



Update on Simplified Entry Test

Pursuant to the publication in the November 9, 2011, Federal Register (76 FR 69755), U.S. Customs and Border Protection (CBP) announced a plan to conduct a National Customs Automation Program (NCAP) test concerning Automated Commercial Environment (ACE) entry capability. The new capability includes functionality specific to the filing of entry data for formal and informal consumption entries. The initial phase of the test will be open to entries filed in the air transportation mode only. Initial test phase rules include:

- Participants cannot file an entry summary in lieu of a simplified entry
- A continuous bond must be used
- Split shipments will not be supported in the initial test phase
- The port of arrival, port of entry and unloading must be the same
- The manifest bill of lading quantity and the release bill of lading quantity must match
- Once CBP sends a release message, participants cannot send another simplified entry to replace or amend the one previously filed
- No other government agency requirements exist
- Importers must be C-TPAT Tier II or III and brokers must be C-TPAT certified
- Simplified entry transactions must be filed in ACE, along with the entry summaries

ACE Truck e-Manifest/FMCSA Interface

CBP began sharing data from the ACE Truck e-Manifest system with the Federal Motor Carrier Safety Administration (FMCSA) in July 2011. The ACE/FMCSA interface is currently being evaluated by both CBP and FMCSA to validate data and system performances. Once the evaluation is complete by both sides, CBP will work with FMCSA on outreach to the trade community regarding the sending of FMCSA status messages to the ACE Truck e-Manifest filers. These messages will be sent from ACE to the filer using the current message format (ANSI X12, UN EDIFACT or ACE Portal) that is identified for the carrier or their filer in their ACE accounts profile. There is no target timeframe to initiate sending this message to the trade but it is currently anticipated that it may occur in late 2012. Once a timeframe is identified the trade will be notified via CSMS messages and other notification avenues. There currently are 12 valid FMCSA status notifications and they are already included in the existing ACE Truck IGs. The current 12 status notifications are:

Carrier does not possess valid U.S. Operating Authority

- Carrier has an Out of Service order against it
- Safety score indicates inspection is warranted
- Carrier's current insurance does not meet the minimum level or better
- Driver does not have a valid/current CDL or equivalent (Mexico or Canada)



- Driver does not have the proper CDL endorsements for HAZMAT cargo
- Vehicle does not have a current Commercial Vehicle Safety Alliance inspection
- Carrier check not performed, data not available at this time
- Driver check not performed, data not available at this time
- Trailer data is not available at this time
- Tractor check not performed, data not available at this time
- Carrier data not found in FMCSA systems

Bond Centralization Program Contacts

The Revenue Division Bond Team has established a voice mailbox (317-614-4880) for all inquiries concerning bond centralization. This includes inquiries into the status of all submissions to the Bond Team. A second voice mailbox (371-614-4881) has been established specifically for all inquiries into rejected bond submissions. When calling these numbers, please leave a brief message and include your name, phone number and email address. A team member will respond to the call no later than the next business day.

When inquiring about the status of a specific bond application, please provide the principal's name and importer number. The Revenue Division Bond Team will not respond to status inquiries if the application has been on file with the Revenue Division for less than 5 business days.

Recent ACE Updates

Please note you may need to copy and paste the URLs below into your internet browser.

Discontinue Use of CAMIR K01 (Edit) Record

CBP is requesting that the few carriers who transmit the Customs Automated Manifest Interface Requirements K01 (edit record) discontinue its use immediately. The A01 (amendment) feature can accomplish the same action of a "delete," "add" or "replace" of quantity against a bill of lading. In the near future a reject will be generated if the carrier transmits the K01 record. Please refer to CSMS #11-000261.

October 4 COAC Meeting Materials Posted

Materials from the October 4, 2011 Commercial Operations Advisory Committee (COAC) meeting have been posted to CBP.gov. Topics include Role of the Broker, Simplified Entry Process, and Centers of Excellence and Expertise. Use the following URL to access to meeting materials:

http://www.cbp.gov/xp/cgov/trade/trade_outreach/coac/coac_12_meetings/meetings/oct_11/meeting_materials/



November 2011 Update

New AGOA Lesser Developed Countries

Effective October 25, 2011, the President designated Cote d'Ivoire, Guinea and Niger as eligible for AGOA (African Growth and Opportunity Act) lesser developed beneficiary sub-Saharan African country preference. Please refer to CSMS #11-000269.

Courtesy Notice of Liquidation Webinar Posted

CBP has posted the October 12, 2011 webinar and the associated Power Point presentation on the ACE Courtesy Notice of Liquidation Report to CBP.gov. The webinar covers running and modifying the new AM-100 report, creating a report from scratch using the Liquidation Header Details sub-folder to view the history of liquidations, and modifying existing reports. Use the following URL to access the webinar:

http://www.cbp.gov/xp/cgov/trade/trade_outreach/outreach_webinar.xml

GSP Extended Retroactively

On October 21, 2011 the President signed H.R. 2832 which extends the GSP (Generalized System of Preferences) program through July 2013. The GSP program, having lapsed December 31, 2010, has been retroactively renewed allowing for a refund on all duties paid on GSP eligible merchandise that was entered or withdrawn from a warehouse for consumption during the period January 1, 2011 through November 4, 2011. Please refer to CSMS # 11-000266 and CSMS # 11-000275.

