

**DEPARTMENT OF HOMELAND SECURITY****U.S. Customs and Border Protection****19 CFR Parts 24, 141, 159, and 174****USCBP-2025-1076****CBP Dec. 25-18****RIN 1685-AA36****Electronic Refunds**

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

ACTION: Interim final rule; request for comments.

SUMMARY: This document amends the U.S. Customs and Border Protection (CBP) regulations to reflect that, subject to limited exceptions, CBP will issue all refunds electronically. This document explains the process required to receive electronic refunds and the process to receive paper checks in those rare instances where the recipient meets the criteria for a waiver.

DATES: The interim final rule is effective February 6, 2026. Comments regarding this interim final rule must be received by [INSERT DATE 60 DAYS FROM THE DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

ADDRESSES: Please submit comments, identified by *docket number* USCBP-2025-1076, by the following method: Federal eRulemaking Portal at <http://www.regulations.gov>. Follow the instructions for submitting comments.

Instructions: All submissions received must include the agency name and docket number for this rulemaking. All comments received will be posted, without change, to <http://www.regulations.gov>, including any personal information provided. For detailed instructions on submitting comments and additional information on the rulemaking process, see the “Public Participation” heading of the SUPPLEMENTARY INFORMATION section of this document.

Docket: For access to the docket to read background documents or comments received, go to <http://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: Nate DeRosa, Revenue Division, Office of Finance, at (317) 298-1042 or frn-achrefundsupport@cbp.dhs.gov.

SUPPLEMENTARY INFORMATION:

I. Public Participation

Interested persons are invited to participate in this rulemaking by submitting written data, views, or arguments on all aspects of this interim final rule (IFR). U.S. Customs and Border Protection (CBP) also invites comments that relate to the economic, environmental, or federalism effects that might result from this IFR. Comments that will provide the most assistance to CBP will reference a specific portion of the IFR, explain the reason for any recommended change, and include data, information, or authority that supports such recommended change.

II. Background

Section 1505(b) of title 19 of the United States Code (19 U.S.C. 1505(b)) generally requires CBP to refund any excess deposits of duties, fees, and interest within 30 days of liquidation or reliquidation. CBP has additional general authority to refund duties or other receipts, found in 19 U.S.C. 1520 (*e.g.*, in situations where fees, charges, or exactions were erroneously collected or where excess duties, fees, charges, or exactions were deposited or paid).¹

Section 3332(f)(1) of title 31 of the United States Code (31 U.S.C. 3332(f)(1)) generally mandates that all Federal payments made by the government, other than payments made under the Internal Revenue Code of 1986, be made by electronic funds transfer. Electronic funds

¹ Certain statutes also provide CBP with specific authority for refunds associated with repairs of vessels (*see* 19 U.S.C. 1466), drawback (*see* 19 U.S.C. 1313), protests (*see* 19 U.S.C. 1514 and 1515), loss, deterioration, or damage to warehouse goods (*see* 19 U.S.C. 1563), countervailing duty investigations (*see* 19 U.S.C. 1671c–1671f, 1677g), and antidumping investigations (*see* 19 U.S.C. 1673c–1673f, 1677g).

transfer means any transfer of funds, other than a transaction originated by cash, check, or similar paper instrument, that is initiated through an electronic terminal, telephone, computer, or magnetic tape for the purpose of, among other things, authorizing a financial institution to debit or credit an account. An Automated Clearing House (ACH) transfer is an electronic funds transfer. 31 U.S.C. 3332(j)(1). The definition of “Federal payments” in 31 U.S.C. 3332(j)(3) is inclusive of refunds such as those issued by CBP.² The requirement for electronic funds transfers may be waived in cases where compliance imposes a hardship or in other circumstances as may be necessary. 31 U.S.C. 3332(f)(2)(A). The regulations implementing 31 U.S.C. 3332 are contained in 31 CFR part 208, and specifically, the regulations related to the electronic funds transfer waiver process are set forth in 31 CFR 208.4.

On March 25, 2025, President Trump issued Executive Order 14247, *Modernizing Payments To and From America’s Bank Account*, 90 FR 14001 (March 25, 2025), mandating the transition from paper checks to electronic payments for all Federal disbursements and receipts by digitizing payments to the extent permissible under applicable law. The goals of the Executive Order are to defend against financial fraud and improper payments, enhance the efficiency and security of Federal payments, and reduce costs associated with paper-based payments by the Federal government.³ Section 4 of the Executive Order articulates exceptions and accommodations when electronic payment methods are not feasible.

Historically, the majority of CBP refunds for the overpayment of customs duties, taxes, and fees were transmitted as paper checks issued by the U.S. Department of the Treasury (U.S.

² Further, implementing regulations in section 208.2 of title 31 of the Code of Federal Regulations (31 CFR 208.2) expressly include within the definition of “Federal payment” “miscellaneous payments including . . . overpayment reimbursements[.]”

³ A Fact Sheet accompanying the Executive Order, issued the same day, explains the disadvantages of paper-based payments, stating that mail theft complaints have increased substantially since 2020, and check fraud has become more common, with banks issuing about 680,000 reports of check fraud in 2022 (nearly double the number from 2021). The Fact Sheet further notes that U.S. Treasury checks are 16 times more likely to be reported lost or stolen, returned undeliverable, or altered than an electronic funds transfer, and that the maintenance of the physical infrastructure and specialized technology for digitizing paper records cost over \$657 million in fiscal year 2024. See Fact Sheet: President Donald J. Trump Modernizes Payments to and from America’s Bank Account available at <https://www.whitehouse.gov/fact-sheets/2025/03/fact-sheet-president-donald-j-trump-modernizes-payments-to-and-from-americas-bank-account/>.

Treasury) and mailed to the address of the importer. An importer may designate a third party, such as a licensed customs broker, via CBP Form 4811 (Special Address Notification), to receive refunds on the importer's behalf. To designate a third party as the recipient of a refund, CBP provides two options. The importer may fill out and submit CBP Form 4811 via an email message to the importer's assigned Center of Excellence and Expertise (Center). If an importer has not yet been assigned to a Center, CBP Form 4811 may be submitted to the Center that most closely aligns with the tariff number of the importer's highest valued commodity.⁴ The importer may also utilize the Notify Parties tab in the Automated Commercial Environment (ACE) Secure Data Portal (ACE Portal) by providing the required information for the designated third party.⁵ CBP deems use of the Notify Parties tab in the ACE Portal to designate a third party to be the electronic equivalent of CBP Form 4811 and a CBP-approved method to submit CBP Form 4811.

