

**Exporting Vehicles from the USA**  
**Informed Compliance Ends October 2, 2014**  
**Penalty Phase to Begin October 3, 2014**

Date: 9/22/14

On April 5, 2014 the U.S. Census Bureau and U.S. Customs and Border Protection implemented a 180 day informed compliance period regarding the enforcement of the new FTR Export Trade Regulations (published March 14, 2013). During the informed compliance period no penalties were issued for failure to comply with the new requirements. **The period of informed compliance will end on October 2, 2014.**

**What does this mean?**

This means that as of October 3, 2014, the [new export regulations](#) will be 100% enforceable and penalties will be issued for non-compliance.

**What will change under the new Export Trade Regulations?**

The change that will have the most impact is the requirement for an AES export declaration to be filed for all Used Self-Propelled Vehicles (USPV) being exported from the United States.

*For information on other changes, please refer to our previous memo, "Changes to the FTR Export Regulations" dated April 4, 2014 on Page 5 of this document.*

**What is considered to be a Used Self-Propelled Vehicle?**

Used Self-Propelled Vehicles (USPV) are defined as any automobile, truck, tractor, bus, motorcycle, motor home, self-propelled agricultural machinery, self-propelled construction equipment, self-propelled special use equipment, and any other self-propelled vehicle used or designed for running on land but not rail; whose equitable or legal title has been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser.

There is no distinction made between vehicles which are street legal or not.

A listing by HTS/Schedule B Classification can be found in [Appendix U to the AESTIR](#).

**Are USPV shipments to Canada exempt from filing?**

**NO.** The new export regulations require that all shipments of USPV be declared via an AES declaration regardless of country of destination.

**What about shipments which do not contain USPV destined for Canada?**

Unless a shipment requires an export license from the BIS or any other U.S. Government Agency, it is exempt from AES Filing under 15CFR§30.36.

## **Frequently Asked Questions**

The following Frequently Asked Questions were compiled during the informed compliance period. If you have a specific question that isn't covered here please contact us at [aes@affiliatedcb.com](mailto:aes@affiliatedcb.com) or at 915-592-3000.

### **I am shipping a USPV along with other items to Canada, do I need to declare these items?**

The USPV will need to be declared, if the other items do not meet the above definition of USPV and do not require an export license, they are exempt from filing.

### **I am shipping more than one USPV on the same truck to final destination Canada, do I need to file separate declarations?**

No, all USPV's shipping on the same truck can be filed under a single AES declaration *if* they are all shipping from one USPPI to one Ultimate Consignee on the same day and on the same conveyance.

Vehicles shipping separately, or to separate consignees will need separate AES declarations.

### **I am shipping more than one USPV on the same truck but the vehicles will *transit through Canada* to multiple overseas destinations, do I need to file separate declarations?**

Yes, an AES declaration will be required for each vehicle shipping to a different destination.

### **I own a racing team and we ship racecars and other related equipment back and forth between the United States and Canada, do I need to file an AES declaration each time?**

Yes. A declaration will be required each time your USPV is exported to Canada, and it is required at least 72-hours prior to export. Any equipment that does not meet the above mentioned definition of a USPV is exempt.

### **I plan to present my vehicle title and supporting documents to U.S. Customs at the Port of Export to meet their 72 hour requirement, do I still need to file an AES declaration?**

Yes. The requirement to file AES is *in addition* to port requirements for exporting vehicles.

### **I need to file an AES declaration, what information and/or documents do I need to supply to Affiliated?**

A Power of Attorney from either the USPPI or FPPI, Bill of Sale or Commercial Invoice, copy of the Vehicle Title, a Shippers Letter of Instruction (SLI), and any

other supporting documents you may have need to be sent to our AES team via email at [aes@affiliatedcb.com](mailto:aes@affiliatedcb.com).

**What is a the U.S. Principal Party in Interest (USPPI)?**

The USPPI is the person or legal entity that receives the primary benefit, monetary or otherwise, from the export transaction. Generally that person or entity is the U.S. seller, manufacturer, order party or foreign entity purchasing/obtaining the goods.

**I am a foreign entity and I purchased a USPV from the United States over the internet, can I declare myself as the USPPI?**

If you were physically in the United States at the time of the sale you may declare yourself as the USPPI. Please report your Name and Passport Number on the SLI worksheet, but report the actual Address, City, State, Zip from which the USPV originated.

If you were outside of the United States at the time of the sale you may not declare yourself as the USPPI.

