

Foreign-Trade Zone Weekly Entries

Purpose of Weekly Entries

Weekly entries are authorized under The Trade and Development Act of 2000, Title IV, Section 410, (amending 19 USC 1484; see also 19 CFR 146.63(c)), for rapid removal of merchandise from foreign-trade zones (FTZ). If weekly entries were not allowed, it would be very difficult for the importer to make entry for the zone merchandise without unacceptable delays in the manufacturing process or in the distribution of goods. It would also be difficult for Customs to review and accept the entry and examine the merchandise in its form as entered. The provision allows FTZ users to file entries and pay fees on goods moving through the zone once a week, rather than once a day or multiple times each week as had previously been the case.

Since the formal Customs entry takes place when merchandise leaves the FTZ for domestic consumption, Zone users may use the Weekly Entry procedure to streamline shipments and reduce Customs paperwork. Under the Weekly Entry procedure the Zone user files one Customs Entry per week, rather than filing one Customs Entry per shipment. This allows the Zone user to serve the domestic market without paperwork delays. Pursuant to the provisions of the Trade Development Act of 2000, the Weekly Entry procedure has been made available to all kinds of FTZ operations, including manufacturing and distribution operations.

The FTZ Weekly Entry procedure often provides significant benefits to the Zone user. For Zone users operating in today's Just-In-Time environment, use of the FTZ Weekly Entry procedure means that hundreds, or even thousands, of import receipts over the course of a year are entered into the domestic commerce on only 52 Customs entries per year. In addition to saving the Zone user lots of paperwork, the company can reduce its payments of Merchandise Processing Fees that are associated with the filing of a Customs Entry.

The Impact of FTZ Weekly Entries

Merchandise Processing Fees (MPF) Facts

- MPF required on imports
Exception: Canada & Mexico
- MPF is 0.21% of the value of each shipment or Bill of Lading
- MPF caps at \$485.00/entry

Reduced MPF Case Scenario

- **Non-FTZ**
Avg. no. of entries/yr. = 260
Multiplied by \$485.00 = \$126,100.00

Assumptions:

- Company files one Customs entry each day for merchandise received.
- The value of the merchandise on each entry is \$230,000

- **FTZ**
Avg. no. of entries/yr. = 52
Multiplied by \$485.00 = \$25,220.00

Assumptions:

- Company files one Customs entry each week for merchandise shipped.
- The value of the merchandise on each entry is \$1,115,000

Annual MPF Savings using an FTZ - \$100,880.00