



Duty Drawback

What You Need to Know



What is duty drawback? Drawback is a refund, in whole or in part, of customs duty, internal revenue tax or fees assessed on imported merchandise which is subsequently exported or destroyed.

What are the major types of duty drawback?

- Manufacturing Direct Identification Drawback
- Manufacturing Substitution Drawback
- Unused Merchandise Direct Identification Drawback
- Unused Merchandise Substitution Drawback
- Petroleum Derivatives Drawback

What is a duty drawback evaluation? The process of identifying the drawback opportunity of a firm, including determining the extent of recoverable monies and the steps necessary to implement a duty drawback program.

What is a duty drawback program? The implementation of a professionally managed plan for the purpose of reducing export costs by recovering duty paid on previously imported items.

What information do I need to provide in order to file a duty drawback claim? The information and documentation needed to file a drawback claim vary based on the type of drawback and various other factors.

How long does it take to get my duty drawback refund? Generally, the duty drawback process can take between six months to a year from startup to receiving the first refund check. This depends on a number of factors including import and export transaction complexity, the availability of electronic records, and the number of parties involved. Application for accelerated payment is also available to expedite this process.

How much time do I have before I must file a drawback claim? A drawback claim must be filed with Customs within three years after the date the merchandise was exported.

What is a waiver of prior notice? A waiver of the prior notice is an application prepared for unused merchandise drawback claims. It is filed with Customs to eliminate the requirement of having export shipments, used on a drawback claim, held up for inspection. Once this waiver is obtained, the claimant may export goods at will and without notice to Customs.

Contact J.M. Rodgers Co. today for a drawback evaluation to see if you qualify for duty drawback. sales@jmrodgers.com. Visit www.jmrodgerstrading.com