DEPARTMENT OF THE TREASURY
U.S. CUSTOMS SERVICE

PORT OF CHICAGO PIPELINE

NO. 98-25

July 8, 1998

TO : Customhouse Brokers, Importers, Carriers and Others Concerned

SUBJECT: Drawback Changes

The revised Drawback Regulations, 19 CFR 191, were published in the Federal Register on March 5th, and became effective April 6, 1998. This pipeline provides a short summary of certain changes. Seminars will also be given in major cities in the future.

New Drawback Forms. The forms used for drawback purposes have changed. The new forms are listed below and are required to be used after July 7, 1998. Copies of the forms and instructions are attached.

CF 7551 is the Drawback Entry. It replaces the CF 331 and CF 7539J & C.

CF 7552 is the Delivery Certificate. It replaces a portion of the CF 331 and can be used as a Certificate of Delivery or a Certificate of Manufacture and Delivery.

CF 7553 is the Notice of Intent to Export, Destroy or Return Merchandise for Purposes of Drawback. It replaces a portion of the CF 7539J & C.

Additional forms can be obtained from your local Customs office, or the attached copies may be duplicated.

The CF 7553 is to be filed at the port of intended examination, destruction, or redelivery to give Customs Inspectors the opportunity to examine the merchandise or to witness the destruction. (For unused merchandise claims, the form is not required if a waiver of prior notice has been granted.) This form must be filed **before** exportation or destruction. The Inspector will indicate his/her decision on the form and return it to the claimant. This form should be attached to the Drawback Entry, CF 7551, and becomes part of the drawback claim which is submitted to the Drawback Office. If the CF 7553 is a required document for the type of drawback being claimed, and is not submitted with the CF 7551, the claim will be considered incomplete and rejected. This means the regulatory time frame for submitting a complete claim will continue to run.

HTSUS and Schedule B Numbers. Section 191.51(c) of the Customs Regulations now requires the HTSUS number of the designated imported merchandise for merchandise entered or withdrawn on or after **April 6, 1998**. Attached is a revised Coding Sheet that is

required for all drawback entries that are not submitted via ABI or diskette. The Coding Sheet provides space at the bottom for the HTSUS numbers of the imported merchandise. If an HTSUS number is the same for several different import entries, it should be shown only once on the Coding Sheet.

Section 191.51(c) also requires the Schedule B or HTSUS number of the exported merchandise for exports on or after **April 6, 1999**. This number will be placed on the reverse of the CF 7551 in Section IV.

Special Privileges. The revised regulations require all companies that had approval for Accelerated Payment or Waiver of Prior Notice of Intent to Export to reapply for these privileges. All previously issued approvals **expire** on April 6, 1999. Sections 191.91 and 191.92 explain the procedures for reapplying.

The Waiver of Prior Notice in Section 191.91 is for **future** exports of Unused Merchandise after the date of the new approval. If a company had exports in the past of Unused Merchandise and did not provide prior notice to Customs, Section 191.36 allows a one-time application for a Waiver of Prior Notice on a retroactive basis. Samples of the application letters are available from the Chicago Drawback Office. The Office's mailing address is U. S. Customs, 610 S. Canal St., Room 602, Chicago, Illinois 60607.

The Exporters Summary Procedure is now available to all companies without prior approval. It is on the reverse side of CF 7551 as Section IV. The originally signed export bills of lading, or certified copies thereof, are to be retained by the company and will be requested for review on a sample basis by the Drawback Office as indicated in Section 191.73. Section IV of the CF 7551 is also now used for information on destruction.

Miscellaneous. When submitting a Drawback Entry, CF 7551, please follow the instructions and provide all information requested. If you use attachments for the information in Sections II and IV, the same column headings must be on the attachments. This may require adjustments to some computer programs.

Section 191.53 indicates that companies may be requested to restructure their drawback claims to allow Customs to be administratively more efficient. Companies may be requested to file drawbacks on a consolidated basis, such as a monthly claim.

If you have any questions regarding the revised regulations, please contact the Chicago Drawback Office at 312-353-4750.

Kevin Weeks
Port Director

Attachments