U.S. Customs and Border Protection

Last modified: 04/23/12

The U.S. Customs and Border Protection (CBP) is an agency of the United States government whose primary purpose is to ensure that all goods imported into the U.S. comply with all applicable U.S. laws and regulations. CBP also assesses and collects duties, excise taxes, fees and penalties due on imported merchandise as well as enforces laws intended to prevent illegal trade practices.

NMG Interaction with CBP

As a U.S. importer, NMG is responsible for using reasonable care to enter, determine the proper classification and determine the correct value of imported merchandise. As the importer of record, NMG must also provide any other information necessary to enable CBP to properly assess duties, collect accurate trade statistics, and to determine whether other applicable legal requirements have been met.

Basic U.S. Importing Requirements

All merchandise coming into the U.S. must clear CBP and is subject to duty unless specifically exempted by law. The following documents are required by CBP to file an entry for the clearance of commercial goods:

1. A bill of lading, air waybill or carrier's certificate
2. A commercial invoice obtained from the exporter/seller of the goods
3. Packing lists
4. Other documents such as visa, export license, declarations or any other document required by other U.S. agencies.

Classification

All goods that enter the U.S. are categorized according to the Harmonized Tariff Schedule of the United States (HTSUS). The act of placing goods into the correct category is called *classification*. Classification determines how much duty will be collected.

The correct classification of imported goods into the HTSUS is a key concern of the Government Compliance program for NMG. NMG recognizes its responsibility as an importer to ensure the accurate classification of imported goods for proper revenue determination as well as the maintenance of international trade statistics.

To help ensure proper classification, NMG requires all vendors to provide product information on all items being shipped to NMG. This required information is submitted to NMG's foreign offices on a

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Product Detail Sheet.

Import Merchandise Value Determination

In most circumstances, the value of merchandise imported by NMG is based on the price actually paid for the merchandise when sold for export to the U.S. It is imperative that a foreign exporter properly includes the price that is to be paid on the commercial invoice.

Commercial Invoice Requirements

Customs requires that a commercial invoice, signed by the exporter, include the following information:

1. **All invoices must be in the English language.**
2. If the merchandise is sold, the name of the buyer (importer) and seller (exporter)
3. If the merchandise is consigned, the name of the U.S. consignee (importer) and exporter
4. A detailed description of the merchandise, including the name by which each item is known, the grade or quality, the marks, number and symbols under which the goods are sold.
5. If the merchandise contains any plant or animal products, listing the species common name, scientific name (to include Genus and species), country of origin, and source (wild, captive bred, ranch raised, etc.).
6. The quantities in weights and unit of measures.
7. If sold, the purchase price of each item in the currency of sale.
8. If consigned, the value of each item in the currency in which the transactions are usually made.
9. The type of currency.
10. The country of origin of the product.
11. The value of all goods or services furnished for the production of the merchandise by the importer. This is known as an assist.
12. All charges upon the merchandise which is not included in the purchase price of each item, including but not limited to packing, inland freight, insurance, royalties and commissions.
13. Any discounts from list or other base price which has been or may be allowed in determining the purchase price.

NMG Invoice and Packing List guidelines

Assists

An assist is defined in the CBP laws as any of the following, when supplied free of charge or at less than fair value by or on behalf of the importer (buyer) to the exporter (seller):

1. materials, components, parts and similar items incorporated into the imported merchandise
2. tools, dies, molds and similar items used in the production of the imported merchandise
3. merchandise consumed in producing the imported merchandise

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4. engineering, development, artwork, design work, plans and sketches undertaken outside the United States and that are necessary for the production of the imported merchandise

NMG actively works to identify and quantify the existence of assists and ensure they are accurately reported to Customs. NMG does not condone the willful omission of assists in the dutiable value of a transaction.

Marking and Labeling Requirements

Accurate and proper product labeling is very important in order to convey acceptable and understandable information to consumers in the U.S. and to ensure compliance with applicable legal requirements.
In general, exporters must mark or label merchandise that is exported to the U.S. to properly disclose, the manufacturer's name (or registration number, RN #), country of origin and care instructions (if applicable). In addition, all labeling must be in English and must be conspicuous, legible and permanent.
Please see our Labeling Requirements for more information.

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