

INCREASE YOUR COMPETITIVE EDGE WITH FOREIGN TRADE ZONES



THE PORT OF VIRGINIA®



LEGEND

- FTZ #20
- FTZ New Territory
- Rail
- Interstates
- Proposed Interstate 87

A CATALYST FOR COMMERCE



The YARD BOSS® is built by STIHL Inc. at its facility in Virginia Beach and exported to more than 90 countries around the world.



WHAT IS A FOREIGN TRADE ZONE?

Foreign Trade Zones are areas which are geographically inside the US, but are legally considered outside its Customs territory. Companies that locate in FTZs can benefit by using special procedures to encourage US activity by reducing, eliminating or delaying duties.

WHAT ACTIVITIES CAN BE DONE IN A FOREIGN TRADE ZONE?

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

LOCALITIES IN FTZ NO #20

- | | |
|------------------------|------------------------|
| Accomack County | Elizabeth City, NC |
| Camden County, NC | Gates County, NC |
| City of Chesapeake | Grover County, NC |
| City of Franklin | Hertford County, NC |
| City of Hampton | Isle of Wight County |
| City of Newport News | James City County |
| City of Norfolk | Mathews County |
| City of Poquoson | Northampton County, NC |
| City of Portsmouth | Pasquotank County, NC |
| City of Suffolk | Perquimans County, NC |
| City of Virginia Beach | Southampton County |
| City of Williamsburg | Sussex County |
| Chowan County, NC | Surry County |
| Currituck County, NC | York County |

WHAT ARE THE ADVANTAGES OF BEING LOCATED IN A FOREIGN TRADE ZONE?

DUTY DEFERRAL: Users can avoid paying duties on imported merchandise until the goods are removed from the FTZ and enter into the US commerce. Duty on machinery is deferred until it is put into production; there is no duty paid on re-exports or scrap.

INVERTED TARIFFS/DUTY REDUCTION: FTZ users can pay lower duty rates on goods produced in the zone when the finished product has a lower duty rate than the imported components and parts.

WEEKLY ENTRIES: Zone users will benefit if they file multiple Customs and Border Protection entries each week. FTZs allow the user to file this paper work once a week at a rate no higher than \$495.

NO TIME CONSTRAINTS: Merchandise may remain in the zone indefinitely, whether or not it is subject to duty.

CUSTOMS COMPLIANCE: Customs & Border Protection requirements and federal criminal sanctions are deterrents against theft. Cargo that is imported into FTZs have fewer incidents of loss and may result in lower insurance costs.

