



**DEPARTMENT OF THE TREASURY
U.S. CUSTOMS SERVICE**

PORT OF CHICAGO PIPELINE

NO. 98-17

April 17, 1998

TO : Customhouse Brokers, Importers and Others Concerned

SUBJECT: Customs Reconciliation Prototype

A notice announcing Customs Reconciliation Prototype was published in the Federal Register on February 6, 1997. A subsequent notice, published in the Federal Register on September 30, 1997, announced modifications to the originally planned test. In response to comments received and discussion with the trade community, Customs has made further enhancements to the reconciliation prototype. These enhancements include a blanket application option to entry-by-entry flagging and, for reconciliations involving duties, taxes, or fees due, the option of filing aggregate data for reconciliation in lieu of entry-by-entry data.

The ACS Reconciliation Prototype will serve as the exclusive means to reconcile entries. Once the prototype is implemented, Customs will no longer allow block liquidation/block appraisement procedures. Outside of reconciliation, the only alternative post-entry adjustment will be to file a Supplemental Information Letter for each affected entry summary, with appropriate corrective data and duty tenders.

Issues eligible for reconciliation in this prototype are 9802, value, NAFTA and classification. Classification issues may only be reconciled if they are the subject of a pending ruling, protest or court action.

Underlying entries will be electronically flagged (ABI) for reconciliation. The reconciliation is treated as an entry for purposes of liquidation, reliquidation and protest. The reconciliation will be transmitted via ABI, and will be liquidated.

This prototype is open to all importers, at all ports. The prototype is scheduled to commence on October 1, 1998, and will run for approximately two years, and may be extended. Applications may be submitted until the start of the prototype and throughout the duration of the prototype.

Information on the Customs Reconciliation Prototype is also available on Customs Internet Web Site at www.customs.ustreas.gov. Questions can be referred to Doris Steffes, Commercial Trade Officer, at 312-353-6107.

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