Basic FTZ Analysis Calculator

Key Elements

A **Annual Volume of Consumption Entries** *(Number of Customs Entries)* ....

B **Estimated Annual Value of Imports** *(Total entered values from Customs entries)* ....

C **Average Ad Valorem Duty Rate (on imported merchandise)**
(Calculate percentage by dividing total duties paid by total entered value) ....

D **Average Ad Valorem Duty Rate** *(on finished products)* ....

E **Estimated Average Broker Fee per Entry** ....

F **Estimated Annual MPF** *(Total dollar value of Merchandise Processing Fees)* ....

G **Estimated Average Foreign Inventory**
(Total dollar value of imports divided by total number inventory turns during the year) ....

H **Estimated Annual Value of Re-exports**
(Dollar value of imported merchandise that is re-exported) ....

I **Estimated Scrap (percentage)** *(Percentage of scrapped imported merchandise)* ....

J **Interest Rate** *(Cost of Capitol)* ....

Estimated Savings

Duty Advantages:

Duty Deferral:	Formula	First Year	On-Going
Deferred Duties *(first year)*	[G x C]		
Cost of Capitol *(on-going after first year)*	[(G x C) x J]		
Duty Reduction* *(Inverted Tariff Opportunities)*	[(C – D) x B]		

* FTZ Board must approve inverted tariff in the FTZ scope of authority

Duty Elimination:	Formula	First Year	On-Going
Re-exports	[H x C]		
Scrap	[(I x B) x C]		

Weekly Entry Advantages:	Formula	First Year	On-Going
MPF Savings Opportunity	[F – (485 x 52)]		
Customs Broker Fee Savings Opportunity	[(E x A) – (E x 52)]		

TOTAL ESTIMATED SAVINGS:			