



# FTZ 90 includes Onondaga, Cayuga, Oswego and Madison Counties.



## KEY QUESTIONS:

- Does your company import high value products or materials?
- Is the company paying duty on those imported products or materials?
  - How long do the items sit in inventory before being sold?
- Is the imported item a sub-assembly or ingredient of a finished product?
  - Is the tariff rate lower for the finished product?
  - Is the imported item subsequently exported?

## Businesses may apply to obtain FTZ benefits at their current facilities.

By reducing costs, FTZs level the playing field and improve U.S. competitiveness. FTZs can help businesses reduce production, transaction, and logistics-related costs by lowering effective duty rates, allowing special entry procedures, and encouraging production closer to market

## What are the Benefits of a Foreign-Trade Zone?

In the global marketplace, many companies consider moving to foreign facilities to reduce costs. The benefits of the FTZ program may be the competitive advantage that companies need to keep their manufacturing or distribution operations in the United States.

- No duties on imported goods that are later re-exported
- Delayed payment of duties on goods that enter the U.S. market
- Manufacturing-specific benefits – with case-by-case approval by the Federal FTZ board – that can include reduction of duties if a lower tariff rate applies to the finished product leaving the zone rather than the tariff rates that would have applied on foreign components (“inverted tariff”)
- Elimination of duties on waste, scrap, and rejected or defective parts
- Reductions in merchandise processing fees because zone users may be able to file a single customs “entry” (and pay a single fee) per week rather than making multiple entries.