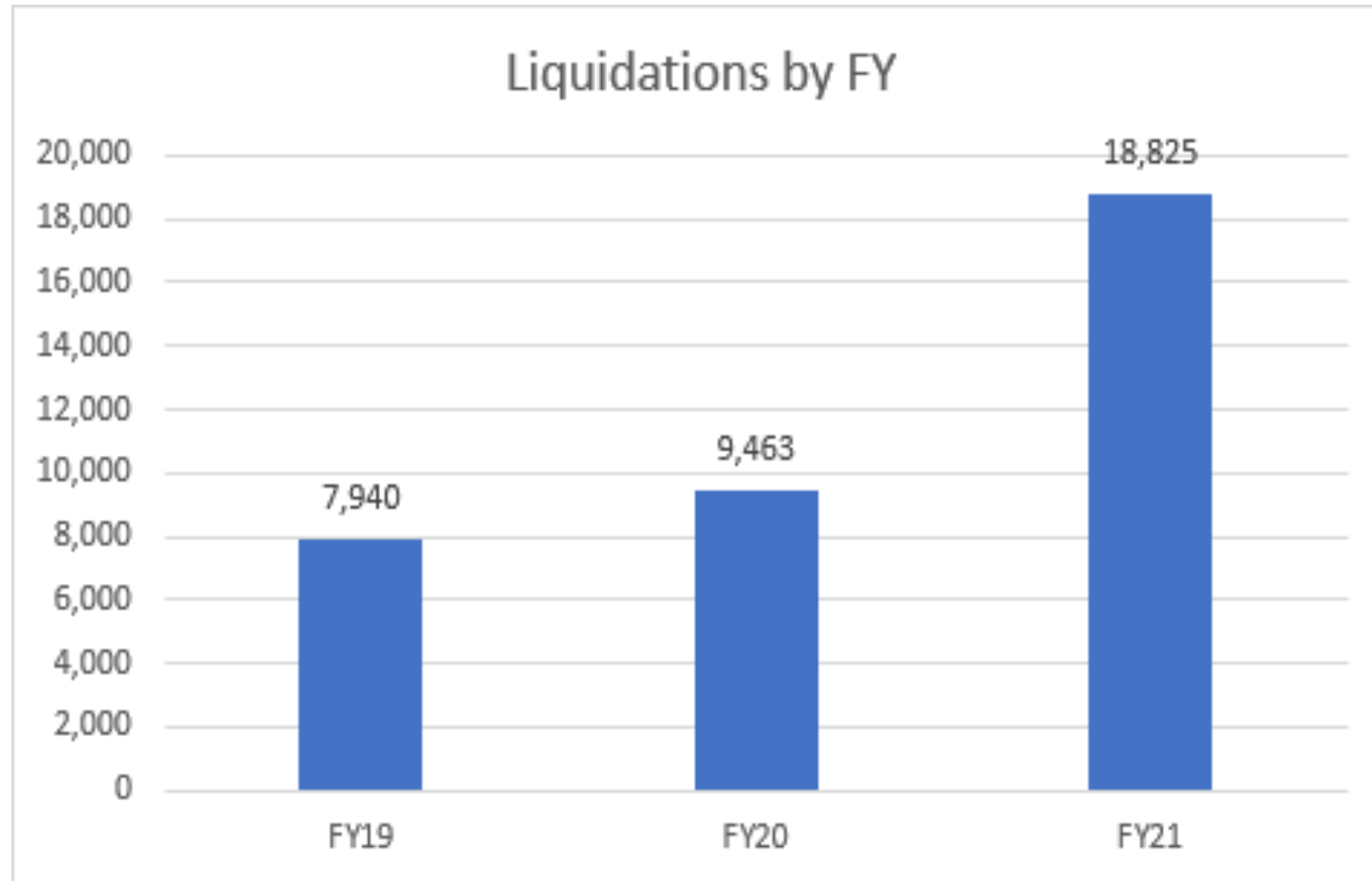
Claim Processing by Center



■ AFT Center ■ AA Center ■ Petro Center ■ Pharma Center ■ BM Center ■ Unassigned



Drawback: Stats At-A-Glance



Policy Accomplishments

- USMCA
- Updated Prior Disclosure Guidance
- Manufacturing Ruling Issuance
- Major updates to ACE Business Rule Processing Document
- Successful reduction of legacy claims
- Doubling of Liquidations from FY20 to FY21



Policy Challenges

- Increases in Drawback Claim Filings
- USMCA Drawback – Final implementation
- Updated Programming Needs
- Mass Liquidation Functionality



Technical Updates to ACE for Drawback

- **USMCA**
 - CSMS #3227909 – “Drawback: USMCA Interim Guidance”
- **AP Bond Date**
 - CSMS #48631253 – “Drawback: Accelerated Payment (AP) Continuous Bonding Policy Programming Update”
- **Drawback Transition to Centers**
 - CSMS #49358330 – “Drawback Transition to the Centers of Excellence and Expertise-Update to Claim Processing”



Technical Updates to ACE for Drawback

- Reprogramming Use Date
- Added CBP Dec 20-07 to Ruling Module



Technical Updates to ACE for Drawback

- Drawback Claims with ACS Archived Entries
 - CSMS #45101783 – “Issue with Certain ACS Archived Import Entries on Drawback Claims has been Resolved”
- MPF



Drawback: What's Next for ACE?

- The Trade Transformation Office will continue to work with Trade Policy and Programs and our Trade Partners
- CBP's goal is to ensure that Drawback functionality continues to meet the Trade's need while simultaneously carrying out CBP's mission of facilitating legitimate trade



Drawback: What's Next for Policy?

- Update policy to assist with claim processing
- Syncing of drawback module with electronic export manifest data
- Continue to work with the Office of Rulings and Regulations on remaining policy gaps
 - USMCA Retail Sales
 - Sets



Drawback Questions?

Technical drawback questions: Contact your Client Representative. If you do not have an assigned client representative, send an email to: clientrepoutreach@cbp.dhs.gov

Policy drawback questions: OTDRAWBACK@cbp.dhs.gov

Specific drawback claim and/or privilege application questions: Contact Drawback Specialist and/or one of the Drawback Offices

Specific HQ Rulings: hqdrawback@cbp.dhs.gov

Questions concerning the Drawback Center transition should be directed to CEE@cbp.dhs.gov



Presenters:

Acenitha Kennedy Andrade
Supervisory Program Manager
U.S. Customs and Border Protection

Jennelle Cray
Supervisory Program Manager
U.S. Customs and Border Protection

Trade Perspective

Dave Corn, Executive Vice President
Comstock & Theakston

Most Significant Change for Drawback

- Largest changes in program history dating to 1789
- Transition to ACE:
 - Business Rules
 - CATAIR
 - Error Dictionary
- TFTEA
- Regulations for 190
- USMCA regulations
- Transition to Centers



Policy Challenges: Trade Perspective

- In the beginning with CATAIR
- Unknowns with transition to the Centers
- Drawback claim filings:
 - Error Dictionary validations
 - File size realization, time outs
- USMCA Drawback:
 - Waiting on regulations, responses to NCBFAA comments
 - Validation updates for (j)(2) exceptions
- Date and fact of export!
- Rulings at HQ



Accomplishments: Trade Perspective

- Adding ITIN; UOM “X”
- Expansion to 9999 lines
- Eliminate “Use” date from CATAIR
- Additional rulings for TFTEA: 20-07, HQ320090
- More teamwork with CBP
 - Business rules description changes
 - Appendix G and Appendix H
 - Continued validation refinements
 - Sets discussion



QUESTIONS?