

## **CUSTOMS DIRECTIVE**

**ORIGINATING OFFICE:** FO:TP

**DISTRIBUTION:** S-01

**CUSTOMS DIRECTIVE NO.** 3550-079A

**DATE:** JUNE 27, 2001

**SUPERSEDES:** 3550-079, 1/24/01

**REVIEW DATE:** JUNE 2003

**SUBJECT: Ultimate Consignee at time of Entry or Release**

**1 PURPOSE.** To provide guidance on the appropriate identification number to be provided for the Ultimate Consignee of imported merchandise at the time of entry or release. The definition of Ultimate Consignee as required at time of entry summary filing will be addressed in a separate directive (to supersede CD 099 3550-061).

**2 POLICY.** The references and procedures outlined in this directive will be followed to ensure consistency and uniformity in data collected.

**3 AUTHORITIES/REFERENCES.** 19 CFR § 142.3(a)(6), 19 CFR § 24.5, 19 USC Sec. 1484(a)(2), and T. D. 94-39.

### **4 RESPONSIBILITIES.**

4.1 The Directors, Field Operations, Customs Management Centers, are to ensure implementation of this directive.

4.2 Port Directors will ensure that local procedures accommodate the guidelines contained in this directive.

4.3 Port Directors will distribute this information through routine trade notification practices (i.e., information notices, trade notices, etc.).

**5 BACKGROUND.** Customs has for many years allowed different parties to be identified as the Ultimate Consignee for shipments of imported merchandise. As a result, the requirement to identify the Ultimate Consignee at the time of entry or release has not been uniformly applied to all imported merchandise. In an effort to correct this situation, the following procedures and requirements will be instituted to ensure compliance with the required identification of the Ultimate Consignee on formal and informal entries (both electronic and manual), at the time of entry or release.

### **6 DEFINITIONS.**

6.1 For purposes of this directive, a formal entry is defined as the documentation

required (either electronic or paper) to secure the release of imported merchandise that is either valued in excess of \$2,000, or if valued less than \$2,000, would otherwise require the submission of formal entry documents (e.g., certain quota merchandise).

6.2 For purposes of this directive, an informal entry is defined as the documentation required (either electronic or paper) to secure the release of imported merchandise that is either valued less than \$2,000, or if valued in excess of \$2,000, would otherwise be released on an informal entry (e.g., personal effects & household goods).

6.3 The Ultimate Consignee at the time of entry or release is defined as the party in the United States, to whom the overseas shipper sold the imported merchandise. If at the time of entry or release the imported merchandise has not been sold, then the Ultimate Consignee at the time of entry or release is defined as the party in the United States to whom the overseas shipper consigned the imported merchandise. If the merchandise has not been sold or consigned to a U.S. party at the time of entry or release, then the Ultimate Consignee at the time of entry or release is defined as the proprietor of the U.S. premises to which the merchandise is to be delivered.

6.4 For formal entries, the appropriate identification number for the Ultimate Consignee is defined as an Internal Revenue Service employer identification number, or a Social Security number. Filing for the appropriate identification number for the Ultimate Consignee is provided for in 19 CFR § 24.5. Customs assigned numbers are for non-U.S. entities, and as such, are not acceptable to identify the Ultimate Consignee on formal entries, except for the following classes of merchandise:

6.4.1 For merchandise which is temporarily imported under the Harmonized Tariff Schedule (HTS) subheading 9813.00.35 (see below), a nonresident of the United States may be identified as the Ultimate Consignee.

**HTS Subheading 9813.00.35:** Automobiles, motorcycles, bicycles, airplanes, airships, balloons, boats, racing shells and similar vehicles and craft, and the usual equipment of the foregoing; all the foregoing which are brought temporarily into the United States by nonresidents for the purpose of taking part in races or other specific contests.

6.4.2 For merchandise which is temporarily imported under the Harmonized Tariff Schedule (HTS) subheading 9813.00.50 (see below), a nonresident of the United States may be identified as the Ultimate Consignee.

**HTS Subheading 9813.00.50:** Professional equipment, tools of trade, repair components for equipment or tools admitted under this heading and camping equipment; all the foregoing imported by or for nonresidents sojourning temporarily in the United States and for the use of nonresidents.

