# 52.225-8 Duty-Free Entry.

As prescribed in 25.1101(e), insert the following clause:

Duty-Free Entry (Oct 2025)

(a) *Definition*. "*Customs territory of the United States*" means the States, the District of Columbia, and Puerto Rico.

(b) Except as otherwise approved by the *Contracting Officer*, the Contractor *shall* not include in the contract price any amount for duties on *supplies* specifically identified in the Schedule to be accorded duty-free entry.

(c) Except as provided in paragraph (d) of this clause or elsewhere in this contract, the following procedures apply to *supplies* not identified in the Schedule to be accorded duty-free entry:

(1) The Contractor *shall* notify the *Contracting Officer in writing* of any purchase of foreign *supplies* (including, without limitation, raw materials, *components*, and intermediate assemblies) in excess of $20,000 that are to be imported into the *customs territory of the United States* for delivery to the Government under this contract, either as *end products* or for incorporation into *end products*. The Contractor *shall* furnish the notice to the *Contracting Officer* at least 20 calendar days before the importation. The notice *shall* identify the-

(i) Foreign *supplies*;

(ii) Estimated amount of duty; and

(iii) Country of origin.

(2) The *Contracting Officer* will determine whether any of these *supplies should* be accorded duty-free entry and will notify the Contractor within 10 calendar days after receipt of the Contractor's notification.

(3) Except as otherwise approved by the *Contracting Officer*, the contract price *shall* be reduced by (or the allowable cost *shall* not include) the amount of duty that would be payable if the *supplies* were not entered duty-free.

(d) The Contractor is not required to provide the notification under paragraph (c) of this clause for purchases of foreign *supplies* if-

(1) The *supplies* are identical in nature to items purchased by the Contractor or any subcontractor in connection with its commercial business; and

(2) Segregation of these *supplies* to ensure use only on Government contracts containing duty-free entry provisions is not economical or feasible.

(e) The Contractor *shall claim* duty-free entry only for *supplies* to be delivered to the Government under this contract, either as *end products* or incorporated into *end products*, and *shall* pay duty on *supplies*, or any portion of them, other than *scrap*, salvage, or competitive sale authorized by the *Contracting Officer*, diverted to nongovernmental use.

(f) The Government will execute any required duty-free entry certificates for *supplies* to be accorded duty-free entry and will assist the Contractor in obtaining duty-free entry for these *supplies*.

(g) Shipping documents for *supplies* to be accorded duty-free entry *shall* consign the *shipments* to the *contracting* agency in care of the Contractor and *shall* include the-

(1) Delivery address of the Contractor (or *contracting* agency, if appropriate);

(2) Government prime contract number;

(3) Identification of carrier;

(4) Notation "*UNITED STATES* GOVERNMENT, _____ *[agency]* _____, Duty-free entry to be claimed pursuant to Item No(s) _____ *[from Tariff Schedules]* _____, Harmonized Tariff Schedules of the *United States*. Upon arrival of *shipment* at port of entry, District Director of Customs, please release *shipment* under 19 CFR Part 142 and notify *[cognizant contract administration office]* for execution of Customs Forms7501 and 7501-A and any required duty-free entry certificates.";

(5) Gross weight in pounds (if *freight* is based on space tonnage, state cubic feet in addition to gross shipping weight); and

(6) Estimated value in *United States* dollars.

(h) The Contractor *shall* instruct the foreign supplier to-

(1) Consign the *shipment* as specified in paragraph (g) of this clause;

(2) Mark all packages with the words "*UNITED STATES* GOVERNMENT" and the title of the *contracting* agency; and

(3) Include with the *shipment* at least two copies of the bill of lading (or other shipping document) for use by the District Director of Customs at the port of entry.

(i) The Contractor *shall* provide written notice to the cognizant *contract administration office* immediately after notification by the *Contracting Officer* that duty-free entry will be accorded foreign *supplies* or, for duty-free *supplies* identified in the Schedule, upon award by the Contractor to the overseas supplier. The notice *shall* identify the-

(1) Foreign *supplies*;

(2) Country of origin;

(3) Contract number; and

(4) Scheduled delivery date(s).

(j) The Contractor *shall* include the substance of this clause in any subcontract if-

(1) *Supplies* identified in the Schedule to be accorded duty-free entry will be imported into the *customs territory of the United States*; or

(2) Other foreign *supplies* in excess of $20,000 *may* be imported into the *customs territory of the United States*.

(End of clause)

**Parent topic:** 52.225 [Reserved]