FOREIGN TRADE ZONE No. 64
NORTHEAST FLORIDA
**GLOSSARY**

**3PL** – a third-party logistics provider, the 3PL provides outsourced logistics services for either all or part of the customer’s supply chain. These services encompass storage and transportation.

**ASF** – Alternative Site Framework: A non-compulsory approach to designation and management of zone sites which provides greater flexibility to serve single-operator/user locations.

**CBP** – U.S. Customs and Border Protection.

**DUTY DRAWBACK** – the refund of certain duties or fees collected on goods at the time of importation. The duty can only be collected upon exportation or destruction of the good.

**MAGNET SITE** – a site meant to serve or draw multiple zone operators.

**MPF** – Merchandise Processing Fee: a fee imposed by U.S. Customs and Border Protection, the MPF is calculated on an ad valorem basis.

**ZONE ADMINISTRATOR** – responsible for the daily operation of the FTZ.

**ZONE GRANTEE** – the recipient of a grant of authority for a zone project. This is a corporate entity.

**ZONE OPERATOR** – an entity that operates a zone under the terms of agreement with the zone grantee.

**ZONE SCHEDULE** – includes rates and fees for zone users as well as rules and regulations. The zone schedule is kept by the zone grantee.

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“JAXPORT offers all the assistance you need. The FTZ is a user-friendly and easy program.”

— Trish St. John, Director of Risk Management, Suddath Global Logistics

“There's a lot of cost and process savings in the FTZ. It's good business for everyone.”

— Jorge Jerez, Production and Logistics Manager, Saft America

“Every day we help businesses save money and time by using FTZ No. 64. Find out how we can help you.”

— Lisa Diaz, Zone Manager, FTZ No. 64
**FOREIGN TRADE ZONE No. 64**

**WHAT IS A FOREIGN TRADE ZONE?**
A Foreign Trade Zone (FTZ) is a secured site within the United States, but technically considered outside of U.S. Customs' jurisdiction, allowing shippers to streamline clearance.

**WHERE IS FTZ NO. 64?**
FTZ No. 64 encompasses an eight county region in Northeast Florida. You can apply for FTZ designation anywhere within this area to activate in a building of your choice or in an existing warehouse.

**WHAT ARE THE BENEFITS?**
Foreign Trade Zone designation allows businesses to defer, reduce, or even eliminate costly U.S. Customs duties on products imported into the U.S.

**WHO CAN USE THE FTZ?**
Companies storing, processing or manufacturing imported goods for distribution or re-export. Third party public warehouses (3PLs) are also good candidates for the FTZ program.

**WHAT ACTIVITIES ARE PERMITTED IN A ZONE?**
Storage, exhibition, assembly, manufacturing and processing all are permitted within a zone.

**I AM ONLY EXPORTING AND NOT IMPORTING. CAN I STILL USE THE FTZ PROGRAM?**
Export shipments do not qualify. The FTZ program is designed to offer benefits to companies that import foreign goods or materials into the United States.

**DO I QUALIFY?**
Qualification requires that:
1. Your company imports products into the United States AND
2. Your facility is located within FTZ No. 64's jurisdiction.

**In addition, one or more of the following criteria must apply:**
A. Your company processes, stores or manufactures imported products (kitting applies).
B. Your company exports any of the manufactured products.
C. Your company has multiple import shipments per week.
D. Your company incurs product loss of imported goods through testing, scrap, product expiration or product becomes obsolete.
HOW MUCH DOES IT COST TO APPLY TO BE AN FTZ USER?
The costs vary based on application type. A full list of fees, known as the Zone Schedule, can be found on JAXPORT.com. For further explanation, contact Zone Manager Lisa Diaz (contact information on back).

WHAT IS THE APPLICATION PROCESS TO USE FTZ No. 64?
All FTZ applications are managed and facilitated by Zone Manager, Lisa Diaz, on behalf of JAXPORT, the Zone Grantee. Step one of the FTZ process is to obtain written local sponsorship from JAXPORT.

This written sponsorship is submitted to the Foreign Trade Zones Board as part of your application package. JAXPORT will receive written notification of application approval from the FTZ Board.

HOW LONG IS THE FTZ APPROVAL PROCESS?
The FTZ Board has 30 days from the date an application is officially received to respond to a warehousing and distribution application, and 120 days to respond to a processing or manufacturing application.

ONCE APPROVED, WHEN CAN I ACTIVATE AND HOW LONG DOES IT TAKE?
FTZ activations are managed through JAXPORT and determined by CBP. The timeframe largely depends on the applicant's active participation and the activation requirements. Zone Manager Lisa Diaz can provide further details.

AM I REQUIRED TO SIGN AN OPERATOR AGREEMENT?
Agreements are required between JAXPORT, the Zone Grantee and you as the Zone Operator.
FTZ Savings

CASH FLOW
Standing inventory is held in the FTZ without duty, often resulting in substantial savings, particularly during the first year. Customs duties are paid only when foreign merchandise is shipped into U.S. Customs territory.

PRODUCTION EQUIPMENT
The FTZ allows you to defer duty payment on production equipment and spare parts until the items are in use.

DUTY DRAWBACK
The FTZ program removes the need to seek duty drawback on destroyed, damaged, obsolete or returned goods.

MERCHANDISE PROCESSING FEE
FTZ No. 64 users only have to file and pay MPF once a week on outbound shipping weeks, often at a reduced rate, rather than per shipment. This is a more efficient and cost effective solution for busy importers.

FTZ Sites

FACILITY JURISDICTION
You can apply for FTZ designation if you are located in any of the approved eight counties in Zone No. 64. Your business location can be owned or leased, on or off of port property.