While it has been available for some time, the issuance of electronic refunds via ACH is voluntary and has been relatively limited in scope due to technological limitations.⁶ The number of refunds CBP issues electronically has gradually increased in recent years, and in 2024 and 2025 approximately 30% of refunds CBP issued annually were issued electronically. CBP has been modernizing payment processes by reducing manual processes generally, and this rule specifically focuses on the management of electronic refunds through ACE. This rule aligns with the requirements of 31 U.S.C. 3332, the goals articulated in Executive Order 14247, and CBP's ongoing modernization efforts.

III. Issuance of Electronic Refunds

⁴ See 19 CFR 101.10. See also CBP, Centers of Excellence and Expertise Directory, available at <https://www.cbp.gov/trade/centers-excellence-and-expertise-information/cee-directory> (last updated Nov. 21, 2025).

⁵ On January 2, 2026, CBP deployed a new functionality in the ACE Portal that enables trade account owners to use the new "Add Notify Party" button under the "Notify Parties" tab to designate a third party.

⁶ To participate in the ACH Refund program, an importer must submit an ACH Refunds Enrollment Form via an email message to CBP's Revenue Division. Once CBP has received and processed the enrollment form, all refunds are issued electronically to the designated bank account.

Beginning February 6, 2026, CBP will issue all refunds electronically (subject to certain exceptions under 31 CFR part 208). This rule applies to refunds issued to all importers, brokers, filers, sureties, service providers, facility operators, foreign trade zone operators, and carriers,⁷ and any designated third parties listed on CBP Form 4811. After this date, CBP will not issue any refunds by check, unless a waiver has been approved.

Importers who are currently enrolled in the ACH Refund program will continue to receive electronic refunds via ACH without interruption. Importers who wish to make any changes to the banking information currently on file with CBP must complete the ACH Refund application in the ACE Portal.⁸ Importers who are not already enrolled in the ACH Refund program must submit an application for an ACE Portal account if an account does not already exist.⁹ Once an ACE Portal account has been created, the account owner must complete the ACH Refund application in the ACE Portal under the ACH Refund Authorization tab to provide CBP with the designated banking information consistent with 31 U.S.C. 3332(g). The account owner may also authorize full access to the ACH Refund Authorization tab to another trade account user to enter the designated banking information.¹⁰ If applicable, the third party designated on CBP Form 4811 must also have an ACE Portal account and complete the ACH Refund application. It is the importer's responsibility to ensure that the designated third party

⁷ For simplicity's sake, and because the majority of the parties affected by this rulemaking are importers, CBP uses "importer" in this document to mean importers, brokers, filers, sureties, service providers, facility operators, foreign trade zone operators, and carriers. Individuals and entities who are not considered "importers" for purposes of this rulemaking, are owed a refund and wish to receive the refund electronically via ACH, must submit an application according to the instructions provided on CBP.gov at <https://www.cbp.gov/trade/automated/ach/refund>.

⁸ CBP has developed the ACH Refund Authorization tab in the ACE Portal for faster processing of ACH Refund applications. *See* New Functionality Pertaining to Electronic Refunds in the Automated Commercial Environment, 90 FR 45956 (Sept. 24, 2025).

⁹ The public may submit an ACE Portal application either by completing the modernized application webform found at <https://www.cbp.gov/trade/automated/getting-started/portal-applying> or by sending the ACE Data Portal Account Application Form (found here: <https://www.cbp.gov/document/guidance/ace-secure-data-portal-account-application>) via email message to ace.applications@cbp.dhs.gov.

¹⁰ On December 16, 2025, CBP enhanced the ACE Portal to enable trade account owners to authorize trade account users to utilize the ACH Refund Authorization tab. For additional information, *see* CBP, Trade Information Notice ACE Portal Updates to Enable Electronic Refund Enrollment, available at <https://www.cbp.gov/document/guidance/trade-information-notice-ace-portal-updates-enable-electronic-refund-enrollment> (last modified Dec. 12, 2025).

completes the ACH Refund application to allow CBP to issue electronic refunds to the designated third party consistent with 31 U.S.C. 3332(g).

As part of the ACH Refund application, all applicants are required to use a U.S. bank account and must provide the relevant account information.¹¹ Once an application for ACH Refund is successfully submitted and approved in the ACE Portal, all future refunds will be issued electronically to the designated U.S. bank account (*i.e.*, either the U.S. bank account of the importer or the U.S. bank account of the designated third party listed on CBP Form 4811).

It is important to note that a CBP Form 4811 that is on file with CBP prior to the effective date of this rulemaking will remain a valid third-party designation, authorizing CBP to issue an electronic refund to the designated third party. The designated third party must complete the ACH Refund application in order to receive the electronic refund.¹² If the designated third party is not an ACH participant, the refund will default to the importer's ACH account. The importer has an existing obligation under 31 U.S.C. 3332(g) to provide CBP with the necessary banking information to receive refunds electronically; failure to provide CBP with the requisite ACH banking information will result in a certified refund being rejected. If CBP certifies a refund for issuance within 30 days of the liquidation or reliquidation of the entry, but is unable to deliver an electronic refund, either to the importer or to a designated third party, solely due to the importer's or designated third party's failure to provide CBP with the necessary banking information to effectuate the electronic refund, no interest will accrue under 19 U.S.C. 1505(d). For these rejected refunds, an importer must complete the ACH Refund application and notify CBP's Refunds Team at frn-achrefundsupport@cbp.dhs.gov to confirm

¹¹ Importers without a U.S. bank account must either open a U.S. bank account or designate a third party with a U.S. bank account consistent with 31 U.S.C. 3332(g).

¹² To coincide with the publication of this rulemaking, CBP has updated CBP Form 4811 by replacing references to "check" with "refund."

the application's completion and request that the rejected refunds be issued and delivered to the designated bank account.¹³

It is the importer's responsibility to ensure the accuracy of the third-party designation and to contact CBP if any information needs to be updated or the designation is revoked. CBP will make any necessary changes as to the importer's third-party designation in the ACE Portal. If an importer believes that one of the waiver criteria in 31 CFR part 208 applies and seeks payment of its refund via a U.S. Treasury check, the importer must notify CBP's Revenue Division in writing at frn-achrefundsupport@cbp.dhs.gov.

This transition to electronic refunds will provide several benefits to both the public and CBP. Electronic payments are much faster than check payments, and significantly less expensive. Electronic refunds will be deposited within one to two business days in the recipient's designated bank account compared to three or more days if a U.S. Treasury check is mailed. Electronic payments are also safer than paper checks and are less likely to have post-payment issues, such as claims of missing or misdelivered payments or check fraud. For CBP, the electronic issuance of refunds will result in a reduction in printing and mailing costs as CBP expects only a small number of refund recipients to meet the criteria in 31 CFR 208.4 to receive a refund via a U.S. Treasury check. In addition, there will no longer be a need to track, research, and reissue check refunds, or support check claim adjudications, all of which will result in cost savings. Thus, CBP will be able to utilize those resources for other important agency priorities.

