

Importation of Grain in Bulk: Accurate Values and Quantities on Entry Summary is Required

This ITU is to serve as a reminder to importers of grain in bulk that pursuant to 19 CFR 142.6 (a), U.S. Customs and Border Protection (CBP) requires accurate values and quantities on entry documentation. If the actual information is not available at the time of importation, the invoice should denote "estimated" values and quantities, and the true information should then be provided to us before our 10-day filing period in order for us to prepare an accurate entry summary. If the actual information is not available within the 10-day filing period, you must prepare to provide actual value and quantity information in one of the following two ways.

1. Post Entry Amendment (PEA): this is a mechanism that allows an importer to amend their entry summaries for formal entries in which an error was made such as, among other errors, incorrect valuation and/or quantity used at the time of importation. A PEA is filed with CBP in the form of an individual amendment letter, and must be filed by the importer or its broker at least 20 days prior to the scheduled liquidation date of each entry covered in the letter.

2. Reconciliation: this allows an importer, using reasonable care, to file entry summaries with CBP with the best available information, with the mutual understanding that certain elements, such as declared value and/or quantity, remain outstanding. At a later date, when the actual information has been determined, the importer files a Reconciliation which provides the final and correct information. The Reconciliation is then liquidated, with a single bill or refund, as appropriate.

When an importer files an entry summary while certain elements remain undeterminable, the entry summary is "flagged" (either individually or via a blanket application), which provides CBP a "notice of intent" to file a Reconciliation. CBP does provide, however, that the importer is obligated to use reasonable care in filing entry summaries, even when they are subject to reconciliation. For example, importers must provide their best estimates in declared value and quantity, rather than using estimates that bear no relation to the reality of the transaction.

A reconciliation filed for an entry summary in which the value and/or quantity require correction must be filed with CBP within 21 months of the earliest entry summary date. However, the reconciliation can be filed sooner if the correct data is available.

Additional information about reconciliation, including a Q&A, is available on the CBP website at http://www.cbp.gov/xp/cgov/import/cargo_summary/reconciliation/q_and_a.xml.

CBP has taken an aggressive stance on enforcing this requirement. Failure to correct your entry summary with accurate value and quantity information may result in CBP penalty action against the importer of record.

If you have any questions, please contact your nearest NGJ office or e-mail us at compliance.us@ngjensen.com.

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