6.5 For informal entries, the appropriate identification number for the Ultimate

Consignee is defined as an Internal Revenue Service employer identification number, or a Social Security number. In instances when neither an Internal Revenue Service employer identification number, nor a Social Security number is available at the time of entry or release, the appropriate identification number for the Ultimate Consignee on informal entries may also be defined as any of the following:

6.5.1 The ABI transmission of the name and U.S. address of the party to whom the overseas shipper either sold or consigned the imported merchandise, or if unknown, the ABI transmission of the name and U.S. address of the proprietor of the U.S. premises to which the imported merchandise is to be delivered.

6.5.2 An Internal Revenue Service employer identification number or Social Security number that identifies the licensed and U.S.-based Customs broker that filed the informal entry.

6.5.3 An Internal Revenue Service employer identification number or Social Security number that identifies a U.S.-based Importer of Record that is associated with the informal entry.

6.5.4 A “blank” Ultimate Consignee field that is either electronically transmitted through ABI, or manually completed online by Customs. However, the use of the “blank” Ultimate Consignee field will automatically result in the duplication of the Importer of Record’s Internal Revenue Service employee identification number, or Social Security number, in the Ultimate Consignee field. In the case of merchandise that is imported by a foreign-based Importer of Record, the use of a “blank” Ultimate Consignee field will result in a foreign-based Ultimate Consignee. A Foreign-based Ultimate Consignee is only acceptable for informal entries or for such temporary importations that are described in sections 6.4.1 and 6.4.2 of this directive.

6.5.5 An Internal Revenue Service employer identification number or Social Security number that identifies a U.S.-based Nominal Consignee, such as a carrier, express consignment operator, freight forwarder, or consolidator that is associated with the informal entry.

6.5.6 A Customs-generated identification number that identifies a foreign-based Ultimate Consignee that is associated with the informal entry. A Foreign-based Ultimate Consignee is only acceptable for informal entries or for such temporary importations that are described in sections 6.4.1 and 6.4.2 of this directive.

## **7 INSTRUCTIONS TO THE TRADE.**

7.1 For formal entries, a Customs Broker may not be listed as the Ultimate Consignee unless they own the merchandise, or there is no known U.S. buyer and the accompanying documentation shows the broker’s premises as the location to which the merchandise is to be delivered. However, a licensed Customs Broker may be identified

as the Importer of Record on a formal entry, if designated by the owner, purchaser, or consignee of the merchandise.

7.2 For formal entries, Nominal Consignees (i.e., carrier, express consignment operators, freight forwarders, or consolidators) may not be identified as the Ultimate Consignee unless they own the merchandise, or there is no known U.S. buyer and the accompanying documentation shows their premises as the location to which the merchandise is to be delivered. Nominal Consignees cannot be identified as the Importer of Record on a formal entry unless they own, or have purchased the imported merchandise.

7.3 For formal entries, the name of the Ultimate Consignee (not the ID #) must be provided for duty free merchandise entered on a CF 7523 if it is different from the name of the Importer of Record.

7.4 For formal entries, the appropriate identification number of the Ultimate Consignee must be provided for merchandise that is granted immediate delivery on a CF 3461 ALT.

7.5 Filers must provide the appropriate identification number, name, and U.S. street address of the Ultimate Consignee on formal entries filed on a CF 3461, or presented on a CF 7501 for release. The appropriate identification number for the Ultimate Consignee must reflect the information provided in the supporting documentation. In the case of a consolidated entry, filers must provide the appropriate identification number, name, and U.S. street address of the Ultimate Consignee, for each distinct shipment that is valued in excess of \$2,000, or would otherwise require the submission of formal entry documentation (e.g., certain quota merchandise).

7.6 The Ultimate Consignee at time of release does not necessarily need to match the Ultimate Consignee provided at time of entry summary processing on a CF 7501. For example, if the Ultimate Consignee at time of release is unknown, the Filer will provide the identification number for the U.S. premises to which the merchandise is to be delivered. When the merchandise is sold or consigned after release but prior to entry summary filing, the Filer must provide the buyer's identification number as the Ultimate Consignee on the entry summary filing.

7.7 For formal entries, if the required Ultimate Consignee identification number is not available at the time of release, the ABI filer may use ACS references to locate the appropriate identification number, but only after having used reasonable care to query all of their resources. Upon receipt of an ABI transmission of the Ultimate Consignee's name and U.S. address, ACS will search for a match and, if available, generate and supply the Filer with an encrypted version of the Ultimate Consignee's identification number to be used in the electronic filing of the entry for release. If a match is not made, Customs will generate an internal control on the transmitted Consignee's name and U.S. address and permit the ABI transmission of the selectivity entry for the release. However, the Filer is required to obtain the proper identification number for the

filing of the entry summary. The use of the Ultimate Consignee's name and U.S. address, in lieu of the Ultimate Consignee's identification number, is not allowed when an entry is certified from summary (CF 7501), or if the Filer knows the Ultimate Consignee's Internal Revenue Service employer identification number or Social Security number. The use of the ACS name and address capability will result in the Customs requirement that paper documentation be presented prior to release.

