

Could your company benefit from a Foreign Trade Zone?

1. Does the company buy imported products directly?
2. Does the company buy imported products from U.S. vendors?
3. Does the company handle domestic products for export upon which manufacturers can claim drawback taxes?
4. Does the company export imported products either in the same condition as imported or as part of an intermediate or end product manufactured in the U.S.?
5. Does the company import products temporarily for use in a manufacturing process or for some other purpose and subsequently either export the product from the U.S. or destroy it after use?
6. Does the company buy imported components or raw materials directly from U.S. vendors to produce goods in the U.S.?
7. Does the company buy imported products subject to U.S. quota restrictions?

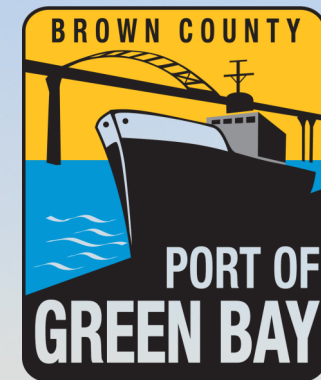
BROWN COUNTY FOREIGN TRADE ZONE No. 167 GRANTED OPERATION AUTHORITY EFFECTIVE AUGUST 23, 1990

Brown County has many years of experience helping Wisconsin businesses more effectively compete using the economic advantages afforded by foreign trade zones. Currently, Brown County oversees four sub-zone tenants.

For more information or assistance contact:

Dean Haen, Port Director
Port of Green Bay
2561 S. Broadway
Green Bay, WI 54304
920-492-4950
haen_dr@co.brown.wi.us

BROWN COUNTY FOREIGN TRADE ZONE No. 167



A GATEWAY TO INTERNATIONAL BUSINESS





What are the benefits of Foreign Trade Zones?

For Businesses

The FTZ program helps American companies improve their competitive position versus their counterparts abroad. The FTZ program allows U.S. based companies to defer, reduce or even eliminate Customs duties on products admitted to the zone.

What is a foreign trade zone?

A foreign trade zone (FTZ) is a designated location in the United States where companies can use special procedures that help encourage U.S. activity and value added—in competition with foreign alternatives—by allowing delayed or reduced duty payments on foreign merchandise, as well as other savings.

A site which has been granted zone status may not be used for zone activity until the site has been separately approved for FTZ activation by local U.S. Customs and Border Protection (CBP) officials, and the zone activity remains under the supervision of CBP. FTZ sites and facilities remain within the jurisdiction of local, state or federal governments or agencies.

Sub-zone status is commonly granted to existing manufacturing facilities ancillary to the general-purpose zone where it is not practical to accommodate them in the zone. Sub-zone locations are afforded all of the same economic benefits as the general-purpose zone.

Deferral of Duties

Customs duties are paid only when and if merchandise is transferred into U.S. Customs and Border Protection territory. This benefit equates to a cash flow savings that allows companies to keep critical funds accessible for their operating needs while the merchandise remains in the zone. There is no time limit on the length of time that merchandise can remain in a zone.

Elimination of Duties

No duties are paid on merchandise exported from a FTZ. Therefore, duty is eliminated on foreign merchandise admitted to the zone but eventually exported from the FTZ. Generally, duties are also

eliminated for merchandise that is scrapped, wasted, destroyed or consumed in a zone.

Quotas

U.S. quota restrictions do not apply to merchandise admitted to zones, although quotas will apply if and when the merchandise is subsequently entered into U.S. commerce. Merchandise subject to a quota, with the permission of the Foreign-Trade Zones Board, may be substantially transformed in a FTZ to a non-quota article that may then be entered into U.S. Customs and Border Protection territory, free of quota restrictions. Quota merchandise may be stored in an FTZ so that when the quota opens, the merchandise may be immediately shipped into U.S. Customs and Border Protection territory.

Taxes

By federal statute, tangible personal property imported from outside the U.S. and held in a zone, as well as that produced in the U.S. and held in a zone for exportation, are not subject to State and local ad valorem taxes.

