Subpart 225.9 - CUSTOMS AND DUTIES

Parent topic: Part 225 - FOREIGN ACQUISITION

225.900 RESERVED

225.900-70 Definition.

“Component,” as used in this subpart, means any item supplied to the Government as part of an end product or of another component.

225.901 Policy.

Unless the supplies are entitled to duty-free treatment under a special category in the Harmonized Tariff Schedule of the United States (e.g., the Caribbean Basin Economic Recovery Act or a Free Trade Agreement), or unless the supplies already have entered into the customs territory of the United States and the contractor already has paid the duty, DoD will issue duty-free entry certificates for—

(1) Qualifying country supplies (end products and components);

(2) Eligible products (end products but not components) under contracts covered by the World Trade Organization Government Procurement Agreement or a Free Trade Agreement; and

(3) Other foreign supplies for which the contractor estimates that duty will exceed $300 per shipment into the customs territory of the United States.

225.902 Procedures.

Follow the entry and release procedures at PGI 225.902 .

225.903 Exempted supplies.

(b)(i) For an explanation of the term “supplies,” see PGI 225.903 (b)(i).

(ii) The duty-free certificate shall be printed, stamped, or typed on the face of, or attached to, Customs Form 7501. A duly designated officer or civilian official of the appropriate department or agency shall execute the certificate in the format provided at PGI 225.903 (b)(ii).