IV. Amendments to the Regulations

For the reasons discussed above, CBP is amending specific regulations in parts 24 (Customs Financial and Accounting Procedure), 141 (Entry of Merchandise), 159 (Liquidation

¹³ The outstanding refunds and historical details regarding refunds are available in the Refund ACE Report, which includes a summary of the total number of outstanding refunds requested, the total dollar amount requested in all outstanding refunds, and a consolidated table of all outstanding refunds and relevant data for the ACE account user's own refunds. The availability of the Refund ACE Report in the ACE Portal was deployed via *Federal Register* notice published on August 11, 2022. Enhanced Transparency and Access to Information for Refund Requesters in the Automated Commercial Environment (87 FR 49600) (Aug. 11, 2022).

of Duties), and 174 (Protests) of title 19 of the CFR to reflect that CBP will issue refunds electronically. In addition, CBP is making minor conforming changes or edits where needed. The specific changes are discussed below.

Part 24

The general authority citation for part 24 is revised to include a reference to 31 U.S.C. 3332. In § 24.5(a), dealing with filing identification numbers generally, CBP is removing the phrase “check upon adjustment of a cash collection” to align the provision with CBP’s transition to electronic refunds. In the same paragraph, CBP is replacing “Customs” with “CBP” and updating the title of CBP Form 5106 as “Create/Update Importer Identity Form” to align the regulation with the current title of the form.

Paragraphs (c)(8)(i), (e)(4)(iii), and (e)(4)(iv)(A) of § 24.24 are being amended to state that approved Harbor Maintenance Fee (HMF) refund payments will be made via ACH in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met, and to remove the reference to refund payments via mail. In addition, CBP is correcting a minor typographical error in the phrase “if such use *in* not reflected in the documents” in the second to last sentence of § 24.24(c)(8)(i) to read instead, “if such use *is* not reflected in the documents.” (emphasis added).

The introductory text of § 24.36(a), regarding refunds of excessive duties, taxes, etc., states that when CBP finds that a refund is due, a refund is prepared in the name of the person to whom the refund is due (the payee). This provision is revised to state that if a refund is owed, CBP will prepare the refund in the name of the person to whom the refund is due, and issue it electronically in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met. If CBP Form 4811 authorizes someone other than the payee to receive a refund, CBP will issue the refund electronically to the authorized person. If a power of attorney is on file, CBP will issue the refund electronically to such attorney, if requested. Further, CBP added the phrase “submitted to CBP through a CBP-approved method” to emphasize that an approved

method of submission for CBP Form 4811 must be used. CBP is also making minor nomenclature or stylistic changes (*i.e.*, “Customs” to “CBP” in two instances, “Customs” to “customs,” changing the numeral “3” to “three,” and adding “CBP” to “Form 4811”).

In § 24.36(a)(3), regarding the accrual and payment of delinquency interest under 19 U.S.C. 1505(d), and consistent with 31 U.S.C. 3332, CBP is adding a reference to 19 U.S.C. 1505(d) in the first sentence for clarity. CBP is also adding two sentences at the end of § 24.36(a)(3) to state that no interest under 19 U.S.C. 1505(d) will accrue when CBP certifies an electronic refund for issuance within 30 days of the liquidation or reliquidation of the entry, and CBP is unable to deliver the electronic refund solely due to the recipient’s failure to provide CBP with the necessary banking information to effectuate delivery of the electronic refund.

Part 141

Section 141.61 discusses the completion of entry and entry summary documentation. The paragraph heading for § 141.61(d)(3) is updated by replacing “mailed” with “sent” to read “When refunds, bills, or notices of liquidation are to be sent to agent.” Section 141.61(d)(3) is amended to state that refunds will be issued electronically in accordance with § 24.36 in situations where the importer wants the refund sent to the agent. Adding the reference to § 24.36 clarifies CBP’s process with regard to the issuance of refunds, which will be electronic, unless a waiver condition in 31 CFR 208.4 is met. Further, CBP added the phrase “through a CBP-approved method” to emphasize that an approved method of submission for CBP Form 4811 must be used. Finally, minor updates are made throughout § 141.61(d)(1)-(3) to replace outdated references to box numbers on CBP Form 7501 with the correct box numbers.

Part 159

Section 159.6, dealing with differences between liquidated duties and estimated duties, is amended in paragraph (c) by replacing “refund checks” with “refunds” and in paragraph (d) by replacing “refund check” with “a refund” to allow for the issuance of electronic refunds and check refunds (if a waiver condition in 31 CFR 208.4 applies).

Part 174

Section 174.13(c), regarding optional designation of an agent for refunds, is amended to state that any refunds with respect to an entry under protest will be issued electronically in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met, to the agent designated by the importer/consignee. In addition, CBP made one minor nomenclature change replacing “Customs” with “CBP” regarding CBP Form 4811.

V. Statutory and Regulatory Requirements

A. Administrative Procedure Act

The Administrative Procedure Act (APA) requirements in 5 U.S.C. 553 govern agency rulemaking procedures. Section 553(b) of the APA generally requires notice and public comment before issuance of a final rule and section 553(d) generally requires agencies delay the effective date of final rules by at least 30 days. CBP has issued this IFR without prior notice and opportunity for comment because this is a rule of agency organization, procedure, or practice (“procedural rule”). 5 U.S.C. 553(b)(A). Rules are procedural if they are “primarily directed toward improving the efficient and effective operations of an agency[.]” *Mendoza v. Perez*, 754 F.3d 1002, 1023 (D.C. Cir. 2014) (quoting *Batterton v. Marshall*, 648 F.2d 694, 702 n.34 (D.C. Cir. 1980)). The procedural-rule exception “covers agency actions that do not themselves alter the rights or interests of parties, although it may alter the manner in which the parties present themselves or their viewpoints to the agency.” *See JEM Broad. Co., Inc. v. FCC*, 22 F.3d 320, 326 (D.C. Cir. 1994) (quoting *Batterton*, 648 F.2d at 707; *see also Mendoza*, 754 F.3d at 1023-24 ; *Am. Hosp. Ass’n v. Bowen*, 834 F.2d 1037, 1047 (D.C. Cir. 1987) (holding that procedural rules are those that do not “encode a substantive value judgment or put a stamp of approval or disapproval on a given type of behavior”).

This procedural rule merely updates the internal practice used by CBP personnel when issuing refunds by utilizing an electronic process and generally eliminating the outdated and burdensome process involved in receiving, opening, endorsing, and depositing paper checks. In

doing so, this rule is merely improving the efficacy of issuing refunds to the appropriate parties. Further, the rule does not impact the rights and interests of regulated entities because the substantive determinations of whether and in what amount an importer is due a refund remain unchanged. Accordingly, this IFR relates to agency procedure and practice (5 U.S.C. 553(b)(A)) and advance notice and comment is unnecessary.

