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## DEPARTMENT OF HOMELAND SECURITY

### U.S. Customs and Border Protection

#### Modification and Clarification of the National Customs Automation Program Tests Regarding Post-Summary Corrections and Periodic Monthly Statements

**AGENCY:** U.S. Customs and Border Protection, Department of Homeland Security.

**ACTION:** General notice.

**SUMMARY:** This document announces U.S. Customs and Border Protection's (CBP's) modification and clarification to the National Customs Automation Program (NCAP) tests pertaining to the processing of post-summary correction (PSC) claims and periodic monthly statements (PMS). Except to the extent expressly announced or modified by this document, all aspects, rules, terms and conditions announced in previous notices regarding the PSC and PMS tests remain in effect.

**DATES:** As of [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*], the modification and clarification to the PSC and PMS tests will be operational.

**ADDRESSES:** Comments concerning this test program may be submitted via email to Monica Crockett at [ESARinfoinbox@dhs.gov](mailto:ESARinfoinbox@dhs.gov) with a subject line identifier reading, "Post-Summary Corrections and Periodic Monthly Statements."

**FOR FURTHER INFORMATION CONTACT:** For policy-related questions, contact Randy Mitchell, Director, Commercial Operations, Revenue and Entry, Trade Policy and Programs, Office of Trade, via email at [Randy.Mitchell@cbp.dhs.gov](mailto:Randy.Mitchell@cbp.dhs.gov). For technical questions related to ABI transmissions, contact your assigned client representative. Interested parties without an

assigned client representative should direct their questions to the Client Representative Branch at (703) 650-3500.

## **SUPPLEMENTARY INFORMATION:**

### **I. Background**

#### *Post-Summary Correction (PSC) and Periodic Monthly Statement (PMS) Test Programs*

The National Customs Automation Program (NCAP) was established by Subtitle B of Title VI—Customs Modernization in the North American Free Trade Agreement (NAFTA) Implementation Act (Customs Modernization Act) (Pub. L. 103-182, 107 Stat. 2057, 2170, December 8, 1993) (19 U.S.C. 1411). Through NCAP, the thrust of customs modernization was on trade compliance and the development of the Automated Commercial Environment (ACE), the planned successor to the Automated Commercial System (ACS) as the CBP-authorized electronic data interchange (EDI) system. ACE is an automated and electronic system for commercial trade processing which is intended to streamline business processes, facilitate growth in trade, ensure cargo security, and foster participation in global commerce, while ensuring compliance with U.S. laws and regulations and reducing costs for U.S. Customs and Border Protection (CBP) and all of its communities of interest. The ability to meet these objectives depends on successfully modernizing CBP's business functions and the information technology that supports those functions.

CBP's modernization efforts are accomplished through phased releases of ACE component functionality designed to replace specific legacy ACS functions and add new functionality. Section 101.9(b) of title 19 of the Code of Federal Regulations (19 CFR 101.9(b)) provides for the testing of NCAP components. *See* T.D. 95-21, 60 FR 14211 (March 16, 1995). A list of ACE tests is provided in Section III below.

#### *A. PSC Test Program*

On June 24, 2011, CBP published a notice in the *Federal Register* (76 FR 37136) that announced a plan to conduct an NCAP test concerning new ACE capabilities allowing importers to file a PSC for certain entry summaries using the Automated Broker Interface (ABI). Importers and their brokers are also allowed to use ABI to file a PSC to those pre-liquidation ACE entry summaries that were accepted by CBP, fully paid, and under CBP control. On November 19, 2013, CBP published a notice in the *Federal Register* (78 FR 69434) modifying and clarifying the terms and conditions of the PSC test. On December 12, 2016, CBP published another notice in the *Federal Register* (81 FR 89482) further modifying and clarifying the terms and conditions of the PSC test and expanding the list of entry types that could be corrected via a PSC. One of the entry types added was entry type 23 (Temporary Importation Bond (TIB)).