There are additional options for businesses located outside of the designated FTZ counties. Zone Manager Lisa Diaz can provide details.

MAGNET SITES
Although using a Magnet Site may offer a faster application process, companies do not have to be in a Magnet Site to receive FTZ approval and benefits.

EXISTING 3PL FTZ WAREHOUSES
These FTZ sites are already categorized as active zone sites so FTZ benefits will begin immediately. For the most up to date list of participating warehouses, contact Zone Manager Lisa Diaz.
# A Comparison of Foreign Trade Zone No. 64 and Bonded Warehouses

<table>
<thead>
<tr>
<th>FUNCTION</th>
<th>FTZ No. 64</th>
<th>BONDED WAREHOUSE</th>
</tr>
</thead>
<tbody>
<tr>
<td>CUSTOMS ENTRY</td>
<td>A Foreign Trade Zone is not considered within customs territory. Customs entry is filed when goods are removed from the FTZ for U.S. consumption.</td>
<td>A bonded warehouse is within the U.S. Customs territory. Customs entry must be filed for goods to enter the warehouse.</td>
</tr>
<tr>
<td>CUSTOMS BOND</td>
<td>Admissions to the zone are covered under the FTZ operator’s Continuous Bond.</td>
<td>Customs Bonds are required for all warehouse entries.</td>
</tr>
<tr>
<td>PERMISSIBLE CARGO</td>
<td>Foreign and domestic goods may be placed in an FTZ.</td>
<td>Only foreign goods may be placed in a bonded warehouse.</td>
</tr>
<tr>
<td>PAYMENT OF DUTY</td>
<td>Duties are assessed only upon entry for U.S. consumption.</td>
<td>Duties are due prior to release from bonded warehouses.</td>
</tr>
<tr>
<td>GOODS MANUFACTURING</td>
<td>Manufacturing is permitted within the FTZ. Duty is payable on either the imported components or the rate of the finished product, whichever is lower when approved. There is no duty on waste material or on value-added manufacturing.</td>
<td>Manufacturing is not permitted in a bonded warehouse.</td>
</tr>
<tr>
<td>APPRAISAL &amp; CLASSIFICATION</td>
<td>The tariff rate and the value of goods may be determined either at the time of admission into an FTZ or when goods leave, at the user’s discretion.</td>
<td>Tariff rate and the value of goods are determined immediately upon entering a bonded warehouse.</td>
</tr>
<tr>
<td>STORAGE PERIOD</td>
<td>Unlimited.</td>
<td>Not to exceed five years.</td>
</tr>
<tr>
<td>PERMITTED ACTIVITY</td>
<td>Goods may be: sorted, destroyed, cleaned, graded, mixed with foreign or domestic goods, labeled, assembled, manufactured, exhibited and repacked.</td>
<td>Goods may only be cleaned, repackaged and sorted under customs’ supervision. Duty is owed on entire shipment entering a bonded warehouse including waste and damaged goods.</td>
</tr>
<tr>
<td>DOMESTIC GOODS</td>
<td>May be admitted without customs permit and co-mingled with foreign goods.</td>
<td>May not be admitted.</td>
</tr>
<tr>
<td>CONTROL OF GOODS</td>
<td>FTZ has full control of goods 24 hours per day.</td>
<td>Customs has primary control of goods. The goods can only be inspected and transferred during regular working hours in a bonded warehouse.</td>
</tr>
<tr>
<td>MOVEMENT OF GOODS</td>
<td>Movement of goods is relatively unrestricted in and out of an FTZ.</td>
<td>Movement of goods is limited in a bonded warehouse. Specific customs approval is required for each movement.</td>
</tr>
</tbody>
</table>
FTZ No. 64 AT A GLANCE

STREAMLINED CUSTOMS CLEARANCE
A Foreign Trade Zone (FTZ) is a secured site within the United States, but technically considered outside of U.S. Customs' jurisdiction, allowing shippers to streamline clearance through the weekly entry benefits and direct delivery port to zone.

OPERATE MORE EFFICIENTLY
Efficiently manage cash flow and save a significant amount of money on imported cargo shipments or manufacturing and distribution operations by using FTZ No. 64.

ROOM TO GROW
FTZ No. 64 operates under the Alternative Site Framework (ASF), which extends the zone to include eight counties and more than 5,000 square miles within Northeast Florida.

EASY INTEGRATION
The FTZ's Alternative Site Framework allows for easy integration into your company's existing site/location and business plan.

FAST APPROVALS
Storage and distribution sites can be approved in 30 days or less.
Manufacturing and processing plants can be approved in as few as 120 days.

CLOSE PROXIMITY
Premiere industrial land sites are available within FTZ No. 64.

VALUES USED TO CALCULATE YOUR SAVINGS FROM FTZ NO. 64

Total annual value of imports
Total annual percentage of waste from manufacturing process
Annual percentage of export / re-export
Average duty rates of raw materials
Average duty rate of finished goods
Total annual number of entries
FTZ No. 64 Benefits

FOR 3PLs
Streamlined Customs clearance
Immediate benefits for your customers
Direct delivery port to zone
MPF weekly filing
Duty deferral & elimination
Labeling, repairs, markings & repacking

FOR DISTRIBUTION CENTERS
Streamlined Customs clearance
Direct delivery port to zone
MPF weekly filing
Duty deferral & elimination
Labeling, repairs, markings & repacking

FOR MANUFACTURERS
Streamlined Customs clearance
Duty reduction
Direct delivery port to zone
MPF weekly filing
Duty deferral & elimination
Production equipment benefit

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SCAN TO LEARN MORE INFORMATION ABOUT FOREIGN TRADE ZONE NO. 64

CONNECT WITH JAXPORT