Furthermore, 5 U.S.C. 553(b)(B) provides for exceptions from the prior notice and public comment requirement when an agency for good cause finds that such procedures are impracticable, unnecessary, or contrary to the public interest. The unnecessary prong of the good-cause inquiry is “confined to those situations in which the administrative rule is a routine determination, insignificant in nature and impact, and inconsequential to the industry and to the public.” *Mack Trucks, Inc. v. EPA*, 682 F.3d 87, 94 (D.C. Cir. 2012). Notice-and-comment rulemaking is unnecessary here because, as explained above, the changes do not affect the substantive rights or interests of regulated parties, are minor in impact, and overall inconsequential to the industry. The transition to provide refunds electronically rather than through the mail conforms to modern modalities of receiving payments already used by importers (*i.e.*, a U.S. bank account set up for receipt of electronic payments) and will result in cost savings to the industry. Further, this IFR also provides for waivers in qualifying circumstances, as set forth in 31 CFR 208.4, thereby mitigating any adverse impact the rule would otherwise have. Taken together, the overall impact on affected parties is trivial and in fact easier for the industry as a whole given the improved efficiency of issuing refunds. Accordingly, because the changes made by the rule are inconsequential to the industry and public, CBP believes there exists good cause to exempt the rule from notice-and-comment rulemaking. *See Mack Trucks, Inc.* 682 F.3d at 94; 5 U.S.C. 553(b)(B).¹⁴

¹⁴ Moreover, relevant law leaves little discretion to CBP, rendering notice-and-comment unnecessary. As discussed in more detail above, these amendments meet the general mandate of 31 U.S.C. 3332 that all Federal payments by the government (other than payments made under the Internal Revenue Code of 1986) be delivered by electronic funds transfer. Additionally, these practices and procedures align with the purpose stated in Executive

Further, notice and comment would be contrary to the public interest given the recent and substantial increase in check theft and fraud. 5 U.S.C. 553(b)(B). In addition to generally eliminating the outdated and burdensome process involved in receiving, opening, endorsing, and depositing paper checks, the process of sending refunds electronically will result in the elimination of misdelivered checks and will significantly reduce or eliminate instances of check fraud. Check theft and fraud are costly to both the U.S. government and to the public. When a theft or fraud of a refund check is suspected, the U.S. government must conduct a thorough adjudication, and, upon confirmation of theft or fraud, must reissue the full value of the check to the legal recipient. As discussed elsewhere in this document, with mail theft complaints increasing substantially since 2020 and check fraud nearly doubling since 2021, transitioning to the issuance of electronic refunds without prior notice and comment is necessary to stop this increasing threat of check fraud and theft. Delaying the implementation of the regulatory changes to allow for notice and comment, thus, would also be contrary to public interest as any delay presents significant risk of harm to the public fisc. As explained above, conducting thorough adjudications of alleged theft and fraud, in addition to reissuing the full value of the check to legal recipients, is costly and a burden on agency resources.

Importers interested in receiving electronic refunds and the associated benefits as soon as possible are able to sign up for an ACE Portal account and begin receiving electronic refunds immediately upon completing the ACH Refund application. However, despite the good cause reasoning discussed above, and consistent with 5 U.S.C. 553(d), CBP is providing a delayed effective date to allow sufficient time for all trade members to sign up for an ACE Portal account and complete the ACH Refund application.

B. Executive Orders 12866, 13563, and 14192

Order 14247 (Modernizing Payments To and From America's Bank Account) regarding the transition of Federal disbursements to electronic payment methods.

Executive Orders 12866 (Regulatory Planning and Review) and 13563 (Improving Regulation and Regulatory Review) direct agencies to assess the costs and benefits of available regulatory alternatives and, if regulation is necessary, to select regulatory approaches that maximize net benefits. Executive Order 13563 emphasizes the importance of quantifying costs and benefits, reducing costs, harmonizing rules, and promoting flexibility. Executive Order 14192 (Unleashing Prosperity Through Deregulation) directs agencies to significantly reduce the private expenditures required to comply with Federal regulations and provides that “any new incremental costs associated with new regulations shall, to the extent permitted by law, be offset by the elimination of existing costs associated with at least 10 prior regulations.” The Office of Management and Budget (OMB) has designated this rule is not a “significant regulatory action” under section 3(f) of Executive Order 12866. Accordingly, OMB has not reviewed this rule.

This interim final rule (IFR) is an Executive Order 14192 deregulatory action. CBP estimates that from 2025-2034, this rule will result in a combined annualized net cost savings to the Federal government and trade members of around \$1.3 million (2025 U.S. dollars) using a three percent discount rate and \$1.0 million (2025 U.S. dollars) using a seven percent discount rate. Based on CBP’s perpetual time horizon calculations, the present value of net cost savings from this final rule will be \$28.7 million and the annualized value of net cost savings will be \$2.0 million using a seven percent discount. Therefore, this IFR is considered by CBP to be a deregulatory action for the purposes of meeting Executive Order 14192 requirements. The following is the economic analysis of the potential effects from this IFR.

Purpose, Background, and Baseline

Importers of record are required to deposit with CBP an estimated amount of duties and fees to be payable for imports of merchandise in a number of different scenarios. CBP is also required to collect any increased or additional duties and fees due, or refund any excess deposits of duties and fees, with interest, as determined at the time of liquidation or reliquidation. In the

case where the estimated payment amount made by the importer is determined to be greater than the amount actually owed, then CBP's Revenue Division initiates the process to certify and send a refund back to trade members which is facilitated by the U.S. Treasury. Currently, CBP initiates a refund to importers for various scenarios, including overpayment, cancelled entries, removed or reassessed fines, penalties, or fees, and other administrative refunds.

Although there are a number of different scenarios in which CBP issues a refund, CBP notes that around 95 percent of all refunds involve entries and arise from the liquidation or reliquidation of the associated entry or drawback claim.¹⁵ Currently, in the absence of this rule, the standard approach is for the applicable CBP Center to liquidate or reliquidate the entry transaction to determine the refund amount, for CBP's Revenue Division to timely certify the refund amount and coordinate with the U.S. Treasury to print and mail the refund check to the importer or a third party that is designated to receive the refund on the importer's behalf. CBP does currently allow for ACH refund payments; however, prior to September 30, 2025, trade members were required to reach out to CBP to obtain the ACH request form and submit the form to CBP. CBP's Revenue Division staff then reviewed and transcribed the information into the system in order to issue a request to the U.S. Treasury to send these refunds directly to the bank account provided on the form.¹⁶ CBP notes that, in the absence of this rule, around 30 percent of issued refunds are ACH payments.¹⁷

Table 1 displays data on the number of U.S. Treasury checks issued to trade members for refunds that CBP certified and the estimated number of refunded amounts in recent years.¹⁸ CBP notes that, in the absence of this IFR, the majority of refunds are still issued via paper U.S.

