

EXPORT USA (NEBS) MISSION



What is a Customs Broker?

- A firm licensed by the Treasury Department engaged in entering and clearing goods through Customs
- Services include:
 1. Classification and valuation of merchandise
 2. Payment of duties, taxes or other charges assessed by Customs
 3. Refund, rebate or drawback of those duties, taxes and other charges
 4. Preparation and activities relating to the preparation of documents and electronic transmission of documents intended to be filed with Customs



Who is the exporter?

- The exporter is the party sending goods to a foreign country
- The exporters responsibilities will typically involve completing pertinent Customs documentation such as a proforma invoice and Nafta Certificate if applicable. Other responsibilities include country of origin marking requirements and reporting information to other government agencies such as FCC, USDA, FDA, DOT, EPA, Fish and Wildlife, etc.

What is Reasonable Care?

- Since the Modernization Act of 1993 the US Customs service and trade community share a responsibility in the administration of trade
- As an exporter, it is your responsibility to correctly value, classify and otherwise enter imported merchandise. This allows US Customs to properly assess duties, collect statistics and determine that the requirement of law is met
- US Customs has the obligation to inform the trade community of the proper compliance
- It is the trade communities responsibility to practice reasonable care. Failure to do so will result in penalties

What is a Proforma Invoice?

- A proforma invoice is an invoice provided by a supplier prior to the shipment of merchandise, informing the buyer of the kinds and quantities of goods to be sent, their value and important specifications such as weight, size, etc.

PRO FORMA INVOICE

PEACE BRIDGE
BUFFALO, NY
716-884-9395
FAX 716-884-6528

LEWISTON-
QUEENSTON BRIDGE
NIAGARA FALLS
LEWISTON, NY
716-284-4728
FAX 716-284-4938

THOUSAND ISLAND
BRIDGE
ALEXANDRIA BAY, NY
315-482-4290
FAX 315-482-4299

AMBASSADOR
BRIDGE/TUNNEL
DETROIT, MI
313-962-2370
FAX 313-962-5374

BLUE WATER BRIDGE
PORT HURON, MI
810-987-8250
FAX 810-987-1351

PEACE BRIDGE
FORT ERIE, ON
TWIN BRIDGE
CUSTOMS BROKERS
905-871-1884
FAX 905-871-1579

CHAMPLAIN, NY-
INTERSTATE 87
206 WEST SERVICE ROAD
CHAMPLAIN, NY 518-298-
5551
FAX 518-298-5554



CORPORATE OFFICE
1245 NIAGARA STREET
BUFFALO, NEW YORK 14213
(716) 884-1554
FAX (716) 884-5703

Exp Ref No: _____ Page _____
Date of Invoice: _____
Date of Sale: _____
Exchange Rate: _____

Exporter/Shipper/Seller (Name, Address, Phone Number)	From (Local) Point of Lading	Destination
	Point of Entry	Final Destination
Consignee/Ship To (Name, Address, Phone Number)	Other (eg Buyer/Bank) Third Party Transaction (Name, Address, Phone Number)	
IRS # _____	IRS # _____	

PARTIES TO THE TRANSACTION ARE RELATED NOT RELATED
 RESPONSIBLE FOR BROKERAGE AND DUTY CHARGES SHIPPER CONSIGNEE OTHER _____
 APPLICABLE DISCOUNTS: _____
 DUTY AND BROKERAGE FEES INCLUDED YES NO
 ESTIMATED FREIGHT CHARGES TO POINT OF EXIT _____
 FREIGHT INCLUDED YES NO AMOUNT INCLUDED \$ _____
 TERMS OF SALE F.O.B. PLANT DESTINATION OTHER _____

FOR U.S CUSTOMS
CLEARANCE NOTIFY
ONLY "BCB
INTERNATIONAL, INC."

CARRIER NAME: _____ NUMBER OF PACKAGES: _____ GROSS METRIC WEIGHT: _____

CLAIMING FREE TRADE YES NO
 NAFTA C.O. ATTACHED BLANKET C.O. ON FILE CURRENCY OF SALE _____

* (To Be Completed By Canadian Shipper Only When Goods Described Below Are U.S. Manufacture or Growth)

I, _____, Declare that the articles herein specified are, to the best of my knowledge and belief, the growth, produce, or manufacture of the United States; That they were exported from the United States from the Port of _____ on or about _____ that they are returned without having been advanced in value or improved in condition by any process of manufacture or means.
 SIGNATURE _____ Status: _____

*Country / Province of Manufacture or Growth	Description:	Tariff No.	Invoice Item Quantity:	Invoice Unit Price:	Invoice Total

Will goods remain permanently in the United States YES NO TOTAL INVOICE _____

* Country of Origin, Canada - indicate Canadian Province of manufacture

I hereby certify that the information given above and on the continuation sheet(s), if any, is true and complete in every respect.