**I am a foreign entity and I purchased a USPV at auction in the United States, the auction house does not want to be declared as the USPPI.**

Under federal law, the auction house or seller of the USPV is considered to be the USPPI. With this one exception - If you were physically in the United States at the time of the sale you may declare yourself as the USPPI.

**Do I need to provide a Federal TAX ID/EIN for the USPPI?**

YES. This is mandatory.

The only exception is for foreign entities who are physically in the United States at the time of the sale. In such cases your passport number may be used in lieu of an EIN.

**The USPPI doesn't have a Federal TAX ID/EIN, can they use their Social Security Number?**

NO. Due to privacy concerns a social security number is not acceptable. An EIN can be obtained over the internet by [visiting the IRS website](#).

**I will be driving my vehicle across the border, what carrier information do I input on the SLI?**

Mode of Transport is "Road, Other", Exporting Carrier Name is the name of the person driving the vehicle, SCAC is "UNKN", Transportation Reference Number is the license plate number.

**What does Routed Mean?**

A shipment is routed when Affiliated (the agent) is authorized to file the AES declaration by the Foreign Principal Party in Interest (FPPI), it is not routed when the authorization is granted by the USPPI.

**My USPV will be transiting through Canada for another country overseas, what do I show as the country of destination? Who do I show as the Ultimate Consignee?**

The ultimate consignee is the party who is receiving this shipment at the final destination, this will also be the country of destination.

**Where can I find the Schedule B Number?**

A list of 2014 Schedule B numbers can be [found here](#).

Passenger vehicles are found between 8703.10.1000 and 8703.90.0000. Please choose the number which best fits your vehicle.

**Where can I find the Export Code?**

The most common export codes for a typical shipment of USPV are, **OS** – All Other Exports, and **HV** – Personally owned vehicles not intended for sale. Do not use code HV if you are a reseller.

**Where can I find the License Code?**

The most common License Code for a typical shipment of USPV is **C33** – No License Required.

If your shipment requires an export license, please contact our AES team for further guidance.

**I have provided all of the required documents to Affiliated, what happens next?**

We will review your documents for errors, if anything is missing or needs clarification we will contact you. Once we have received all documents and everything is in order we will file the AES declaration electronically. We will provide you (via email) with an AES Internal Transaction Number (ITN) as soon as it has been accepted. You must provide the AES ITN to U.S. Customs at the Port of Export at least 72 hours prior to export.

## Changes to the FTR Export Regulations – Effective April 5, 2014

### REVISED 4/10/14

New rules have been published in the Federal Register with regard to export reporting requirements. The publication of the final rule amends the regulations published in 2008 that govern how exporters must file electronic export information with the Census Bureau.

Export regulations can be found in [Chapter 15 of the Code of Federal Regulations, Part 30](#). All references to a specific regulation are found in 15CFR unless otherwise noted. Revisions to the regulations can currently be [found here](#), until the 15CFR30 is officially updated.

The new rules will be effective on April 5, 2014. The following is a brief outline of the major changes, and the requirements that will come along with them.

1. Used Self-Propelled Vehicles
2. Data Elements
3. Port of Export
4. Post departure Filing
5. Household Goods
6. Split Shipments
7. Exclusions
8. Exemptions
9. International Waters
10. Informed Compliance Period

#### **1. Used Self-Propelled Vehicles**

Used Self-Propelled Vehicles (USPV) are defined as any automobile, truck, tractor, bus, motorcycle, motor home, self-propelled agricultural machinery, self-propelled construction equipment, self-propelled special use equipment, and any other self-propelled vehicle used or designed for running on land but not rail; whose equitable or legal title has been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser.

There is no distinction made between vehicles which are street legal or not. [\[19CFR192.1\]](#)

A listing by HTS/Schedule B Classification can be found in [Appendix U to the AESTIR](#).

All USPV must now be filed in AES regardless of value or country of destination. **USPV shipping to Canada are no longer exempt and must be filed in AES**. The AES ITN or filing citation must be provided to CBP at least 72 hours prior to export.

#### **2. Data Elements**

Two new Data Elements have been added.

**License Value** will need to be reported at the line item level for items which require an Export License. This is separate from the line item value, even though the license value may be identical.

This is a *conditional* element which will only be required in the event that the item requires an export license.

**Consignee Type** one of the following four types need to be reported: Direct Consumer, Government Entity, Reseller and Other/Unknown. Other/Unknown is an entity that does not fall under one of the other three types or whose type is not known at the time of export.

This is a *mandatory* element which is required on all AES filings.

### **3. Port of Export**

The language in the regulations has been revised to specify that the Port of Export for shipments by overland transportation is where the goods cross the U.S. border into Mexico or Canada, including transshipments through Canada or Mexico to other countries.