Before the December 12, 2016 notice became effective, CBP published another notice on January 9, 2017, in the *Federal Register* (82 FR 2385), republishing the December 12th notice, and correcting and further clarifying the terms and conditions of the PSC test. Subsequently, on January 17, 2017, CBP published a notice in the *Federal Register* (82 FR 4901) delaying the effective date of the January 9th notice until further notice. Then, on June 8, 2017, CBP published a notice in the *Federal Register* (82 FR 26699) announcing that the January 9th notice would become effective on July 8, 2017. Finally, on June 30, 2017, CBP published a notice in the *Federal Register* (82 FR 29910) delaying the effective date until further notice.

#### *B. PMS Test Program*

On February 4, 2004, CBP published a notice in the *Federal Register* (69 FR 5362) that announced a plan to conduct an NCAP test concerning PMS which allows importers to deposit estimated duties, fees and taxes on a monthly basis. CBP modified and clarified the PMS test in

seven subsequent *Federal Register* notices published on: September 8, 2004 (69 FR 54302); February 1, 2005 (70 FR 5199); August 8, 2005 (70 FR 45736); September 22, 2005 (70 FR 55623); January 20, 2006 (71 FR 3315); June 2, 2006 (71 FR 32114); and October 17, 2008 (73 FR 61891). On December 12, 2016, CBP published a notice in the *Federal Register* announcing a modification to the PMS test. See 81 FR 89482. On January 9, 2017, CBP published a notice in the *Federal Register* (82 FR 2385), republishing the December 12, 2016 notice with some corrections and further clarification. Subsequently, on January 17, 2017, CBP published a notice in the *Federal Register* (82 FR 4901) delaying the effective date of the January 9th notice until further notice. On June 8, 2017, CBP published a notice in the *Federal Register* (82 FR 26699) announcing that the January 9th notice would become effective on July 8, 2017. Finally, on June 30, 2017, CBP published a notice in the *Federal Register* (82 FR 29910) delaying the effective date until further notice.

## **II. Test Modifications and Clarification**

This document announces a modification and clarification of the PSC test, and a modification of the PMS test. The modifications and clarification are discussed separately below. Except to the extent expressly announced or modified by this document, all aspects, rules, terms, requirements, obligations and conditions announced in previous notices regarding the PSC and PMS tests remain in effect.

### *A. Modification of the PSC Test*

This document announces that CBP is extending the deadline for filing a PSC. The new deadline requires a PSC to be transmitted within 300 days of the date of entry or 15 days prior to the scheduled liquidation date, whichever date is earlier. Prior to this modification, a PSC had to be transmitted within 270 days of the date of entry, but could not be filed within 20 days of the

scheduled liquidation date. This change is being made to increase the amount of time a filer has to submit a PSC on entry summaries.

*B. Clarification of the PSC Test*

CBP announced in the December 12th notice that the types of entries that may be corrected by filing a PSC were expanded to additional entry types, one of them being entry type 23 (TIB). This notice clarifies that a PSC concerning a TIB may be filed only to correct data elements of a TIB that do not change a TIB entry to another entry type; in addition, this notice clarifies that a PSC may not change data elements that change another entry type to a TIB entry. For example, a PSC may correct the value declared on a TIB entry, but it may not change the classification of the article to a classification that is not entitled to be filed as a TIB entry, as that classification change would necessarily change a TIB entry to another entry type.

*C. Modification of the PMS Test*

The proposed modification, published in the January 9, 2017 notice, considers a PMS as paid, in the event the importer uses the Automated Clearing House (ACH) debit process, when CBP receives notification from the Treasury Department that funds are available and transferred to CBP from the financial institution designated by the importer for payment of the ACH debit authorization. This modification reverses the proposed modification because ACE cannot accommodate the proposed change at this time due to technical constraints. Therefore, CBP will continue to consider a PMS as paid when CBP transmits the debit authorization to the designated financial institution. *See* 69 FR 5362 (February 4, 2004).

### **III. Development of ACE Prototypes**

A chronological listing of *Federal Register* publications detailing ACE test developments is set forth below.

