

NIH Policy Manual

26101-41-F - Temporary Import Bonds

Issuing Office: OD/OM/OALM/OLAO/DLS **Phone:** [\(301\) 496-5921](tel:3014965921)

Issuing Office Website: <https://olao.od.nih.gov/division-logistics-services/about-DLS>

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Transmittal Notice

1. **Explanation of Material Transmitted:** This chapter establishes specific instructions for applying for a Temporary Import Bond (TIB) in lieu of paying duty for temporary dutiable items. This version has been updated to include Customs Duty payment, the Customs Form, Scope, Responsibilities, and Definitions.
2. **Filing Instructions:**

Remove: NIH Policy Manual, Chapter 26101-41-F, dated 09/01/2002

Insert: NIH Policy Manual, Chapter 26101-41-F, dated 11/26/2018

PLEASE NOTE: For information on:

- Content of this chapter, contact the issuing office listed above.
- NIH Policy Manual, contact the Division of Management Support, OMA on 301-496-4606, or enter this URL: <https://oma.od.nih.gov/DMS/Pages/Manual-Chapters.aspx>.

A. Purpose

This Chapter establishes specific instructions for applying for a Temporary Import Bond (TIB) in lieu of paying duty for temporary dutiable items.

B. Scope

The objectives and responsibilities set forth in this manual are applicable to all NIH importers.

C. Background

The importer (NIH procurement official) must pay duty when importing drugs, pharmaceuticals, chemicals, or other commodities considered dutiable and of temporary use by the U.S. Customs Service, unless a TIB is posted. Failure to notify the U.S. Customs Service of the disposition of TIB imports may result in the levy of fines.

D. Policy

NIH policy requires applying for a TIB in lieu of payment of an import duty. An exception is allowed when the duty does not exceed \$100 and is advantageous to the Government. Either action is handled by the Customhouse Broker who asks the importer to choose between one of two options: (1) pay the duty or, (2) apply for a TIB.

E. Responsibilities

1. Procurement Official: The Procurement Official is responsible for contacting the Freight Forwarding Section (FFS), Transportation Management Branch (TMB), Division of Logistics Services (DLS) for inquiries on the TIB process. The importer must provide details on the contents, origin, and destination.
2. FFS, TMB, DLS, OLAO, OALM: The FFS, TMB, DLS will assist and provide the NIH and Customhouse Brokers information to apply for the TIB. The FFS, TMB, DLS will:
 - a. receive shipping documents with approved TIB,
 - b. provide carriers with the Transportation Service Order numbers,
 - c. receive Transportation Service Orders with invoice for payment, and
 - d. submit documents to the NIH Office of Financial Management (OFM) for payment processing.

F. Procedures

1. Paying Customs Duty

The importer must pay the duty by directing the Customhouse Broker to include this charge on the invoice. The importer must complete and submit [NIH 1884 Form – Request for Shipment](#) to Freight Forwarding Section, TMB, DLS. The Customhouse Broker will contact the Freight Forwarding Section, TMB, DLS to request a Transportation Service Order to submit with the invoice. The importer must instruct the Broker to note on the invoice the importer's name, phone number, building and room numbers, and the appropriate fiscal year Common Accounting Number. The Customhouse Broker will send the invoice and Transportation Service Order to:

Transportation Management Branch

Freight Forwarding Section
9000 Rockville Pike
Building 13 / Room 1336
MSC 5725
Bethesda, Maryland 20892

2. Applying for a Temporary Import Bond

The importer may direct the Broker to apply for a TIB. The requirements are:

- a. The importer must send a disposition letter via the Customhouse Broker to the U.S. Customs Service within a year of the import. This letter (see appendix 1) must include the following information:
 1. The customs-assigned TIB entry number and entry date
 2. The merchandise (commodity) description
 3. The reason for import
 4. The disposition (status) of the merchandise (i.e., used in its entirety, destroyed)
 5. The signature of the importer or someone who has first-hand knowledge of the imported material and its disposition. The disposition letter shall be handled as follows:
 - a. Address the letter to:

Department of the Treasury
U.S. Customs Service
P.O. Box 17423
Washington, D.C. 20041
Attn: District Director
 - b. Attach a copy of Customs Form [CBP 7501](#) to the letter.
 - c. Mail the original letter Registered/Return Receipt to the Customhouse Broker. The Broker will date stamp and file the letter with the Customs Service on behalf of the importer.
 - d. File a copy for future reference.
- b. The importer must request in writing a one-year extension or permission to destroy the commodity from the U.S. Customs Service. Requests must be submitted at least two months prior to the TIB expiration date. Up to two 1-year extensions may be granted. When the TIB has been extended, the importer is still required to submit a disposition letter when the TIB is no longer required (See F.2.a. above).
- c. If the commodity is exported by the importer prior to expiration of the TIB, the importer must notify the U.S. Customs Service of the circumstances, in writing, to request cancellation of the TIB.

3. Filing for a Petition for Relief

Failure to follow the above procedures will result in a “NOTICE OF PENALTY OR LIQUIDATED DAMAGES INCURRED AND DEMAND FOR PAYMENT” (19 CFR 18.6, 172.31). The importer has 30 days to pay the fine or file petition for relief upon receipt of the notice. The importer must include the information outlined in procedure F.2.a. above, the Customs-assigned Case Number, and the justification for relief.

4. Distribution Process

The distribution process for filing written notifications to the U.S. Customs Service for an extension, permission to destroy a commodity, an export, or a Petition for Relief is the same as the method of distribution for disposition letters. The importer addresses the letter to the U.S. Customs Service, mails the original letter to the Broker.

G. References

1. [CBP Form 7501 – Entry Summary](#)
2. [NIH Policy Manual Chapter 1340-1 – Permits for the Import, Transfer, or Export of Biological Materials](#)
3. [NIH Policy Manual Chapter 1743 – Keeping and Destroying Records](#)
4. [NIH Policy Manual Chapter 26101-42-F – Shipping Policies and Procedures](#)

H. Definitions

Customhouse Broker – an agent who acts for merchants in entering and clearing goods.

Customs Duty – Customs duty is a tariff or tax imposed on goods when transported across international borders. The purpose of customs duty is to protect each country's economy, residents, jobs, environment, etc., by controlling the flow of goods, especially restrictive and prohibited goods, into and out of the country.

Import – to bring (goods or services) into a country from abroad for sale.

Temporary Import Bond – A temporary import bond or “Temporary Importation under Bond” is required when goods are brought into the United States or Canada without payment of duty, by posting a bond to guarantee that they will be exported. The amount of the bond is usually double the estimated duties.

Appendix 1 – Sample Letter

Department of the Treasury
U.S. Customs Service
P.O. Box 17423

Washington, D.C. 20041

Attn: District Director

Dear Customs Officer:

Re: Temporary Import Bond Entry Number E5XXXXXXXXXX-X for Dideoxycytidine-Entry
Date August 2, 2017

The National Cancer Institute (NCI) has a contract for the synthesis of chemicals with activity versus the causative virus in Aids (HIV) with Raylo Laboratories of Edmonton, Alberta, Canada. Dideoxycytidine will be supplied to the NCI by Raylo under the terms of contract number XXX-XX-XXXXXX.

The chemical will be used in the treatment of patients with AIDS in trials sponsored by the NCI and the National Institute of Allergy and Infectious Diseases.

I therefore request the Temporary Import Bond referenced above.

Sincerely,

John C. Doe, Procurement Official
Pharmaceutical Research Branch
Developmental Therapeutics Program
Division of Cancer Treatment National Cancer Institute

Attachment (Customs Form 7501)
Original Letter to Customhouse Broker
Copy to Supervisor, Freight Forwarding Section