

*This is an excerpt from Wiley Rein's Customs Regulation Handbook. For a complete copy of the handbook, or for more information about Customs Regulations, please contact Maureen E. Thorson (202.719.7272 or [mthorson@wileyrein.com](mailto:mthorson@wileyrein.com)) or Timothy C. Brightbill (202.719.3138 or [tbrightbill@wileyrein.com](mailto:tbrightbill@wileyrein.com)).*

# Customs Regulation Handbook

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FIRST EDITION



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## **Introduction**

The United States Bureau of Customs and Border Protection (CBP) regulates the importation or “entry” of goods into the United States. This handbook describes the most important regulations of which all importers should be aware, including those establishing an importer’s specific duties with respect to entering merchandise into the United States. The handbook provides pointers on developing internal customs compliance programs. It also discusses methods for correcting flawed or erroneous entries and provides an overview of CBP’s inquiry and audit procedures. The handbook then goes on to discuss the circumstances under which importers can challenge CBP determinations. Finally, the handbook describes certain export-related activities over which CBP has jurisdiction.

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# Overview of Regulations on Importing

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## **Overview of Regulations on Importing**

CBP regulates the entry of goods from abroad, including all commercial shipments of merchandise. Because of the massive quantity of commercial shipments that enter the United States on a daily basis, CBP cannot individually inspect every shipment for compliance with import regulations. Accordingly, CBP's regulations make importers themselves responsible for compliance. Where CBP discovers that an importer has made errors, CBP has the power to levy heavy fines.

Whenever goods are imported, the "importer of record" – the party that has caused the goods to be imported – must complete entry forms on which it declares the classification, value and origin of the imported goods, as well as certain other information. The importer must declare, under oath, that all of the information on the forms and on any accompanying documents, such as commercial invoices, is true and correct. The importer must also declare that, should any errors be discovered, the correct information will be provided immediately.

In order to avoid being fined for any errors that may arise and be discovered by CBP, importers must exercise "reasonable care" in bringing goods into the country. Under CBP's regulations and precedent, "reasonable care" involves establishing procedures that tend to ensure that the importer has correctly determined the customs classification, country of origin, and value of imported merchandise, has accurately identified whether the merchandise is subject to special duties or quotas, and can support any claims for duty-free treatment or other duty exemptions. Importers must also review documentation that they have filed with CBP to ensure that mistakes made either by the importer's staff or its customs broker are caught early and reported in a timely manner.

Importers are required to keep certain records on every shipment of imported merchandise for five years from the date of entry, or, for documents not generated in conjunction with the entry of merchandise, for five years from the activity for which the records were produced. Finally, importers must also take care to ensure that imported merchandise is properly marked with its country of origin.

### **For More Information**

Wiley Rein's International Trade Practice Group is prepared to answer your questions on Customs Regulations. Inquiries regarding customs regulations can be directed to Maureen E. Thorson (202.719.7272 or [mthorson@wileyrein.com](mailto:mthorson@wileyrein.com)) or Timothy C. Brightbill (202.719.3138 or [tbrightbill@wileyrein.com](mailto:tbrightbill@wileyrein.com)).



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