- ACE Portal Accounts and Subsequent Revision Notices: 67 FR 21800 (May 1, 2002); 69 FR 5360 and 69 FR 5362 (February 4, 2004); 69 FR 54302 (September 8, 2004); 70 FR 5199 (February 1, 2005).
- ACE System of Records Notice: 71 FR 3109 (January 19, 2006).
- Terms/Conditions for Access to the ACE Portal and Subsequent Revisions: 72 FR 27632 (May 16, 2007); 73 FR 38464 (July 7, 2008).
- ACE Non-Portal Accounts and Related Notice: 70 FR 61466 (October 24, 2005); 71 FR 15756 (March 29, 2006).
- ACE Entry Summary, Accounts and Revenue (ESAR I) Capabilities: 72 FR 59105 (October 18, 2007).
- ACE Entry Summary, Accounts and Revenue (ESAR II) Capabilities: 73 FR 50337 (August 26, 2008); 74 FR 9826 (March 6, 2009).
- ACE Entry Summary, Accounts and Revenue (ESAR III) Capabilities: 74 FR 69129 (December 30, 2009).
- ACE Entry Summary, Accounts and Revenue (ESAR IV) Capabilities: 76 FR 37136 (June 24, 2011).
- Post-Entry Amendment (PEA) Processing Test: 76 FR 37136 (June 24, 2011).
- ACE Announcement of a New Start Date for the National Customs Automation Program Test of Automated Manifest Capabilities for Ocean and Rail Carriers: 76 FR 42721 (July 19, 2011).

- ACE Simplified Entry: 76 FR 69755 (November 9, 2011).
- National Customs Automation Program (NCAP) Tests Concerning Automated Commercial Environment (ACE) Document Image System (DIS): 77 FR 20835 (April 6, 2012).
- National Customs Automation Program (NCAP) Tests Concerning Automated Commercial Environment (ACE) Simplified Entry: Modification of Participant Selection Criteria and Application Process: 77 FR 48527 (August 14, 2012).
- Modification of National Customs Automation Program (NCAP) Test Regarding Reconciliation for Filing Certain Post-Importation Preferential Tariff Treatment Claims under Certain FTAs: 78 FR 27984 (May 13, 2013).
- Modification of Two National Customs Automation Program (NCAP) Tests Concerning Automated Commercial Environment (ACE) Document Image System (DIS) and Simplified Entry (SE): 78 FR 44142 (July 23, 2013).
- Modification of Two National Customs Automation Program (NCAP) Tests Concerning Automated Commercial Environment (ACE) Document Image System (DIS) and Simplified Entry (SE); Correction: 78 FR 53466 (August 29, 2013).
- Modification of National Customs Automation Program Test Concerning Automated Commercial Environment (ACE) Cargo Release (formerly known as Simplified Entry): 78 FR 66039 (November 4, 2013).
- Post-Summary Corrections to Entry Summaries Filed in ACE Pursuant to the ESAR IV Test: Modifications and Clarifications: 78 FR 69434 (November 19, 2013).
- National Customs Automation Program (NCAP) Test Concerning the Submission of Certain Data Required by the Environmental Protection Agency and the Food Safety and

Inspection Service Using the Partner Government Agency Message Set Through the Automated Commercial Environment (ACE): 78 FR 75931 (December 13, 2013).

- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Cargo Release for Ocean and Rail Carriers: 79 FR 6210 (February 3, 2014).
- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Cargo Release to Allow Importers and Brokers to Certify From ACE Entry Summary: 79 FR 24744 (May 1, 2014).
- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Cargo Release for Truck Carriers: 79 FR 25142 (May 2, 2014).
- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Document Image System: 79 FR 36083 (June 25, 2014).
- Announcement of eBond Test: 79 FR 70881 (November 28, 2014).
- eBond Test Modifications and Clarifications: Continuous Bond Executed Prior to or Outside the eBond Test May Be Converted to an eBond by the Surety and Principal, Termination of an eBond by Filing Identification Number, and Email Address Correction: 80 FR 899 (January 7, 2015).
- Modification of National Customs Automation Program (NCAP) Test Concerning Automated Commercial Environment (ACE) Document Image System Relating to Animal and Plant Health Inspection Service (APHIS) Document Submissions: 80 FR 5126 (January 30, 2015).

