

Wednesday, December 22, 1999  
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FO:TP:IA LH

CATEGORY: GSP

TO:All Directors Field Operations, Port Directors, Assistant Port Directors Trade Operations

FROM: Director, Trade Programs

PASS TO:Import Specialists, Entry Specialists, Inspectors and Other Interested Parties such as Brokers and Importers

SUBJECT: Renewal of the Generalized System of Preferences  
Effective December 17, 1999, Section 505(a) of the Trade Act of 1974 (19 U.S.C. 2465) was amended by striking "June 30, 1999" and inserting "September 30, 2001". Accordingly, goods entered on or after December 17, 1999, are entitled to be entered duty-free, provided they meet the requirements of the Generalized System of Preferences (GSP). Reprogramming of Customs' Automated Commercial System (ACS) to accept duty-free entry summaries using the Special Program Indicator (SPI) "A" has been completed.  
On December 17, 1999, President Clinton signed into law the Ticket to Work and Work Incentives Improvement Act of 1999. Title V, Subtitle A, Section 508, "Extension of Duty-Free Treatment under Generalized System of Preferences", provides for the renewal of the GSP through September 30, 2001, as well as for the refund of all duties paid on GSP-eligible merchandise that was entered while the program was lapsed.  
The entry of any article to which duty-free treatment under title V of the Trade Act of 1974 would have applied if the entry had been made on or before June 30 1999, and that was made after June 30, 1999, and before the date of the enactment of this act, shall be liquidated or reliquidated as free of duty, and Customs shall refund any duty paid with respect to such entry.

**NOTE: Refunds will only be issued for those goods entered or withdrawn from warehouse for consumption during the period the GSP was lapsed that were eligible for duty-free treatment under the program prior to its expiration.**

ACTION:

- 1.Effective December 17, 1999, the amendments made by the subtitle apply to articles entered or withdrawn from warehouse for consumption on or after December 17, 1999.
- 2.The duty rate of "Free", applicable to merchandise qualifying for GSP, shall be effective December 17, 1999. Filers shall be entitled to file GSP- eligible entry summaries without the payment of duty for shipments entered or withdrawn from warehouse for consumption on or after December 17, 1999.
- 3.Customs will begin processing those entries filed via the Automated Broker Interface (ABI) with the Special Program Indicator (SPI) "A" for refund of duties deposited for GSP-eligible goods during the period the program was lapsed, effective January 7, 2000.

Note:Importers who filed their entries via ABI with the SPI "A" should receive their refund(s) of duties deposited within eight to 10 weeks from the date of processing. Importers are advised to contact the appropriate customs port of entry and inquire about the status of the refund(s) if not received within the specified period of time noted.

- 4.The Following IRS interest rates will be used in calculating interest on refunds of customs duties:

	Corporate	Non-Corporate
July 1, 1999 - December 17, 1999.....	7.0 %	8.0 %

- 5.Interest shall be paid on all refunds from the date the duties were deposited.

- 6.Formal Entry Refunds

Filers who used the SPI "A" on entry summaries filed via ABI need take no further action at this time. Customs headquarters will automatically begin processing refunds for entry summaries liquidated, or scheduled to liquidate, as "No Change" on January 7, 2000.

GSP refunds for all other entry summaries (e.g., warehouse withdrawals, "Change" liquidations, reliquidations, suspended entry summaries) will be processed in accordance with normal liquidation procedures.

ABI filers who elected to transmit their entries via ABI without the SPI "A" and non-ABI filers, regardless of their use of the SPI "A," must request a refund in writing from the Port Director at the Port of Entry on or before June 13, 2000 (180 days after the date of enactment of this act). Failure to request a refund in a timely matter will not be grounds to file a protest. A separate letter may be prepared for each entry summary, each importer, or for all entry summaries filed by an individual filer at a single port. To expedite refunds, Customs recommends the following be included in each letter:

A. A statement that the letter is a request for a refund as provided under the Ticket to Work and Work Incentives Improvement Act of 1999, Title V, Subtitle A, Section 508, "Extension of Duty-Free Treatment under Generalized System of Preferences", (b)(3) "Requests";

B. The entry numbers and line items for which refunds are being requested; and

C. The amount to be refunded for each line item, and where multiple entries are involved, the total amount owed for all entry summaries.

#### 1. ABI Informal Entry Refunds

Refunds on informal entries filed via ABI on a Customs Form 7501, utilizing the SPI "A" indicator will be processed in accordance with the procedures outlined in 6 above.

#### 2. Baggage Declarations and Non-ABI informal refunds

If travelers/importers wrote a statement directly on their customs declarations (CF 6059B) or informal entry (CF 363 or CF 7501), indicating their desire for a refund, no further action to obtain a refund will be required. If no such statement was made, travelers/importers must make a timely request as described in 6 above for non-ABI filers.

#### 3. Mail Entry Refunds

Addressees may submit a claim requesting a refund of GSP duties along with a copy of the CF 3419A to the appropriate International Mail Branch (address listed on bottom right corner of CF 3419A). It is essential that a copy of the CF 3419A be included, as this will be the only method of identifying the eligible GSP products and ensuring that duties and fees have been paid.

#### Contacts:

##### For General Operational Questions:

Formal Entries	Leon Hayward, (202) 927-9704
Informal Entries	John Considine, (202) 927-0042
Mail Entries	Robert Woods, (202) 927-1236
Passenger Claims	Wes Windle, (202) 927-0167

##### For specific questions relating to ABI processing:

James Halpin, Office of Information Technology, (703) 921-7128

Questions from filers regarding ABI transmissions should be directed to their ABI client representatives. Persons with other questions regarding this notice may contact Leon Hayward, Trade Agreements Branch, at (202) 927-9704.

Elizabeth G. Durant