Give firm name and address if different from exporter box above

Date _____ Signature (Responsible Party) _____ Status Owner Agent



North American Free Trade Agreement

- The NAFTA Certificate is completed for the purpose of obtaining preferential tariff treatment
- Must be completed in full by the exporter and be in possession of the importer at the time the declaration is made
- NAFTA Certificates can be filed on a single shipment basis or annually.

Nafta Compliance

- Verify goods qualify for NAFTA before making a NAFTA claim
- Product description on your NAFTA should be the same as on your proforma invoice
- NAFTA certificate must be completed properly in order to be considered valid
- If goods contain non-originating components or parts they must meet certain criteria in order to qualify. (tariff switch/regional value content)
- Always have back up documentation to prove your NAFTA claim. (NAFTA certificates on goods not produced by your firm should be obtained from the manufacturer I.e. Producer “No 1” not a viable option

Nafta Compliance

- NAFTA verification audits by US Customs (US Customs requests NAFTA, audit takes place at exporters premises, must provide supporting documentation to prove NAFTA claims including bill of materials and NAFTA certificates)
- Exporters are required to keep the NAFTA on file in their office for 5 years.
- Fraudulent NAFTA claims can result in paying duty and/or penalties. Severe cases could result in being placed on National Sanctions.

New U.S. Customs Initiatives / Ultimate Consignee

- Ultimate Consignee is defined as the U.S. buyer of the imported merchandise. If product has not been sold, the ultimate consignee is the party to whom the shipper consigned the imported merchandise
- Effective October 1, 2004 all shipments over \$2,000 in value must have the Ultimate Consignee's IRS number or Social Security number on the proforma invoice.
- Effective October 1, 2004 all shipments under \$2,000 in value must have the Ultimate Consignee's name and address on the proforma invoice
- BCB International enforces 100% IRS numbers regardless of value.
- The IRS# or SS # must be in the proper format or penalties will be assessed (IRS number is 12-3456790 / S.S. number is 123-45-1234)
- Failure to provide the IRS number will result in US Customs denying entry of your shipment and potential penalties

New U.S. Customs Initiatives / 100% Classification

- Effective October 1, 2004 all goods will require a 10 digit tariff classification number at the time of release regardless of the value of the product
- Failure to provide a proper classification number could result in delays at the border or US Customs denying entry of your shipment
- We strongly recommend contacting our corporate office to provide a tariff number before the shipment has been shipped

New U.S. Customs Initiatives / 100% Advanced Electronic Presentation of Cargo Information

- Effective December 15, 2004 all shipments entering the United States must be transmitted by PAPS or Line Release
- PAPS (Pre-Arrival Processing System) is a system in which the data is transmitted and certified to US Customs at least 1 hour prior to arriving at the border
- After the proforma invoice is completed by the shipper the carrier will affix a unique PAPS code to the manifest and proforma invoice and fax the documents to the BCB border crossing for electronic transmission to US Customs
- Once the carrier arrives at the border, US Customs will scan the drivers PAPS code that is on the manifest and proforma invoice and either clear the driver or examine the freight
- Failure to properly follow the PAPS program will result in a \$5,000 penalty for the carrier on the first instance. Secondary penalties can be filed to exporters for not using discretion

Product Marking Requirements

- Every article of foreign origin entering the United States must be legibly marked with the English name of the country of origin unless an exception from marking is provided for in the law
- The purpose for marking is to inform the ultimate purchaser in the United States of the country in which the article was made
- Marking must be legible, adequate in size, in a conspicuous place and marked as indelibly and permanently as the nature of the product will permit
- Articles that are not marked with the English name of their country of origin at the time of their importation into the USA shall be subject to redelivery and additional duties and/or penalties



The Export Process

- Documentation by exporter completed
- Goods assigned proper tariff classification
- Electronic transmission by Customs broker
- U.S. Customs inspection / release
- Entry summary 7501 prepared and submitted by Customs broker. Duties/ Taxes paid
- Potential Post Entry Requests by U.S. Customs
- Liquidation of entry. This means U.S. Customs has finalized and accepted your entry*
- *If you object to the tariff imposed by U.S. Customs, you would have the opportunity to file a protest within 90 days of liquidation