¹⁵ Data provided by CBP's Revenue Division, subject matter expert, on June 20, 2025.

¹⁶ CBP recently developed the ACH Refund Authorization tab in the ACE Portal for faster processing of ACH Refund applications. *See* New Functionality Pertaining to Electronic Refunds in the Automated Commercial Environment. 90 FR 45956 (Sept. 24, 2025).

¹⁷ Data provided by CBP's Revenue Division, subject matter expert, on June 20, 2025.

¹⁸ Data provided by CBP's Revenue Division, subject matter expert, on August 13, 2025, and the U.S. Treasury subject matter expert on December 12, 2025.

Treasury checks that are printed and mailed, but the percentage of paper refunds to total refunds has been steadily declining in recent years.

Table 1. Actual CBP Refund Payments Issued and Estimated Refund Value

	2023	2024	2025*
Paper Refund Checks	269,907	240,879	164,365
Estimated Paper Refund Value	\$4,940,000,000	\$4,568,170,872	\$3,249,773,829
Average Value Per Paper Refund	\$18,303	\$18,965	\$19,772
ACH Refund Payments	94,762	104,439	73,944
Estimated ACH Refund Value	\$2,470,000,000	\$3,260,000,000	\$3,410,000,000
Average Value Per ACH Refund	\$26,065	\$31,214	\$46,116
Total Number of Refund Payments	364,669	345,318	238,309
Percent Paper Refund	74.01%	69.76%	68.97%
Percent ACH Refund	25.99%	30.24%	31.03%
Total Value of Refund Payments	\$7,410,000,000	\$7,828,170,872	\$6,659,773,829
Average Value Per Refund Payments	\$20,320	\$22,669	\$27,946

*2025 data is only available through Q3 of 2025.

The standard process for printing and sending refunds as U.S. Treasury checks to trade members through the mail is inefficient. For example, sending a U.S. Treasury check via mail can take multiple days and is subject to disruptions to mail delivery, resulting in lost opportunity costs for the recipients as they wait for the refund check to arrive. Additionally, sending refunds as U.S. Treasury checks via mail has become increasingly subject to theft and fraud.¹⁹ If the legally intended recipient of a U.S. Treasury check believes the refund check has been lost, stolen or there has been other potentially fraudulent activity, the legal recipient must notify CBP as soon as possible, and no later than 12 months after the issuance of the U.S. Treasury check, in accordance with 31 CFR 245.3. CBP coordinates with the U.S. Treasury to adjudicate the claim of non-receipt to determine the disposition. The adjudication process can vary in length, complexity, and effort and involve a multitude of stakeholders. If the U.S. Treasury

¹⁹ FinCen Alert on Nationwide Surge in Mail Theft-Related Check Fraud Schemes Targeting the U.S. Mail, <https://www.fincen.gov/system/files/shared/FinCEN%20Alert%20Mail%20Theft-Related%20Check%20Fraud%20FINAL%20508.pdf> (Feb. 27, 2023).

confirms that a refund check has been lost (uncashed) or has been subject to theft or fraud, then CBP will coordinate with the U.S. Treasury to reissue the full value of the refund check, and the refund check will be recertified by CBP for reissuance through the mail to the legal recipient. If a refund check is lost and a stop is placed on the check before it is cashed, the funds are sent back to CBP who will make the determination on reissuance. In the scenario where fraud has occurred, typically the U.S. Treasury attempts to recover the full value of the fraudulently cashed check from the presenting financial institution, which may result in a loss to that financial institution.²⁰ In limited instances, the U.S. Treasury will use the Check Forgery Insurance Fund (CFIF) to cover losses that cannot be collected from the financial institution.²¹ CBP notes that in 2023, there were 1,026 instances where CBP refund checks were determined to have been stolen or fraudulently negotiated. The number of CBP refund checks reported as stolen and subject to fraud increased in 2024 up to 1,393.²²

CBP's process of certifying a refund and coordinating with the U.S. Treasury to print and mail a refund check is more expensive than the alternative of certifying and sending a refund via ACH. Additionally, once these U.S. Treasury checks are mailed, it is difficult for CBP or the U.S. Treasury to track whether or not the legal recipient received the check. CBP and the U.S. Treasury can see if and when a refund check was cashed, but refund checks are not void until one year and one day after issuance. Therefore, unless otherwise notified, CBP and the U.S. Treasury do not know if a refund check was lost in the mail, stolen, the recipient provided an incorrect address, or whether the check has been received but just has not been cashed yet for an entire year.

²⁰ In the case where a U.S. Treasury check is determined to be lost but not fraudulently cashed, a stop can be placed on it which may result in reissuance by CBP.

²¹ The CFIF was established by 31 U.S.C. 3343 and is available for the purpose of providing funding settlements made to a payee or special endorsee. 31 CFR 235.4. Feedback from the U.S. Treasury on December 12, 2025 suggests a small percent of fraudulent refund checks has to be recouped using the CFIF, the remaining are recovered from the financial institutions who accepted the check.

²² Data provided by CBP's Revenue Division, subject matter expert, on July 9, 2025.

To address these issues and inefficiencies, continue modernizing government processes, and align with 31 U.S.C. 3332 and the goals set forth in the recently issued Executive Order 14247, this IFR will require recipients of refunds to receive them electronically.^{23, 24} Recently issued Executive Order 14247 “Modernizing Payments To and From America’s Bank Account” (issued March 25, 2025), mandates the transition from paper checks to electronic payments for all Federal disbursements and receipts by digitizing payments to the extent permissible under applicable law. This requirement will be beneficial to CBP, the U.S. Treasury, trade members, and some financial institutions by increasing efficiency, reducing costs, and enhancing the security of Federal funds. The transition to electronic payments will significantly improve the refund process by increasing transparency through automation.

This IFR will require that most importers submit ACH direct deposit banking information through their ACE Portal account to CBP if they are owed a refund.²⁵ Foreign importers will need to obtain a U.S. bank account or authorize their broker to receive refunds on their behalf. If an importer believes one of the waiver criteria in 31 CFR part 208 applies and seeks payment of its refund via a U.S. Treasury check, the importer must notify CBP’s Revenue Division in writing at frn-achrefundsupport@cbp.dhs.gov. After a trade member has provided its ACH banking information, CBP will issue electronic refunds via ACH.²⁶ CBP anticipates that electronic refunds will result in faster receipt and deposit of refunds for importers, fewer undeliverable refunds due to mailing issues, and significantly reduce the possibility of check

²³ Executive Order 14247 Modernizing Payments To and From America’s Bank Account, 90 FR 14001 (March 25, 2025), available at <https://www.whitehouse.gov/presidential-actions/2025/03/modernizing-payments-to-and-from-americas-bank-account/>.

