



**ROANOKE TRADE**

*International Insurance Brokers Since 1935*

## **U.S. CUSTOMS BONDS – UPDATE ON PERIODIC MONTHLY STATEMENT**

### **Background**

On February 4, 2004, a Federal Register Notice was published announcing a National Customs Automation Program test involving the periodic monthly payment of estimated duties and fees. The notice invited participation in the test for the 41 ACE Importer Accounts<sup>1</sup>. It establishes a process for an importer or its designated broker account to participate in filing entries and making payments related to the Periodic Monthly Statement (PMS).

The participating importers and their designated brokers will be allowed to deposit estimated duties and fees no later than the 15<sup>th</sup> calendar<sup>2</sup> day of the month following the month in which the goods are either entered or released, whichever comes first.

### **Eligibility**

For purposes of this test, the importer and broker must be an ACE Portal Account and:

1. Participate in the Customs Trade Partnership Against Terrorism (C-TPAT) program,
2. Be able to connect to the internet,
3. Be able to make periodic payment via ACH Credit or ACH Debit and
4. Be able to file entry/entry summary via the Automated Broker Interface (ABI).

### **Description**

The PMS will list the Periodic Daily Statements that have been designated for monthly payment. It can be created on a port basis by the importer or broker, similar to the existing daily statements in the Automated Commercial System (ACS). The statement may be created on a national basis by an ABI filer.

A broker will only have the ability to view/receive information that they have filed on an importer's behalf. The broker will not have access to an importer's PMS if other brokers are filing entries for that importer.

The following entry types are not eligible for placement on a PMS:

- Reconciliation Entries
- NAFTA Duty Deferral Entries
- Entries requiring payment of excise taxes
- Entries with Census errors

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<sup>1</sup> ACE Importer Account is an importer or their authorized representative that has the ability to access their CBP data via the ACE Secure Data Portal.

<sup>2</sup> It is possible that CBP may change the 15 calendar day time frame to 15 working days.

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## Entry Processing

Entries will be processed as follows:

1. Entries are scheduled for monthly payment as they are filed.
2. The entries that are scheduled for monthly payment appear on a Preliminary Periodic Daily Statement.
3. Entry Summaries are filed for Periodic Daily Statements within 10 working days of the date of entry.
4. Once summary information is filed, the scheduled entries appear on the Final Periodic Daily Statement.
5. Those entries on the Final Periodic Daily Statement and scheduled for monthly payment then appear on the Preliminary Periodic Monthly Statement.
6. The Preliminary Periodic Monthly Statement is generated by CBP on the 11<sup>th</sup> calendar day of the month after the month in which the merchandise was entered or released, whichever comes first. (The importer or broker may also select an earlier date.)
7. On the 15<sup>th</sup> of that month, the duties and fees are due.

*ACH Debit Participants:* CBP transmits the debit authorization from the Final Periodic Daily Statement to the financial institution. The Final PMS indicating payment has been received is generated by CBP and is transmitted to the importer or designated broker. ACH debit participants must ensure that the money is available in their bank account by the due date.

*ACH Credit Participants:* The importer or broker must ensure that CBP receives payment no later than the 15<sup>th</sup> of the month. CBP must receive the settlement of the credit, and then the Preliminary PMS is marked as paid. The Final PMS that indicates receipt of payment is generated by CBP then is transmitted to the importer or broker.

*ACH Debit and Credit Participants:* CPB will generate a Final PMS on the night the payment is processed.

## Rider and Risks to Surety

CBP requires a rider to an importer's continuous import bond covering the periodic payment of estimated duties. If applicable to your organization or to your clients, please contact a Roanoke Trade representative.