

USMCA Drawback Interim Guidance

As the new trade agreement between the United States, Mexico, and Canada (USMCA) has gone into effect, there has been Interim Guidance offered to help the transition from NAFTA to USMCA. In general, USMCA retains drawback restrictions that existed under NAFTA. Regarding drawback claims, U.S. Customs and Border Protection (“CBP”) recently advised the trade community not to file any drawback claims under USMCA until technical changes to the ACE environment can be put into place. For now, they stated that if applicable, drawback claims can be filed under the previous NAFTA requirements.

CBP further advises that drawback claims under NAFTA and drawback claims under USMCA will not be able to be joined together on a single drawback claim. To know which agreement controls the imports, the date of entry of the import will be used, as opposed to the date of the claim.

CBP’s updated guidelines outline some anticipated technical changes including, among others: a new USMCA indicator being created; a new provision code for the sugar exception; updated certification in CATAIR; and new DIS document labels for NAFTA/USMCA claims being created for supporting documentation in DIS.

There are specific details pertaining to the USMCA Interim Implementation Instructions that can be found here: <https://tinyurl.com/y87a3umw>

Sources:

More information regarding USMCA can be found here:
<https://www.cbp.gov/trade/priority-issues/trade-agreements/free-trade-agreements/USMCA>

Questions regarding the update can be sent to OTDRAWBACK@cbp.dhs.gov

Drawback Website: <https://www.cbp.gov/trade/programs-administration/entry-summary/drawback-overview>

Gabriela Heizer, Intern, Tammie Krauskopf Trade Law, July 13, 2020