

CSMS Message

SUBJECT: – Guidance on Entry Deletion and Entry or Entry Summary Cancellation

PURPOSE

To provide uniform national procedures for entry deletion and entry or entry summary cancellation that will provide for self inspection controls and ensure financial responsibility and data integrity in U.S. Customs and Border Protection (CBP) automated systems, including the Automated Commercial System (ACS) and the Automated Commercial Environment (ACE). The deletion and cancellation processes outlined in this policy also apply to Electronic Invoice (EIP)/Remote Location Filing (RLF) entries.

POLICY

Entry deletion and entry or entry summary cancellations enable filers to resolve entry issues in certain situations. However, CBP will only allow filers to delete entry data prior to cargo release processing. Once cargo release processing occurs and a provisional release notification is generated, the data is considered to be in CBP status and CBP will not delete the entry data. All subsequent changes must be processed via the entry or entry summary cancellation process.

A request for entry or entry summary cancellation is the filer's responsibility to initiate. This request will be submitted to CBP as soon as the filer becomes aware of the need for the cancellation. Filers should not wait for notification from CBP on outstanding entry summaries or for CBP to issue liquidated damages. CBP will monitor filers for patterns of excessive or unnecessary requests and provide feedback via the informed compliance process under the Customs Modernization Act.

It should be noted that there are many situations in which entry or entry summary cancellation is a legitimate and acceptable action, as long as the filer provides documentation to substantiate the request. The entry or entry summary cancellation process enables CBP to account for 21st century logistics and just-in-time inventory, as well as other government agency entry refusals.

DEFINITIONS

Entry Deletion

Entry deletion refers to completely removing entry data from the system of record. The entry information is no longer stored in the system of record once an entry is deleted.

Entry or Entry Summary Cancellation

Entry or entry summary cancellation refers to rendering entry summary data inactive in the system of record. It allows CBP to retain the entry summary data for historical purposes.

PROCEDURES

In General

Entry deletion permanently removes the entry information from ACS. It also relieves the importer of liability for payment of duties, taxes, and fees related to that entry or entry summary. Deletion may only be performed on an entry (cargo selectivity information). An entry summary may not be deleted.

Entry summary cancellation maintains a historical record of the entry or entry summary data and cargo selectivity results and relieves the importer of liability for payment of duties, taxes, and fees related to that entry or entry summary.

The request for cancellation must be submitted on company letterhead stating the reason for the request (see Attachment 1). The request will be submitted to the CBP office where the merchandise was entered and released. The only individual authorized to sign the request letter is the importer of record or an agent authorized to act on the importer's behalf (i.e., licensed customs broker with a valid power of attorney).

Field offices will determine whether to delete or cancel an entry based on the documentation submitted by the filer and additional research. A filer may request an entry deletion, when a cancellation is more appropriate. Field offices with questions concerning which action is appropriate, including the approval or denial of requests, should address their concerns regarding entry deletion requests to the Office of Field Operations, Cargo Release Branch, and entry summary cancellation requests to the Office of International Trade, Entry, Summary, and Drawback Branch. Requests for deletion or cancellation that fall outside of the scope of the guidelines provided in this directive will be evaluated on a case-by-case basis.

CBP personnel must process all requests for deletion and cancellations as soon as possible. Entry deletions and entry summary cancellations performed more than ten days after cargo release may result in unnecessary liquidated damages cases.

DELETIONS

Entry deletions should be used in very limited circumstances. Filers may delete an entry up until the time that CBP cargo release processing occurs and the provisional release notification is system generated. Once the processing occurs, the data is considered to be in CBP status. At this point, the entry or entry summary cancellation function must be used. In cases where the cargo did not arrive, and the entry summary was filed, CBP may delete the entry, as long as the filer provides adequate documentation to substantiate the deletion.

Additional supporting documentation may include, but is not limited to, the CBP form 7501 (original or copy); a copy of the replacement CBP form 3461 or CBP form 7501; a copy of an in-bond exportation document verified by CBP; the CBP form 3499; documentation certifying refusal by a participating government agency; or a certification by the carrier that the merchandise was lost, short-shipped, or misdelivered. Supporting documentation is required for both paper-required and paperless releases. Electronic copies of the request letter and supporting documents are permitted.

The document retention guidelines for electronic copies are the same as those for paper documents. This is to ensure documentation is available for audit and self-inspection purposes. When necessary, CBP may request that the original forms and documents be submitted.