7.8 For informal entries, if the Ultimate Consignee's correct Internal Revenue Service employer identification number or correct Social Security number is not available at the time of entry or release, an ABI filer may use the name and address capability to obtain an appropriate identification number for the Ultimate Consignee. If the Ultimate Consignee's correct name and U.S. address is not available at the time of entry or release, the Filer of an informal entry may use any of the options that are specified in Section 6.5 of this directive to identify the Ultimate Consignee. However, for any ABI transmission of an informal entry with a "blank" Ultimate Consignee field, the Automated Commercial System will assume that the Ultimate Consignee and the Importer of Record are the same party, and will therefore duplicate the Importer of Record identification number in the Ultimate Consignee field. The use of a "blank" Ultimate Consignee field is not allowed when an informal entry is certified from summary (CF 7501), or when the merchandise is subject to any requirements imposed by other Federal agencies of the U.S. Government.

7.9 Filers must provide the name and U.S. street address of the Ultimate Consignee for informal entries released off the manifest in the express consignment environment, and for merchandise entered for immediate transportation (CF 7512).

## **8 EXAMPLES.**

8.1 In instances when a U.S. Company places a consolidated order with an overseas shipper to fill orders placed by the U.S. Company's individual customers (i.e., direct sales/just-in-time inventory), the Ultimate Consignee for Customs purposes is the U.S. Company regardless of whether the imported merchandise will be sent to a distribution center owned by the U.S. Company or sent directly to the individual customers. This is because the U.S. Company is the party who purchased the imported merchandise from the overseas shipper.

8.2 In instances when individual customers place their orders directly with the overseas shipper and the overseas shipper consolidates the orders and sends one shipment to a distributor in the U.S. or directly to the individual customers, for Customs purposes, the Ultimate Consignee is the individual customer. This is because the individual customer is the party who purchased the imported merchandise from the overseas shipper.

8.3 In instances when a U.S. Company places an order with a foreign supplier who in turn places an order with another foreign supplier to be entered into the United States delivered, duty paid for the account of the U.S. Company, for Customs purposes, the

Ultimate Consignee is the U.S. Company. This is because the U.S. Company is the party who purchased the imported merchandise from overseas.

8.4 In instances when a U.S. Company places an order with an overseas shipper and then sells the goods to a second U.S. Company in a domestic transaction prior to the importation, for Customs purposes, the Ultimate Consignee is the first U.S. Company. This is because the first U.S. Company is the party who purchased the imported merchandise from the overseas shipper.

8.5 In instances when an unsold shipment is being imported for and delivered to a trade show and the importer of record is foreign, for Customs purposes, the Ultimate Consignee is the proprietor of the trade show location. In other words, since the merchandise has not been sold or consigned to a U.S. party at the time of entry or release, the Ultimate Consignee is defined as the proprietor of the U.S. premises to which the merchandise is to be delivered.

8.6 In instances when entry is made listing one party as the importer of record for a consolidated shipment, the appropriate identification number for the Ultimate Consignee must be submitted for each separate and distinct shipment within the consolidated shipment (See T. D. 94-39 Examples). This is because each shipment has a different party who purchased the imported merchandise from the overseas shipper.

## **9 CUSTOMS PROCEDURES.**

9.1 If the appropriate identification number for the Ultimate Consignee is not provided to Customs in a manner consistent with this directive, the entry will not be considered to be filed in proper form and will be returned to the importer or their agent for correction prior to Customs processing.

9.2 Customs will not issue a Customs-generated identification number to identify the Ultimate Consignee on formal entries. Since the Ultimate Consignee is a U.S. party, the "Notification of Importer's Number or Application for Importer's Number, or Notice of Change of Name or Address" (CF 5106) form must provide either an Internal Revenue Service employer identification number or a Social Security number.

## **10 MEASURES.**

10.1 Directors, Field Operations are to ensure that all ports under their jurisdictions are in compliance with this directive. An evaluation and audit of each port should be undertaken to determine the importing community's compliance with this directive. The CMC will be responsible for verifying that ports perform audits regarding the data provided manually and electronically for the Ultimate Consignee. If needed, the CMC will be responsible for providing analysis support for the port's audit.

