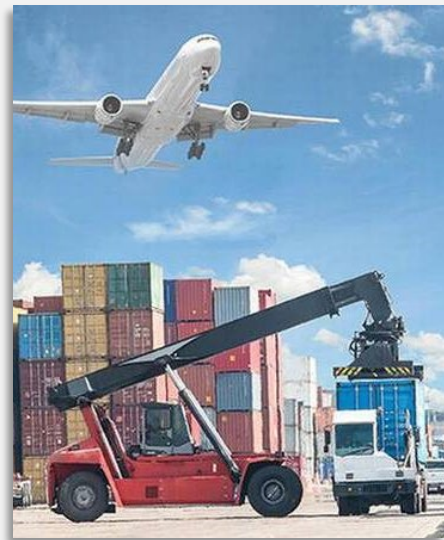
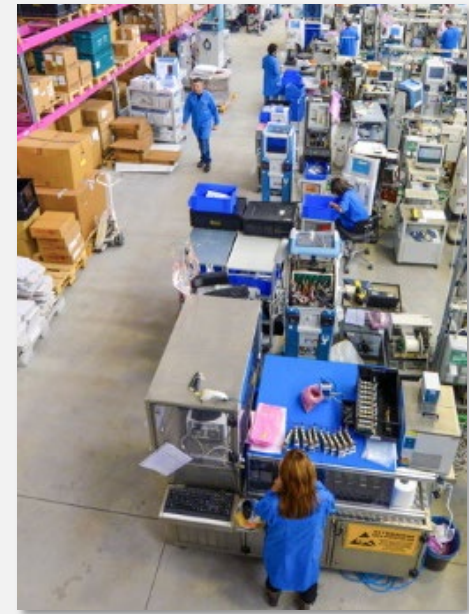




Suffolk County's Foreign-Trade Zone (FTZ #52) is one of Long Island's most valuable resources for local businesses wanting to reduce costs and compete more profitably in the international marketplace.

What Is A Foreign-Trade Zone?

A Foreign-Trade Zone is a designated location in the United States at or near a U.S. Customs port of entry where foreign and domestic merchandise is generally considered to be in international commerce. Merchandise may enter this area without a formal Customs entry, or payment of duties or excise taxes. To encourage U.S. competition with foreign products, companies in an FTZ can use procedures that allow for delayed, reduced, or elimination of duty payments for foreign merchandise. Duties are paid only on those goods entering the domestic marketplace – so duty payments may be avoided altogether if products are directly exported. Foreign-Trade Zones give U.S. based companies increased global competitiveness by eliminating some of the impediments related to manufacturing or warehousing domestically.



Is An FTZ For You?

Industries of all types can benefit - construction, food production, fashion, luxury goods, green tech, warehousing, and pharmaceuticals to name a few.

Is your business engaged in activities such as warehousing, repackaging or manufacturing?

Do you have, or plan to have business facilities in Suffolk County?

Do components or finished products you sell or transport come from abroad?

Do your imports result in payments of \$50,000 or more annually in Customs duties and fees?

If this describes your business, then operating in a Foreign-Trade Zone will likely save you money, streamline your operations, reduce your paperwork and improve your overall market competitiveness.

FTZ#52 Has Two Types Of Sites

1. Magnet Site

A magnet site accommodates multiple users with a variety of activities and is generally located at ports or industrial parks. FTZ#52's Magnet Site is located in Ronkonkoma, NY, adjacent to Islip MacArthur Airport, and is operated by the Islip Foreign-Trade Zone Authority.

2. Usage Driven Site

A site approved for a specific business at their current location. A usage driven site allows a business seeking to utilize the FTZ to remain in its existing facility, or relocate to a new facility in Suffolk County. Under the recently established "Alternative Site Framework" a business seeking FTZ designation for its facility can take advantage of a straightforward and fast approval time line.



What Kind Of Merchandise Can Be Placed In A Zone?

Any merchandise that is not prohibited from entry into the territory of the U. S. may be admitted to a zone. If applicable, import licenses or permits from other government agencies may be required to bring certain merchandise into the zone.

What Activity Is Permitted In A Zone?

Merchandise in a zone may be assembled, exhibited, cleaned, manipulated, manufactured, mixed, processed, relabeled, repackaged, repaired, salvaged, sampled, stored, tested, displayed, and destroyed.

Retail trade is prohibited in all Foreign-Trade Zones.

What Are The Benefits To A Zone User?

- *Duty Exemption* – No duties or quota charges on re-exports.
- *Duty Deferral* - CBP duty and federal excise tax, if applicable, are paid only when the merchandise is transferred from the zone for consumption.
- *Duty Reduction* - Finished products manufactured or assembled in an FTZ from imported components may be subject to a lower rate of duty. A manufacturer may elect to pay duty on the component parts or the finished product, whichever rate is lower.
- *Duty Elimination On Waste, Scrap And Yield Loss* - Imported raw materials lost as waste, scrap or other result in the processing or manufacturing process is not considered imported, and therefore no duty is paid on that portion when the finished product ships into the U.S.
- *Weekly Entries* - Zone users may file one entry as opposed to multiple entries throughout the week, significantly reducing paperwork, time and expense.
- *Zone-To-Zone Transfer* - Merchandise may be transferred under bond from one FTZ to another with duties paid only when the merchandise is finally admitted into U.S. Customs territory.
- *Quality Control* - The FTZ may be used for quality control inspections to ensure only acceptable products are imported, with substandard goods being destroyed or returned before duty is paid.
- *Exhibition* - Merchandise and machinery may be held for exhibition or displayed without duty payments.

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Suffolk County Department of Economic Development and Planning

<http://www.suffolkcountyny.gov/Departments/EconomicDevelopmentAndPlanning.aspx>