²⁴ Refund via U.S. Treasury checks may still be printed and mailed in rare circumstances only if the recipient meets U.S. Treasury criteria identified in 31 CFR 208.4.

²⁵ For importers that have already requested ACH refunds from CBP and completed the paperwork and resubmitted to CBP, their ACH banking information will be automatically transferred to ACE. In order to provide banking information to CBP, CBP will require all other importers to create an ACE Portal account if they have not already done so, unless a waiver exists. CBP notes that there may be some exceptions including individuals and entities who are not considered “importers” for purposes of this rulemaking, are owed a refund and wish to receive the refund electronically via ACH. Such individuals and entities must submit an application according to the instructions provided on CBP.gov at <https://www.cbp.gov/trade/automated/ach/refund>.

²⁶ An importer may designate a third party, such as a licensed customs broker, by submitting CBP Form 4811, to electronically receive a refund on the importer’s behalf. The designated third party must also enroll in ACH Refund via the ACE Portal account.

fraud. Reducing U.S. Treasury check theft and fraud will better position the Federal government to defend against financial fraud and improper payments, increase efficiency, reduce costs, and enhance the security of Federal payments. This is especially critical as according to the U.S. Treasury, paper refund checks are 16 times more likely to be lost, stolen, altered or delayed, compared to ACH.²⁷ This IFR aligns with the vision of Executive Order 14247 through reduced costs, increased efficiency, and enhanced security that come with ACH payments.²⁸

Time Period of Analysis

This analysis primarily focuses on the potential impacts of this rule after it is in effect, starting in fiscal year 2026. However, CBP did incur systems development costs in fiscal year 2025 which need to be reflected in this analysis. Therefore, CBP provides cost, cost savings and benefits in this analysis for a 10-year time period from fiscal year 2025 to fiscal year 2034. For the remainder of this analysis, all references to years are for fiscal years unless otherwise noted.

Population Affected by Rule

CBP anticipates that this IFR will affect CBP, the U.S. Treasury, some financial institutions, and trade members that import goods into the United States. CBP anticipates that this rule will require trade members to set up ACE Portal accounts and to submit ACH banking information so that CBP can issue ACH refunds instead of mailing refunds as U.S. Treasury checks. CBP anticipates that providing this ACH information would only need to be submitted once per importer, unless that importer wants to change the banking information for its ACH refund. Additionally, in the future, any company that becomes an importer to the United States will also be required to submit this information. CBP uses the number of importers to estimate

²⁷ See Treasury, Press Release, Treasury Announces Federal Government Will Phase out Paper Checks on September 30th, <https://home.treasury.gov/news/press-releases/sb0223>, and <https://fiscal.treasury.gov/news/paper-checks-going-away.html> (Aug. 14, 2025).

²⁸ CBP notes that there will still be a few exceptions to the electronic refund requirement when the recipient satisfies the conditions in 31 CFR 208.4 to receive a refund via a U.S. Treasury check, but CBP anticipates that these will be rare cases.

how many trade members will be affected in future years and will be required to submit this information. CBP used the number of importers and those with ACE Portal accounts and assumes that the total number of importers will increase by one percent each year.²⁹ CBP estimates the number of new importers between 2026-2034 would be approximately 42,814 or on average 4,757 annually. Table 2 displays CBP’s estimates for how many importers there will be in future years.

Table 2. Estimated Number of New Importers 2026-2034

Year	Total Importers	Percent Increase	New Importers
2025	457,000		
2026	461,570	1%	4,570
2027	466,186	1%	4,616
2028	470,848	1%	4,662
2029	475,556	1%	4,708
2030	480,312	1%	4,756
2031	485,115	1%	4,803
2032	489,966	1%	4,851
2033	494,866	1%	4,900
2034	499,814	1%	4,949

Costs of Rule

CBP expects that both CBP and importers will incur costs during the period of analysis. Currently, in the absence of this IFR, when an importer submits an ACE Portal account application that application is manually reviewed and approved by a CBP ACE Account Services Desk (ASD) staff member. CBP anticipates an immediate significant increase in ACE Portal account applications as a result of this IFR and this would significantly increase the workload for ASD staff. Without other changes, due to the lack of ASD staff and the significant increase in workload, CBP would not be able to process this increased number of ACE Portal account applications in a reasonable time, which would result in major delays in

²⁹ Information on the estimated total number of importers (457,000) provided by CBP’s Revenue Division, subject matter expert, on June 20, 2025. Information on the estimated number of unique importers that already have an ACE Portal account (13,100) provided by CBP’s Entry Summary, Accounts and Revenue Division, subject matter expert, on August 26, 2025, and September 26, 2025. CBP used the estimated percent increase in importers in 2025 to project an estimated one percent increase annually in the number of importers.

processing and approving many importers' ACE Portal accounts. To mitigate that problem, and to prevent delays in approving the significant influx of applications, CBP developed an automated review process in ACE which will be used to approve most of these applications.³⁰ As such, CBP does not anticipate significant delays, but this resulted in a development cost.

As part of this IFR, CBP's incurred costs related to Information Technology (IT) systems development and operations and maintenance costs associated with implementation of the ACH banking information collection tool into ACE and development of an automated process for the ACE Portal account application. Because ACH Refund operates through ACE, CBP did not have to develop an entirely new system. CBP estimates that one-time development costs for creating the ACH Refund Authorization tab and ACE Portal account application automation were approximately \$1,478,004.³¹ In addition to the development costs, CBP will also incur annual operating and maintenance costs associated with the automation process and the ACH Refund Authorization tab in ACE. During the period of analysis, CBP expects these costs to be around \$972,123, or on average \$97,212 annually.³² Table 3 displays CBP's estimates for the IT systems development costs and IT systems ongoing operation and maintenance costs associated with this IFR.

Table 3. CBP IT Systems Costs

³⁰ CBP notes that this new automated ACE importer account creation process includes a new identity verification process to guard against possible fraud and identity theft. Upon submission of the electronic application, an email message is sent to the point of contact (POC) listed on the existing importer account to verify that the individual applying for the new account is in fact an employee of the importer. A new account is not created if one of the following is true: the importer account (*i.e.*, the 5106 record) does not already exist, the POC's email address is not present in the system, or the POC does not respond to the system-generated email mentioned above.

³¹ Information provided by CBP's Revenue Division, subject matter expert, on August 28, 2025, and CBP's Office of Entry Summary, Accounts, and Revenue Division, on September 15, 2025.

³² Information provided by CBP's Revenue Division, subject matter expert, on August 28, 2025, and CBP's Office of Entry Summary, Accounts, and Revenue Division on September 15, 2025.