ACS entry and entry summaries will be canceled in ACS. ACE entry and entry summaries

will be canceled in ACE. This maintains a historical record of the transaction in ACS and ACE as appropriate. Valid reasons for entry and entry summary cancellation include, but are not limited to, the following:

Merchandise denied admission into the United States by a participating government agency after its release from CBP custody, which is destroyed under government supervision or exported under CBP supervision;

Seized merchandise: Entry and entry summaries involving seized merchandise should be canceled, not deleted, in order to maintain a historical record.

Filers should not delete any data in their system until they receive confirmation from CBP verifying that the cancellation was approved and processed. Filers may not submit requests for entry summary cancellations on a post entry adjustment coversheet. CBP will process the cancellation refund as an administrative refund.

For refund of duties, fees, and taxes on a canceled entry summary: If CBP approves the cancellation request and the filer has transmitted payment of duties, fees, and taxes, CBP may issue a refund. Examples of when a duty refund is appropriate are as follows:

Merchandise denied entry by a participating government agency after release from CBP custody, which is destroyed under government supervision or exported under CBP supervision. Duties, fees, and taxes collected are eligible for an administrative refund (19 CFR 142.18, 158.41). All other cases whereby merchandise has been released from CBP custody and then exported or destroyed are not eligible for a refund of duties, taxes, and fees via an entry summary cancellation. A refund in these cases must be requested via a drawback claim.

Non-arrival of merchandise or duplicate entry: CBP may issue an administrative refund for the duties, fees, and taxes, provided that the requirements outlined in 19 CFR 158.3 are followed. A manifest discrepancy report (MDR) shall be filed (19 CFR Parts 4.2, 18.6, 18.8, 19.44, 122.49, 122.95, 122.120, 123.9, 146.37, 158.2, 158.5).

ENTRY SUBSTITUTION

Entry Substitution (also known as "Alt substitution" or "turnover"): This procedure generally occurs at land border ports. If a shipment is released via immediate delivery, and it is later discovered that another broker is responsible for filing the entry summary, the filer may request an entry substitution.

The new filer must file an entry and entry summary with an unused entry number, using only the specified attached worksheet (see Attachment). The worksheet must contain the reason for the substitution request and the concurrence of both filers. The receiving broker must present a copy of the documents used to obtain release and an unused entry number. When necessary, CBP may request that the filer submit original forms and supporting documents.

CBP will cancel the original entry and entry summary in ACS or in ACE, and note the new entry

number and release the substituted using the release date established on the original entry. In the case of electronic invoice/remote location filing entries (EIP/RLF), the entry substitution may require the original filer to hire a sub-agent to provide the substitute entry.

Ports will monitor substitutions for potential broker compliance issues.

CANCELLATION ERRORS

If CBP processes an entry cancellation in error, the cancellation may be unset in ACS or ACE.

LIQUIDATED DAMAGES CASES

Entry summaries filed beyond the normal 10-day filing period are subject to liquidated damages for late filing of the entry summary. The liquidated damages must be assessed against the bond obligated on the original entry and the original entry number. Even though the summary was filed late under the new entry number, the original bond is liable for timely filing of summary documents. Bond liability is not transferred until the new entry summary is accepted.

There are two options for payment of a liquidated damages case for failure to file an entry summary (also known as a "no-file" liquidated damages case). The violator may file the entry summary, pay the duties, taxes and fees due, and CBP will convert the "no-file" case to a "late file" case. Or the violator may choose to pay full value of the shipment (assessed amount) without filing the entry summary. If the violator pays the assessed amount without filing the entry summary, the summary will be canceled.

Attachment 1

ENTRY CANCELLATION/DELETION REQUEST

Entry/Entry Summary# and Port: _____

- . **ACE Entry** **ACS Entry** **RLF Entry**

. **REASON FOR REQUEST:**

- . Non-arrival
- . Shipment Refused
- . Entry replaced by CBP Form 7501
- . Merchandised cleared by another broker
- . Merchandise cleared under another entry# _____
- . Broker error
- . Merchandise seized Comments:

SUPPORTING DOCUMENTATION SUBMITTED (BUT NOT LIMITED TO):

- . Original CBP Form 7501 (Entry Summary)
- . Copy of replacement CBP Form **3461** (Entry/Immediate Delivery) or CBP Form 7501
- . Copy of CBP Form 7512 (Transportation Entry and Manifest of Goods Subject to CBP Inspection and Permit)
- . CBP Form 3499 (Application and approval to Manipulate Examine, Sample, or Transfer Goods)
- . Other document(s): _____

Name of Requestor: _____ Title of Requestor: _____

Signature and Date of Requestor: _____

U.S. CUSTOMS AND BORDER PROTECTION USE ONLY

- Approved Denied More information required

Comments:

Customs and Border Protection Officer/Date: _____

BAR CODE (OPTIONAL)