- Modification of National Customs Automation Program (NCAP) Test Concerning the use of Partner Government Agency Message Set through the Automated Commercial Environment (ACE) for the Submission of Certain Data Required by the Environmental Protection Agency (EPA): 80 FR 6098 (February 4, 2015).
- Announcement of Modification of ACE Cargo Release Test to Permit the Combined Filing of Cargo Release and Importer Security Filing (ISF) Data: 80 FR 7487 (February 10, 2015).
- Modification of NCAP Test Concerning ACE Cargo Release for Type 03 Entries and Advanced Capabilities for Truck Carriers: 80 FR 16414 (March 27, 2015).
- Automated Commercial Environment (ACE) Export Manifest for Air Cargo Test: 80 FR 39790 (July 10, 2015).
- National Customs Automation Program (NCAP) Concerning Remote Location Filing Entry Procedures in the Automated Commercial Environment (ACE) and the Use of the Document Image System for the Submission of Invoices and the Use of eBonds for the Transmission of Single Transaction Bonds: 80 FR 40079 (July 13, 2015).
- Modification of National Customs Automation Program (NCAP) Test Concerning the Automated Commercial Environment (ACE) Partner Government Agency (PGA) Message Set Regarding Types of Transportation Modes and Certain Data Required by the National Highway Traffic Safety Administration (NHTSA): 80 FR 47938 (August 10, 2015).
- Automated Commercial Environment (ACE) Export Manifest for Vessel Cargo Test: 80 FR 50644 (August 20, 2015).

- Modification of National Customs Automation Program (NCAP) Test Concerning the Submission of Certain Data Required by the Food and Drug Administration (FDA) Using the Partner Government Agency Message Set through the Automated Commercial Environment (ACE): 80 FR 52051 (August 27, 2015).
- Automated Commercial Environment (ACE) Export Manifest for Rail Cargo Test: 80 FR 54305 (September 9, 2015).
- Modification of the National Customs Automation Program (NCAP) Test Concerning the Automated Commercial Environment (ACE) Document Image System (DIS) Regarding Future Updates and New Method of Submission of Accepted Documents: 80 FR 62082 (October 15, 2015).
- Modification of the National Customs Automation Program (NCAP) Test Concerning the Automated Commercial Environment (ACE) Cargo Release for Entry Type 52 and Certain Other Modes of Transportation: 80 FR 63576 (October 20, 2015).
- Modification of the National Customs Automation Program (NCAP) Test Concerning the Automated Commercial Environment (ACE) Entry Summary, Accounts and Revenue (ESAR) Test of Automated Entry Summary Types 51 and 52 and Certain Modes of Transportation: 80 FR 63815 (October 21, 2015).
- Modification of the National Customs Automation Program Test Concerning the Automated Commercial Environment Portal Account to Establish the Exporter Portal Account: 80 FR 63817 (October 21, 2015).
- Modification of National Customs Automation Program Test Concerning the Automated Commercial Environment Partner Government Agency Message Set

Regarding the Toxic Substances Control Act Certification Required by the Environmental Protection Agency: 81 FR 7133 (February 10, 2016).

- Notice Announcing the Automated Commercial Environment (ACE) as the Sole CBP-Authorized Electronic Data Interchange (EDI) System for Processing Certain Electronic Entry and Entry Summary Filings: 81 FR 10264 (February 29, 2016).
- Modification of the National Customs Automation Program (NCAP); Test Concerning the Partner Government Agency Message Set for Certain Data Required by the Environmental Protection Agency (EPA): 81 FR 13399 (March 14, 2016).
- Cessation of National Customs Automation Program (NCAP) Test Concerning the Submission of Certain Data Required by the Food and Drug Administration (FDA) Using the Partner Government Agency (PGA) Message Set Through the Automated Commercial Environment (ACE): 81 FR 18634 (March 31, 2016).
- Automated Commercial Environment (ACE); Announcement of National Customs Automation Program Test of the In-Transit Manifest Pilot Program: 81 FR 24837 (April 27, 2016).
- Announcement of National Customs Automation Program (NCAP) Test Concerning the Submission through the Automated Commercial Environment (ACE) of Certain Import Data and Documents Required by the U.S. Fish and Wildlife Service: 81 FR 27149 (May 5, 2016).
- Notice Announcing the Automated Commercial Environment (ACE) as the Sole CBP-Authorized Electronic Data Interchange (EDI) System for Processing Certain Electronic Entry and Entry Summary Filings Accompanied by Food and Drug Administration (FDA) Data: 81 FR 30320 (May 16, 2016).