Year	Development	Operation & Maintenance Costs	Total
2025	\$1,478,004	\$73,730	\$1,551,734
2026		\$123,032	\$123,032
2027		\$126,846	\$126,846
2028		\$84,380	\$84,380
2029		\$86,995	\$86,995
2030		\$89,692	\$89,692
2031		\$92,473	\$92,473
2032		\$95,339	\$95,339
2033		\$98,295	\$98,295
2034		\$101,342	\$101,342
Total	\$1,478,004	\$972,123	\$2,450,127

*Note values may not sum due to rounding.

CBP also anticipates that ASD staff will incur time burdens to review ACE Portal account applications. CBP has developed an automated review and approval process for importer ACE Portal account applications but will still conduct manual review of a certain number of these applications. CBP does not know exactly how many of these importer ACE Portal account applications will require a manual review. Due to this uncertainty, CBP provides a range of estimates for how many of these importer applications will be reviewed and processed by ASD staff. For CBP's primary estimate, CBP expects that around 20 percent of these applications will be manually reviewed by ASD staff. For a low estimate, CBP assumes that only 10 percent of these importer applications will be reviewed manually, while CBP's high estimate assumes that around 30 percent of applications are manually reviewed.³³ Based on these assumptions, CBP's primary estimate suggests that ASD staff will manually review around 97,343 importer applications from 2026 through 2034. Meanwhile, CBP's high and low estimates suggest that ASD staff will review between 146,014 and 48,671 applications during the period of analysis.

CBP estimates that on average it takes around 30 minutes (0.5 hours) for ASD staff to manually review and process applications, and to establish an ACE Portal account.³⁴ To

³³ Information provided by CBP's Entry Summary, Accounts, and Revenue Division, subject matter experts, on August 29, 2025. At this point there is no plan established to eliminate the manual review process and CBP does not know exactly how many importer applications will be reviewed after the automation tool is implemented. This uncertainty led CBP to provide a range of estimates.

³⁴ Information provided by CBP's Trade Transformation Office, subject matter expert, on August 26, 2025.

estimate the time burden to ASD staff, CBP multiplied the estimated number of applications manually reviewed by the average time burden of 0.5 hours. CBP's primary estimate suggests that during the period of analysis ASD staff will incur a time burden of around 48,671 hours when reviewing additional ACE Portal account applications as a result of this IFR. CBP's high and low estimates show the time burden to ASD staff will range from 73,007 to 24,336 hours from 2026-2034. Table 4 displays CBP's estimates for the ACE Portal account applications reviewed by CBP and the associated time burden hours from 2025-2034.

Table 4. CBP Time Burden from Manual Review of ACE Portal Account Applications in 2025-2034 (time burden in hours)

Year	Estimated Applications	Applications Manually Reviewed Estimates			Time Burden to Review	Total Time Burden Estimates		
		Primary (20%)	High (30%)	Low (10%)		Primary (20%)	High (30%)	Low (10%)
2025								
2026	448,470	89,694	134,541	44,847	0.5	44,847	67,271	22,424
2027	4,616	923	1,385	462	0.5	462	692	231
2028	4,662	932	1,399	466	0.5	466	699	233
2029	4,708	942	1,413	471	0.5	471	706	235
2030	4,756	951	1,427	476	0.5	476	713	238
2031	4,803	961	1,441	480	0.5	480	720	240
2032	4,851	970	1,455	485	0.5	485	728	243
2033	4,900	980	1,470	490	0.5	490	735	245
2034	4,949	990	1,485	495	0.5	495	742	247
Total	486,714	97,343	146,014	48,671		48,671	73,007	24,336

*Note values may not sum due to rounding.

CBP monetizes these time burdens to ASD staff by multiplying the total time burden for each estimate by the average hourly loaded wage rate for a CBP Trade and Revenue Employee, \$85.19.³⁵ CBP's primary estimate shows that ASD staff will incur a cost of approximately \$4.1 million. Meanwhile, CBP's high and low estimates suggest that costs to ASD staff range from \$6.2 million to \$2.1 million during the period of analysis. Table 5 below displays CBP's primary, high, and low estimates for the time burden and costs associated with reviewing additional importer ACE Portal account applications as a result of this IFR.

³⁵ CBP bases this wage on the FY 2024 salary, benefits, premium pay, non-salary costs, and awards of the national average of CBP Trade and Revenue Employee positions. Source: Email correspondence with CBP's Office of Finance on July 15, 2025.

Table 5. CBP Costs from Manual Review of ACE Portal Account Applications 2025-2034 (time burden in hours, costs in undiscounted 2025 U.S. dollars)

Year	Total Time Burden Estimates			Wage Rate	Cost Estimates		
	Primary	High	Low		Primary	High	Low
2025							
2026	44,847	67,271	22,424	\$85.19	\$3,820,516	\$5,730,774	\$1,910,258
2027	462	692	231	\$85.19	\$39,321	\$58,982	\$19,661
2028	466	699	233	\$85.19	\$39,714	\$59,572	\$19,857
2029	471	706	235	\$85.19	\$40,112	\$60,167	\$20,056
2030	476	713	238	\$85.19	\$40,513	\$60,769	\$20,256
2031	480	720	240	\$85.19	\$40,918	\$61,377	\$20,459
2032	485	728	243	\$85.19	\$41,327	\$61,990	\$20,663
2033	490	735	245	\$85.19	\$41,740	\$62,610	\$20,870
2034	495	742	247	\$85.19	\$42,158	\$63,236	\$21,079
Total	48,671	73,007	24,336		\$4,146,318	\$6,219,477	\$2,073,159

*Note values may not sum due to rounding.

CBP anticipates that importers will also incur costs as a result of this rule, which will require most importers to submit ACH banking information to CBP via ACE for the issuance of electronic refunds.³⁶ CBP anticipates that on average it will take around 8 minutes (0.133 hours) to complete the ACH banking information in ACE and submit it to CBP.³⁷ Over the period of analysis, CBP estimates that approximately 494,314 importers will need to submit ACH banking information to CBP, resulting in a one-time burden of around 65,909 hours when the ACH banking information is submitted in ACE. To monetize these time burden costs to trade members, CBP multiplied the time burden hours by the average hourly loaded wage rate for importers, \$36.57.³⁸ CBP calculated this loaded wage rate by first multiplying the Bureau of Labor Statistics' (BLS) 2024 median hourly wage rate for Cargo and Freight Agents (\$23.99),

³⁶ According to CBP's Revenue Division, subject matter expert, some importers have already submitted ACH banking information by requesting a paper ACH refund form and submitting the form to CBP. CBP estimates that around 5,500 importers would have that ACH banking information transferred over into ACE and would not have to resubmit that information in ACE.

³⁷ Data provided by CBP's Revenue Division, subject matter expert, on June 20, 2025.

