

# U.S. Customs and Border Protection

## In-bond regulatory changes

The U.S. Customs and Border Protection (CBP) has announced that enforcement of the new in-bond process will go into effect on Monday, July 29, 2019. Importers should ensure that their carriers are aware of the amendments and enforcement date. Failure to comply will result in delays at the border or at arrival / export locations.

### Background information

On November 27, 2017, the U.S. Customs and Border Protection (CBP) agency published a [final rule](#) containing proposed amendments to CBP regulations regarding the in-bond process. CBP has provided guidance in the form of frequently asked questions, [found here](#).

On August 1, 2018, CBP issued [CSMS #18-000466](#) titled "IN-BOND ENFORCEMENT DISCRETION FOR 8/4/18 IMPLEMENTATION". While CBP still expected bonded carriers to comply with the amendments, the Agency has remained committed to helping trade partners achieve compliance during the delayed enforcement period. The implementation of punitive measures has been delayed until the "hard" enforcement goes into effect, unless the violations are significant.

While enforcement of the new requirements was scheduled to go into effect on February 6, 2019, the deadline was postponed due to a U.S. government shutdown. **A new enforcement date has been set for July 29, 2019.**

Effective July 29, 2019 members of the Trade community will be required to report all in-bond exports, arrivals and diversions electronically through the Automated Commercial Environment (ACE). CBP will no longer accept paper CF7512s to perform arrival and export functionality. Failure to comply will result in an ACE edit issuing a rejection, which will result in the shipment being held at arrival / export locations.

To assist carriers in understanding the expectations, the following are a series of questions and answers about the in-bond process changes being implemented.

### What changes are being made to the in-bond process?

Regulatory changes include, but are not limited to, timeframes and electronic requirements:

- All requests for authorization to move via an in-bond must be filed electronically by the carrier.
- All modes of transport, except pipeline and barge traffic, must be transited within 30 days between U.S. ports.
- Carriers must electronically report the arrival and location of the Immediate Transportation (IT entry type 61) in-bond merchandise within two business days of arrival at the port of destination or port of exportation. This includes reporting of the applicable FIRMS code representing the location/port of arrival.
- Carriers must electronically report the arrival and the exportation of the Transportation and Exportation (T&E entry type 62) in-bond merchandise within two business days of export.
- Carriers must electronically report the exportation of the Immediate Exportation (IE entry type 63) in-bond merchandise within two business days of export.

- Carriers must electronically request and receive permission from CBP before diverting in-bond merchandise from its intended destination port to another port.
- When in-bond merchandise is taken over by a subsequent bonded carrier, which assumes liability for the merchandise, a report of arrival must be filed by the original bonded carrier and the subsequent carrier must submit a new in-bond application.

The changes in this rule will enhance CBP's ability to regulate and track in-bond merchandise and ensure that in-bond merchandise is properly entered or exported.

## What are the key dates?

### November 27, 2017

- All modes of transport, except barge, must be delivered to CBP at the port of destination or port of exportation within 30 days from the date of arrival at the origination port.

### July 2, 2018

- All requests for authorization to move via an in-bond must be filed electronically by the carrier.

### August 6, 2018

- Carriers will be required to electronically report the arrival and location of the in-bond merchandise within two business days of arrival at the port of destination or port of exportation.
- Carriers will be required to electronically report the exportation of the in-bond merchandise within two business days of export.
- Carriers will be required to electronically request and receive permission from CBP before diverting in-bond merchandise from its intended destination port to another port.

Currently, no date is set for implementation of the provision requiring the 6-digit Harmonized Tariff Schedule number for Immediate Transportation movements.

## How does a carrier comply with these new requirements?

Carriers can comply and file these electronic requirements (i.e., arrivals, exports and/or diversions), through their own ACE Secure Data Portal (ACE Portal) account. Information on this free web-based tool can be found [here](#).

## Can the carrier obtain Livingston's services to comply with these new requirements?

If the carrier is unable to perform its obligations, Livingston can perform these services. Applicable fees apply and services will be provided during normal business hours; 8:00 a.m. to 5:00 p.m. EST.

An obligation of the in-bond or services provided relating to the arrival, diversion, or exportation of the in-bond requires the carrier to provide Livingston the authority to act as an agent, such as a Power of Attorney.

## What information must the carrier provide Livingston?

The carrier must provide, in writing, the in-bond number, master bill/air waybill/Shipment Control Number (SCN) and, based on the in-bond type, the following information:

- **Arrivals**
  - U.S. port of destination
  - U.S. port of destination FIRMS code
  - Date/time of arrival at the U.S. port of destination
- **Exports**
  - Port of exportation
  - Date/time of exportation from U.S. destination port
- **Diversions**
  - Proposed U.S. destination port
  - Date/time of diversion to proposed U.S. destination port

The above information supports complete in-bond arrivals or exportations. If you have a partial arrival or exportation of the initial full in-bond movement, please contact us. Written requests for the above services involving in-bonds initiated at the Northern Border, should be sent to [inbond\\_northernborder@livingstonintl.com](mailto:inbond_northernborder@livingstonintl.com). For in-bonds initiated otherwise, please contact the Livingston representative who originated the in-bond.