

Every year, the US Customs and Border Protection reports that as much as 85% of eligible duty refunds remain unclaimed. If you are both an importer and an exporter, it's possible that you're not maximizing your profits and could be missing out on a substantial amount of money. This is where Duty Drawback comes in.

WHAT IS DUTY DRAWBACK?

Duty Drawback refers to the process of getting a refund for Customs duties paid on imported goods that are later exported out of the United States, or for goods that have been manufactured using those imported items and then exported. Importers may receive a refund of up to 99% of their previously paid duties. This refund can be claimed retroactively for a period of up to five years by the shipper.

OPTIONS AVAILABLE

One-off claim:

This involves exporting equipment that was brought into the country within the last five years.

1. We will submit a 7553 form to US customs, which notifies them of our intent to export or destroy the equipment.
2. Customs will either examine the freight or waive the examination and provide approval of the claim.
3. Once there is proof of export after the product has left the country, we file the 7551 form along with the original 7553 form and all other export documents.
4. Customs reviews the claim and provides a potential refund.

Privileges:

1. We provide an application process that is submitted to US Customs on behalf of the client.
2. After approval, the client is eligible to claim Duty Drawback on any product that was shipped out of the country up to five years ago, as long as we have applied for a one-time waiver.
3. No 7553 form is required.
4. Opportunity to apply for accelerated payment.

WHO QUALIFIES?

- An importer that knows it will be exporting a previously imported product.
- A drawback right can be assigned in certain scenarios.
- Example Industries that have used the program extensively over the years include: chemicals, steel, tobacco, petrochemicals, pharmaceuticals, auto and electronics parts, textiles and apparel, wines, sugars, and citrus products.

WHEN IS DUTY DRAWBACK BENEFICIAL?

If the amount of duty refund obtained from Duty Drawback is substantial enough to offset the expenses incurred in managing the duty drawback program.

WHEN IS DUTY DRAWBACK NOT BENEFICIAL?

- An importer is going to export one time only, unless the value is significant.
- An importer is importing a duty-free product.
- An importer is importing a product that qualifies for a Free Trade Agreement.

THE SCARBROUGH CONSULTING TEAM IS DELIGHTED TO BE ABLE TO OFFER THIS SERVICE AND WE ARE HERE TO WALK YOU THROUGH THE ENTIRETY OF THE PROCESS