



UNLOCK THE POWER OF U.S. FOREIGN TRADE ZONES

WITH MIC-CUST[®] FTZ



MIC-CUST® FTZ

STREAMLINE OPERATIONS, MAXIMIZE SAVINGS, AND BOOST COMPETITIVENESS

US Foreign Trade Zones (FTZs) are valuable and important to many different industries in the United States. Admission of items into a FTZ allows foreign and domestic merchandise to be considered in international commerce and outside of US Customs territory. As a result, FTZs can reduce or eliminate import duties/fees and take advantage of other benefits while encouraging manufacturing in the United States.

▶ An FTZ's primary advantage is its ability to improve a company's competitive position. Goods that enter an FTZ can be stored, sorted, tested, repackaged, and assembled, then exported without paying any duties or taxes. For those products that do enter the US commerce, duty payments are due only once the goods are withdrawn from the zone. Postponing payment provides a cash-flow advantage to importers. In addition, duty and tax rates on merchandise admitted to an FTZ may change because of operations conducted within the zone. A company may elect to pay either the duty rate applicable on the foreign material placed in the zone, or the duty rate applicable on the finished article transferred from the zone – whichever they find more advantageous (i.e. concept of inverted tariff).

The MIC-CUST® FTZ software module not only satisfies the Customs and Border Protection (CBP) requirement for an Inventory Control and Recordkeeping System (ICRS), it also makes the ongoing operation of the FTZ more efficient and more compliant by providing an integrated suite of tools to manage all aspects of operating a zone. From initiating an In-bond movement to concurring a Zone Admission, MIC-CUST® FTZ provides a central dashboard to oversee the entire process. Additionally, the module allows managing inventory at the granularity required by your business process – first-in, first-out (FIFO), direct identification (e.g. by serial number, batch, lot, VIN) or a combination of the two are fully supported. Finally, details for all withdrawals from the zone can be transferred automatically to MIC-CUST® Export for proper Electronic Export Information (EEI) filing or to MIC-CUST® US ENTRY to directly file a Weekly Entry Summary with CBP.

MIC has certified customs declarations in many countries for direct exchange of data with national customs authorities' systems. We offer a cost-effective solution for the determination, assignment and validation of tariff classifications and export control classifications against national customs tariffs and export control commodity lists.



BENEFITS AND FEATURES

MIC-CUST® is a full suite international trade solution

- ▶ A global system for import and export clearance (ACE in the US, SAAI in Mexico, CSA in Canada, etc.)
- ▶ Centralized clearance management, across all ports and modes of transportation
- ▶ Use of export data to prepare the corresponding import declaration (see MIC GTDC)
- ▶ Archiving of all customs declaration data
- ▶ Monitoring and full audit trail of all import/export processes
- ▶ Software is promptly updated for changing laws and regulations
- ▶ Cost savings on customs duties by taking advantage of FTAs, special customs programs and duty deferral/avoidance programs (FTZ)

MIC-CUST® has direct communication paths

- ▶ Direct data exchange with electronic filing systems of the national customs authorities (direct filing), or where required with brokers via configurable broker interfaces
- ▶ Logbook & Status Handling of messages exchanged with customs authorities or brokers
- ▶ Simplified communication of customs data between companies and service providers
- ▶ EDI/XML converter is completely integrated

MIC-CUST® eliminates many daily complications

- ▶ A central location to record all customs-related data
- ▶ All customs related data can be accessed, interfaced and viewed by authorized internal and external partners (e.g. brokers, carriers, etc.)
- ▶ Complete control over customs filings made by service providers or in-house professionals
- ▶ Flexible reporting from all module screens (business/management reporting)

CUSTOMS MANAGEMENT SOFTWARE MIC-CUST®

MIC-CUST® Import and Export

Import entries and export declarations

Validate against quotas & licenses

Calculation of customs value (Valuation)

Automated tax and duty calculation
(Landed Cost Calculation)

Special customs regimes

Supports numerous special customs regimes all over the world, e.g.:

Bonded warehouse (MIC-CUST® BWH)

Inward processing relief (MIC-CUST® IPR)

Free zones (MIC-CUST® FZ)

Foreign trade zones (MIC-CUST® FTZ)

Duty drawback (MIC-CUST® Duty Drawback)

Complete audit trail, starting with the e-214 to complete stock reduction of the specific inventory, through to disposition of finished goods

Supports different methods for the calculation of customs duties (e.g. drawback, suspension, difference and added-value customs value assessment) including possible interest calculation

Allows managing customs inventory at the granularity required by business processes: first-in/first-out (FIFO), direct identification (e.g. by serial number, batch, lot, VIN) or a combination



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