- Notice Announcing the Automated Commercial Environment (ACE) as the Sole CBP-Authorized Electronic Data Interchange (EDI) System for Processing Electronic Entry and Entry Summary Filings: 81 FR 32339 (May 23, 2016).
- Notice Announcing the Automated Commercial Environment (ACE) Protest Module as the Sole CBP-Authorized Method for Filing Electronic Protests: 81 FR 49685 (July 28, 2016).
- Modification of the National Customs Automation Program (NCAP) Test Concerning the Automated Commercial Environment (ACE) Portal Accounts to Establish the Protest Filer Account and Clarification that the Terms and Conditions for Account Access Apply to all ACE Portal Accounts: 81 FR 52453 (August 8, 2016).
- National Customs Automation Program (NCAP) Test Concerning Electronic Filing of Protests in the Automated Commercial Environment (ACE): 81 FR 53497 (August 12, 2016).
- Modification of the National Customs Automation Program (NCAP) Test Regarding Reconciliation and Transition of the Test from the Automated Commercial System (ACS) to the Automated Commercial Environment (ACE): 81 FR 89486 (December 12, 2016).
- Modification and Clarification of the National Customs Automation Program (NCAP) Test Regarding Post-Summary Corrections and Periodic Monthly Statements: 81 FR 89482 (December 12, 2016).
- Effective Date for the Automated Commercial Environment (ACE) Being the Sole CBP-Authorized Electronic Data Interchange (EDI) System for Processing Electronic

Drawback and Duty Deferral Entry and Entry Summary Filings: 81 FR 89486  
(December 12, 2016).

- Electronic Notice of Liquidation: 81 FR 89375 (December 12, 2016).
- Modification and Clarification of the National Customs Automation Program Tests Regarding Post-Summary Corrections and Periodic Monthly Statements; Republication with Correction and Further Clarification: 82 FR 2385 (January 9, 2017).
- Delay of Effective Date for the Automated Commercial Environment (ACE) Becoming the Sole CBP-Authorized Electronic Data Interchange (EDI) System for Processing Electronic Drawback and Duty Deferral Entry and Entry Summary Filings: 82 FR 4900 (January 17, 2017).
- Delayed Effective Date for Modifications of the National Customs Automation Program Tests Regarding Reconciliation, Post-Summary Corrections, and Periodic Monthly Statements: 82 FR 4901 (January 17, 2017).
- Effective Date for the Automated Commercial Environment (ACE) Becoming the Sole CBP-Authorized Electronic Data Interchange (EDI) System for Processing Electronic Drawback and Duty Deferral Entry and Entry Summary Filings: 82 FR 26698 (June 8, 2017).
- Effective Date for Modifications of the National Customs Automation Program Tests Regarding Reconciliation, Post-Summary Corrections, and Periodic Monthly Statements: 82 FR 26699 (June 8, 2017).

- Delayed Effective Date for Modifications of the National Customs Automation Program Tests Regarding Reconciliation, Post-Summary Corrections, and Periodic Monthly Statements: 82 FR 29910 (June 30, 2017).
- Delay of Effective Date for the Automated Commercial Environment (ACE) Becoming the Sole CBP-Authorized Electronic Data Interchange (EDI) System for Processing Electronic Drawback and Duty Deferral Entry and Entry Summary Filings: 82 FR 29910 (June 30, 2017).
- Extension and Clarification of Test Program Regarding Electronic Foreign Trade Zone Admission Applications and Transition of Test from the Automated Commercial System to the Automated Commercial Environment: 82 FR 38923 (August 16, 2017).
- Automated Commercial Environment (ACE) Becoming the Sole CBP-Authorized Electronic Data Interchange (EDI) System for Processing Duty Deferral Entry and Entry Summary Filings: 82 FR 38924 (August 16, 2017).
- Delay of Transition of Test Program Regarding Electronic Foreign Trade Zone Admission Applications from the Automated Commercial System to the Automated Commercial Environment: 82 FR 43395 (September 15, 2017).

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