



Foreign Trade Zone Program

NYC / EDC

If you're in business in New York City, receiving a Foreign Trade Zone (FTZ) designation can save your company money. Do you warehouse, repackage, or produce using imported goods? If so, you can realize substantial savings.

The FTZ program allows you to defer or reduce duties on imports and provides duty-free status for re-exported items. Industries of all types can benefit—construction, food production, fashion, luxury goods, green tech, and pharmaceuticals to name a few.



Ways You Save

These various FTZ programs can be combined and layered for optimal savings depending on your particular business practices and needs.

- **Duty Elimination**

Customs duties are not paid on merchandise re-exported from the FTZ.

- **Duty Deferral**

Imports may be admitted to the FTZ and held indefinitely in inventory without paying Customs duties. Duty is paid only when imports are distributed in the U.S.

- **Duty Reduction**

FTZ users may elect to pay the duty rate on either component material or finished product merchandise produced from imported and domestic component material—whichever is lower.

- **Shipments Expedited**

Delays in Customs clearance and duty drawback procedures are eliminated. Delivery times after U.S. arrival are reduced due to the special Direct Delivery procedure.

- **Quality Control**

The FTZ may be used for quality control inspections to ensure that only products that meet specifications are imported. Substandard goods can be destroyed or returned before duty is paid.

- **Exhibition**

Merchandise and machinery may be held for exhibition or displayed in the FTZ without duty payments. (Retail trade is prohibited.)

- **Weekly Entry**

All shipments from the FTZ in a business week may be placed on one Customs entry, significantly reducing paperwork and expense.

- **Zone to Zone Transfer**

Merchandise may be transferred under bond from one FTZ to another, even across the country. Duties are not owed until the merchandise is finally admitted into U.S. Customs territory.

Are you FTZ Eligible?

- Your facilities have to be in NYC's five Boroughs.
- Goods (components or finished product) you sell or transport have to come from abroad.
- As a rule of thumb, your annual duty payment to Customs should be at least \$50,000.

FTZ Application Process

Now faster than ever before, your company may be designated a FTZ in 30 days. Additionally, our new FTZ program allows you to remain in your existing facilities within New York City. It is not necessary to move to a different site. This means no relocation costs! Your business can start receiving FTZ savings as soon as the application is processed and your site is activated as an FTZ by Customs.

Contact

For questions or to learn more about FTZs contact ftz@edc.nyc