

GREATER MISSISSIPPI FOREIGN TRADE ZONE 158

A U.S. Foreign-Trade Zone (FTZ) is a federally designated area that offers economic advantages for U.S. based businesses engaged in international trade.

BENEFITS OF A FTZ

Relief from inverted federal tariffs - users pay the lower duty rate of either the imported material or the finished product manufactured in the zone.

Federal Duty Deferral - no duty is paid until the merchandise enters the commerce of the United States.

No Federal Duty On Re-Exports - U.S. Duty is not paid on merchandise exported from the zone (except to Canada or Mexico)

Federal Duty Rate Reduction Or Elimination On Scrap - U.S. Duty is not paid on merchandise destroyed in zone.

Direct Delivery - a procedure where the in-bound merchandise is delivered directly to the receiving dock. The driver need not report to Customs. The zone operator informs Customs of the receipts on the next business day.

Weekly Entry - multiple shipments from the zone are reported on a single Customs entry each week.

Reduction In Federal Merchandise Processing Fees - each Customs entry is charged a merchandise processing fee of 0.21 % on the value of the goods within the entry with a fee cap of \$485 or \$230,952 worth of goods. The weekly entry limits a users entries to maximum of 52 per year.

Reduction In Personal Property Taxes - since imported goods as well as finished goods manufactured and held in a zone for exportation are considered to be in international commerce, they are not subject to state and local ad valorem taxes.

No Federal Duties On Labor, Overhead or Profit - in calculating the dutiable value on foreign merchandise removed from a zone, users are authorized to exclude zone costs of processing or fabrication, general expenses and profit. Therefore, duties are not owed on labor, overhead and profit attributed to productions in a foreign trade zone.