### **4. Post departure Filing**

The filing timeframe for post departure filing has been changed from 10 calendar days to 5 calendar days. Note that this only applies to filers who have already been approved for post departure filing as new applications for post departure filing are still not being accepted.

### **5. Household Goods**

The definition of Household Goods has been modified and now reads – Usual and reasonable kinds and quantities of personal property necessary and appropriate for use by the USPPI in the USPPI's dwelling in a foreign country that are shipped under a bill of lading or an air waybill and are not intended for sale.

The export code for Household Goods can only be used for shipments where the USPPI is the Ultimate Consignee.

### **6. Split Shipments**

The definition of a Split Shipment has been modified and now reads – A shipment booked for export that is divided by the carrier into more than one conveyance and sent on two or more conveyances of the same carrier from the same port within 24 hours.

This applies to all modes of transportation, not just Air. However, **the only party who is permitted to split a shipment under this heading is the exporting carrier**. Shipments that are split by other parties will require separate AES filings.

### **7. Exclusions**

AES filing is not required for licensed goods where the country of ultimate destination is the United States –or- for goods destined to International Waters where the person(s) or entity assuming control of the item(s) is a U.S. Citizen or permanent resident alien of the United States [ **§30.25(d)(5)** ]. The exclusion legend is *required* to be reported on the Bill of Lading, Air Waybill, Export Shipping Instructions, or other commercial loading documents.

### **8. Exemptions**

The following exemptions have been *added*:

- a) Exports of technical data and defense service exemptions as defined in 22CFR123.22(b)(3)(iii) are exempt from the EEI filing requirements. [ **§30.37(u)** ]
- b) Reporting vessels, aircraft, cargo vans, and other carriers and containers when shipping as tools of international trade. [ **§30.37(v)** ]
- c) Shipments to Army Post Office, Diplomatic Post Office, Fleet Post Office. [ **§30.37(w)** ]
- d) Shipments exported under License Exemption BAG [ **§30.37(x)** ]
- e) Specific types of shipments destined for a country listed in Country Group E:1, namely Cuba, Iran, North Korea, Sudan and Syria. These countries support acts of international terrorism. [ **§30.37(y)** ]

The following exemptions have been *removed*:

- a) Temporary Shipments of goods valued over \$2,500.00 USD per Schedule B or that fall under §30.2(a)(1)(iv) must be filed in the AES. This requirement is in addition to a CF4455 Certificate of Registration.  
When reporting temporary exports report the appropriate export information code for temporary goods, such as “TE” export intended for return and “TP” for domestic merchandise or “CR” for shipments under a Carnet. [ **§30.37(q) & §30.37(l)** ]

- b) Exemption for goods previously entered under a Temporary Importation Bond being exported from the US, §30.37(q) and (r). **This means that ALL TIB shipments must be filed in AES upon exportation.\*** The importer of record shown on the CF7501 at the time of import is the USPPI at the time of export. The address that needs to be reported in the AES is the location from where the shipment actually begins its journey to the port of export. Importers who refuse to assume the responsibility of the USPPI are in violation of Federal Law.  
\*TIB shipments which do not contain USPV, returning to Canada are exempt from this rule. §30.36(a)
- c) In-bond (in-transit) shipments. This is now covered under the current exclusion.  
**[ §30.2(d)(1) ]**

## **9. International Waters**

The definition of International Waters has been revised and now reads – Waters located outside the U.S. territorial sea, which extends 12 nautical miles measured from the baselines of the United States, and outside the territory of any foreign country, including the territorial water thereof. Note that vessels, platforms, buoys, undersea systems, and other similar structures that are located in international waters, but are attached permanently or temporarily to a country's continental shelf, are considered to be within the territory of that country.

In the case of licensed shipments to international waters, the person designated on the export license now required to be reported as the Ultimate Consignee.

For Bureau of Industry and Security license exceptions and non-licensed shipments to international waters, the filer will be required to report the nationality of the person(s) or entity assuming control of the item(s) subject to the EAR **[ §30.6(a)(5)(i) ]**.

## **10. Informed Compliance Period**

The U.S. Census Bureau and CBP will be providing an additional 180 days to allow members of the trade community to come into compliance with the new requirements. During this time, no penalties will be issued for failure to comply with any new requirements. Penalties may be issued for violations of regulations that remain unchanged from the FTR prior to this memo.

**This is not to be interpreted as a pass to avoid filing export declarations, export control officers will detain any shipment which is not in compliance.**

The Informed Compliance period will take place from April 5, 2014 to October 2, 2014.