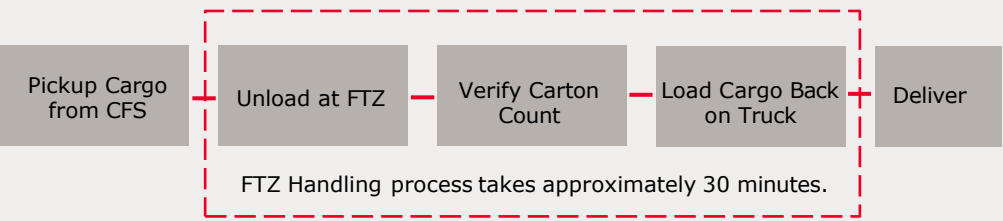


# FOREIGN TRADE ZONE

In the U.S., a Foreign-Trade Zone (FTZ) is a defined area, where foreign merchandise is considered outside the U.S. Customs territory. Merchandise may be admitted to an FTZ without formal Customs entry procedures or payment of Customs duties and taxes. Duties and taxes are applicable only at the time the merchandise leaves the Zone and enters the U.S. territory.

The basic handling process in the FTZ is minimal.



One of the major benefits of utilizing an FTZ is that merchandise withdrawn into the US from a Zone are eligible for weekly entry. Under this program, Merchandise Processing Fees (MPF) are capped at \$634.62 per week. Based on the filing of 52 weekly entries, the annual MPF would be \$33,000.24.

Illustration (10 Shipments/Week):

Example without an FTZ	✗	MPF of \$634.62	—	\$ 6,346/week \$330,002/year
Example with an FTZ	✗	Weekly entry MPF Capped at \$634.62	=	\$ 634/week \$ 33,000/year
Annual Saving: \$269,264				

Expeditors has Foreign-Trade Zones strategically located through-out the U.S. to offer our air freight customers the opportunity to reduce their annual MPF by processing their shipments through our FTZs before final delivery.

23 Active Sites



If you are interested in understanding if this weekly entry program can help you reduce your costs, please contact your local Expeditors office for more information.