MPF Rate Change

H.R. 2832 changed the MPF (Merchandise Processing Fee) rate (Class Code 499) for formal entries from 0.21 percent to 0.3464 percent. The minimum merchandise processing amount of \$25.00 and the maximum merchandise amount of \$485.00 were not changed. Please refer to CSMS # 11-000262 and CSMS # 11-000274.

19 USC 1520(d) Filing Procedures

CBP issued a revision of "Post-Importation Preference Program Claims under 19 USC 1520(d) with a Classification Change Memorandum of June 23, 2011- Instructions for the Trade Community." The revision clarifies the administration of a 19 USC 1520(d), post-importation preference claim that includes a classification change or, under certain limited situations, a value change.

This procedure is currently applicable to the following agreements: North American Free Trade Agreement (NAFTA), the Chile Free Trade Agreement (CFTA), the Oman Free Trade Agreement (OFTA), the Dominican Republic-Central American Free Trade Agreement (DR-CAFTA) and the Peru Trade Promotion Agreement (PTPA). Please refer to CSMS # 11-000277.

Draft CATAIR Message Set for Simplified Entry Test Available

CSMS # 11-000283 was issued providing a draft copy of the CATAIR (Customs and Trade Automated Interface Requirements) message set and a sample message for the Simplified Entry Test.



Attention Truck Carriers: FAST Cards

When a FAST (Free and Secure Trade) card is issued, the driver is instructed to activate the card. If the card is not activated, the FAST card data will not be transferred to ACE and it will not be possible to add that driver to a manifest via his/her FAST card number. Once the driver has activated the card, the card cannot be used until the next day (to allow the data to be transferred to ACE overnight).

CBP Launches Centers of Excellence and Expertise

On October 20, 2011, CBP announced that the first two Centers of Excellence and Expertise are now operational, bringing important new capabilities to CBP's trade and security mission. The first two centers are for Electronics and Pharmaceuticals. The Center of Excellence and Expertise – Electronics, located in Los Angeles, will cover the full spectrum of commodities within the Information Technology and Consumer Electronics industries. The Center of Excellence and Expertise – Pharmaceuticals, will be responsible for the full spectrum of commodities with the Pharmaceutical, Health and Chemical industries and will be located in New York City.

NCBFAA Announces Support for ACE

CBP and the NCBFAA (National Customs Brokers and Forwarders Association of America, Inc.) issued a joint press release encouraging international traders to begin moving their import business process to ACE.

“Our partnership with the NCBFAA will certainly help expedite the industry's transition to ACE,” said Allen Gina, Assistant Commissioner for CBP's Office of International Trade. “With the NCBFAA's active involvement, we expect to see ACE transactions increase dramatically.”

“It's time for our industry to support the development of the Automated Commercial Environment,” said Jeff Coppersmith, president of NCBFAA. “Competitive advantages will begin to accumulate for those members who start transitioning to ACE now.”

SPI “Q” in ACE Reports

The “Q” Special Program Indicator in ACE reports means that a Generalized System of Preferences (GSP) claim was made during the time period when GSP had expired. CBP uses the “Q” as a means to refund duties when GSP is passed with a retroactive date of January 1.



Your Questions:

Since liquidation information is now available in ACE reports and CBP has discontinued mailing the courtesy notice of liquidation, will actual bills be provided electronically and their mailing discontinued as well?

CBP did not make any changes to how bills are sent. The process for bills and refunds did not change.

For purposes of a refund, will de minimis amounts be reflected in the AM-100 report? That is, will this be recorded in the liquidation amounts?

If a refund is NOT requested because it is a de minimis amount, the liquidation amount will reflect the paid amount so that a refund is not generated.

How can a broker which is also an importer access the new AM-100 Courtesy Notice of Liquidation Report?

When a broker logs on to the ACE portal, they are initially in their “broker” view. The AM-100 report can only be run in the “importer” view by trade. On the Accounts tab, under the “Select Account Type” drop down box in the “Task Selector,” select **importer** and click **Go**. From the importer view launch the reporting tool and you should have access to the AM-100 report.

If a post summary correction (PSC) converts from a 01 to and 03 entry summary, does that require a cash bond?

All applicable AD/CVD cash deposits (or if bonding for the cash deposit is allowed, the appropriate bond) due as a result of the change must be submitted with the PSC. Please refer to the Business Rules and Process Document – Trade, section 9.2.5.

Can a voluntary tender for a missed invoice be declared on a PSC?

The ACE Business Rules and Process Document – Trade provides basic guidance that can also be applied to the PSC process until CBP updates the document with specific information. The filer should present the check at the processing port, along with a copy of the 7501. They should indicate on the form that this is for a PSC. The filer should submit the PSC entry summary requesting accelerated liquidation. Please note that interest will be calculated using the date that CBP received the check, not the date the PSC was transmitted.

Why do I see “Portlet Unavailable” when I select the Tariff History link under the References tab?

The tariff history is no longer available. Since the HTS reference was changed to take the portal user to the USITC web site, the additional processing to update the tariff history was discontinued.