10.2 Port Directors will ensure compliance with this directive by Filers via an audit of ABI records and paper entry/entry summary records. At a minimum, audits should be performed to ensure compliance during each self-inspection cycle.

10.3 In cases where the Filer fails to provide, or supplies an identification number for the Ultimate Consignee, which is inconsistent with the provisions of this directive, the Importer of Record and Filer will be referred to the Enforcement Evaluation Team or Broker Compliance Office for appropriate informed or enforced compliance action.

Assistant Commissioner  
Office of Field Operations

Attachment

<b>Type of entry at time of release</b>		<b>Elements required for Ultimate Consignee</b>
Formal entry CF 3461/CF7501	All modes of transportation, including international postal service Commercial use & valued over \$2,000	Filers must use the correct ID #, or an ABI transmission of the name and address, if not certifying from summary (CF 7501), or entering merchandise that is subject to any requirements imposed by other Federal agencies of the U.S. Government.
Formal entry with multiple ultimate consignees CF 3461	All modes of transportation Valued over \$2000 Consolidated shipments consigned to a common carrier, freight forwarder, freight handler, or other public service agency for distribution shall be treated as one importation.	For each consignee, Filers must use the correct ID #, or if unavailable, may use an ABI transmission of the name and address when not certifying from summary (CF 7501), or entering merchandise that is subject to any requirements imposed by other Federal agencies of the U.S. Government.
Immediate delivery CF 3461 ALT	Arrival from contiguous country Meets immediate delivery requirements Commercial use of any value	For formal immediate deliveries, Filers must use the correct ID #, or if unavailable, may use an ABI transmission of the name and address when not certifying from summary (CF 7501), or entering merchandise that is subject to any requirements imposed by other Federal agencies of the U.S. Government.



		For informal immediate deliveries, Filers must use the correct ID #, or if unavailable, may use an ABI transmission of the name and address or any other option specified in Section 6.5 of this directive, when not certifying from summary, or entering merchandise that is subject to any requirements imposed by other Federal agencies of the U.S. Government.
BRASS	Repetitive, low risk, and high volume importations from a contiguous country Entry or Immediate Delivery Participation approved prior to arrival	None.
Informal entry CF 3461/CF7501	All modes of transportation For personal use Valued under \$2,000	Filers must use the correct ID #, or if unavailable, may use an ABI transmission of the name and address or any other option specified in Section 6.5 of this directive, when not certifying from summary, or entering merchandise that is subject to any requirements imposed by other Federal agencies of the U.S. Government.
Informal entry with multiple ultimate consignees CF 3461	All modes of transportation Valued under \$2000 Consolidated shipments consigned to a common carrier, freight forwarder, freight handler,	For each consignee, Filers must use the correct ID #, or if unavailable, may use an ABI transmission of

	or other public service agency for distribution shall be treated as one importation.	the name and address or any other option specified in Section 6.5 of this directive, when not certifying from summary, or entering merchandise that is subject to any requirements imposed by other Federal agencies of the U.S. Government.
Informal mail entry CF 3419A, CF 368 and/or CF 7501	International postal service Valued under \$2,000 Not Quota Not restricted or prohibited	None. No ID # is required to process this form.
Informal Mail entry under pass free exemption	International postal service Valued under \$200 Gift sent to person other than purchaser	None. No ID # is required to process a mail entry under \$200.
Customs Declaration CF 6059B	Air passenger arrivals from foreign	None. No ID # is required to process this form.
FTZ entry CF 214	All modes of transportation Commercial merchandise	None. No ID # is required to process this form.
Carnet	International Customs document replaces usual Customs documentation for temporary importations – valid for one year	None. No ID # is required to process this form.
CF 368 Customs receipt	All modes of transportation Merchandise for personal use arriving in cargo or accompanying international passenger that is Valued under \$2000	None. No ID # is required to process this form.
Duty free entry CF 7523	All modes of transportation Duty and tax free merchandise Not restricted or prohibited Commercial use under \$2000 Non-commercial of any value	Written name and address.
Entry for immediate transportation CF 7512	All modes of transportation	Written name and address.
"Release off the	Valued under \$200	Written name and

manifest” Section 321		address.
Consolidated informal entry CF 3461/CF 7501	Express consignment environment Valued from \$200 - \$2000	Written name and address.
Oral entry declaration paid via PC Cash register	Non-commercial merchandise accompanying arriving international passenger Valued under \$2000	None. No ID # is required to process an oral baggage declaration.