

FOREIGN TRADE ZONE

Do you import or export products?

Do you know that there is a program that allows companies to bring items into the United States without paying the duty tax and allowing these items to be storage free of tariff charges?

Do you know that you are able to export used products that are manufactured in a zone without paying U.S. import/export charges?

Eligible businesses in the Foreign Trade Zone (FTZ) would receive the following benefits:

- ❖ **Deferral of Duties:** Customs duties and federal excise tax are deferred on imports until they leave the zone and enter the United States territory
- ❖ **Reduction of Duties:** In a Foreign Trade Zone, with the authorization of the Foreign Trade Zone Board, users are allowed to select a zone status on merchandise admitted in the zone. This zone status determines the duty rate that will be applied to foreign merchandise if it is eventually entered into the US commerce from the FTZ.
- ❖ **Elimination of Duties:** No customs duties are paid on merchandise exported from the FTZ. Therefore, duty is eliminated on foreign merchandise admitted to the zone and eventually exported from the FTZ.
- ❖ **Duty exemption:** Users that destroy goods in an FTZ do not pay duty on the goods they destroy and that can benefit a company with fragile imports or with manufacturing processes that result in large amounts of scrap.
- ❖ **Elimination of Drawback:** In some circumstances, Customs duties previously paid on exported merchandise may be refunded through a process called drawback.
- ❖ **Tax Exemption:** By Federal Statute, tangible personal property imported from outside the US and held in a zone, as well as that produced in the US and held in a zone for exportation, are not subject to State and Local ad valorem taxes.

The City of Lauderdale Lakes has properties in Foreign Trade Zone #25: Lauderdale Lakes Industrial Park and NW 19th Street Warehouse Complex. See the map to find out if you are in the zone.

For more information, please contact:

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