³⁸ Source of median wage rate: U.S. Bureau of Labor Statistics. Occupational Employment and Wage Statistics, "May 2023 National Occupational Employment and Wage Estimates United States." Updated April 3, 2024. Available at https://www.bls.gov/oes/2023/may/oes_nat.htm. Accessed June 4, 2024. The total compensation to wages and salaries ratio is equal to the total compensation cost per hour worked for Office and Administrative Support occupations (\$33.98) divided by the wages and salaries cost per hour worked for the same occupation category (\$23.00). See "Table 2. Employer Costs for Employee Compensation for civilian workers by occupational and industry group." Bureau of Labor Statistics, "Employer Costs for Employee Compensation – December 2023." Released March 13, 2024. Available at https://www.bls.gov/news.release/archives/eccec_03132024.pdf. Accessed June 4, 2024.

Additionally, for importers to submit the ACH banking information to CBP via ACE they will first need to create an ACE Portal account. This will result in an additional time burden to importers who have not already created an ACE Portal account. CBP estimates that on average it takes around 20 minutes (0.333 hours) to create an ACE Portal account.⁴¹ CBP notes that some importers have already created an ACE Portal account, therefore only the importers that have not yet created their ACE Portal account will incur this time burden. CBP estimates that in 2026, approximately 448,470 importers will be required to create an ACE Portal account as a result of this IFR. From 2027 to 2034, CBP anticipates an additional 38,244 importers will also need to create an ACE Portal account. CBP estimates that importers are expected to incur approximately 162,238 hours of time burden as a result of creating these ACE Portal accounts. To monetize these time burden costs to trade members, CBP multiplied the time burden hours by the average hourly loaded wage rate for importers, \$36.57. CBP estimates that importers will incur a cost of around \$5.9 million to create ACE Portal accounts as a result of this IFR. Table 7 displays CBP's estimates for the cost burden to importers when creating ACE Portal accounts as a result of this IFR from 2025-2034.

Table 7. Trade Time Burden and Costs to Create ACE Portal Accounts (time in hours, costs in undiscounted 2025 U.S. dollars)

Year	Number of Importers	Time Burden per Importer	Total Time Burden	Wage Rate	Total Cost
2025					
2026	448,470	0.333	149,490	\$36.57	\$5,466,849
2027	4,616	0.333	1,539	\$36.57	\$56,265
2028	4,662	0.333	1,554	\$36.57	\$56,828
2029	4,708	0.333	1,569	\$36.57	\$57,396
2030	4,756	0.333	1,585	\$36.57	\$57,970
2031	4,803	0.333	1,601	\$36.57	\$58,550
2032	4,851	0.333	1,617	\$36.57	\$59,135
2033	4,900	0.333	1,633	\$36.57	\$59,727
2034	4,949	0.333	1,650	\$36.57	\$60,324
Total	486,714		162,238		\$5,933,046

*Note values may not sum due to rounding.

⁴¹ Information provided by CBP's Revenue Division, subject matter expert, on July 18, 2025.

CBP also acknowledges that foreign importers may incur a slight cost from the requirement that they obtain a U.S. bank account for ACH refunds. However, CBP anticipates that this cost will be minimal because these foreign importers likely either have a U.S. bank account, or they will authorize their broker to receive refunds on their behalf. Additionally, importers may receive payment via check if a waiver applies under 31 CFR part 208. CBP requests public comments on these costs discussed above and any other costs CBP has not included in this analysis that may result from this IFR. Table 8 displays CBP's estimates for total costs as a result of this IFR during the period of analysis. CBP anticipates that overall, this IFR will result in a total cost of approximately \$14.9 million.

Table 8. Total Estimated Costs from this IFR (costs in undiscounted 2025 U.S. dollars)

Year	CBP IT Costs	CBP Time Burden Costs	Importer Time Burden Costs	Total Cost
2025	\$1,551,734			\$1,551,734
2026	\$123,032	\$3,820,516	\$7,690,647	\$11,634,194
2027	\$126,846	\$39,321	\$78,772	\$244,938
2028	\$84,380	\$39,714	\$79,559	\$203,653
2029	\$86,995	\$40,112	\$80,355	\$207,462
2030	\$89,692	\$40,513	\$81,158	\$211,363
2031	\$92,473	\$40,918	\$81,970	\$215,360
2032	\$95,339	\$41,327	\$82,790	\$219,456
2033	\$98,295	\$41,740	\$83,618	\$223,652
2034	\$101,342	\$42,158	\$84,454	\$227,953
Total	\$2,450,127	\$4,146,318	\$8,343,322	\$14,939,767

*Note values may not sum due to rounding.

Cost Savings of Rule

CBP anticipates that this IFR will result in cost savings to the Federal government, financial institutions, and trade members. Requiring electronic ACH refunds will eliminate the existing process of printing and mailing paper U.S. Treasury checks to importers.⁴² Since this process is conducted by the U.S. Treasury, CBP anticipates that these costs savings will be experienced by the U.S. Treasury. Prior to this IFR, CBP anticipates that, on average, every year CBP issues approximately 341,723 refunds, of which around 70% are printed and mailed

⁴² Refund checks may still be printed and mailed in rare circumstances only if the recipient meets U.S. Treasury criteria identified in 31 CFR 208.4.

by the U.S. Treasury as checks.⁴³ CBP notes that in recent years the percentage of refunds being printed and mailed as U.S. Treasury checks has been declining and CBP assumes that the average number of paper refund checks sent in future years would continue to decline even without this IFR. CBP estimates the number of future paper refund checks that would be sent in the baseline by assuming the number of refunds sent as U.S. Treasury checks will decrease by around 8.8% each year.⁴⁴ Therefore during the period of analysis, CBP anticipates that this IFR would eliminate approximately 1,278,486 paper refund checks from being printed and mailed by the U.S. Treasury after the IFR is implemented. CBP expects that the cost to print and mail each refund check costs the U.S. Treasury around \$2.66.⁴⁵ CBP estimates that this IFR will result in a total cost savings of approximately \$3,400,773 from eliminating the printing and mailing costs associated with paper refund checks. Table 9 displays CBP's estimates for the number of future paper refund checks it expects to send by U.S. Treasury (in the baseline), eliminated U.S. Treasury checks and the associated printing and mailing cost savings to the U.S. Treasury from this IFR.

⁴³ Data provided by CBP's Revenue Division, subject matter expert, on August 13, 2025.

⁴⁴ CBP estimated the annual decrease in refunds sent as U.S. Treasury checks by calculating the annual percent change between the estimated number of paper refund checks for 2025 and the actual number of paper refund checks sent in 2023 $((222,425-269,907)/(269,907))/2 = 8.80\%$.

⁴⁵ Data provided by CBP's Revenue Division, subject matter expert, on July 17, 2025.

Table 9. Estimated Baseline Number of Refund Paper Checks, and Expected Eliminated Refund Paper Checks and Associated Printing and Mailing Cost Savings from this IFR

Year	Baseline Number of Future Paper Checks	% Decline in Checks	Number of Eliminated Checks	Cost per Paper Check	Total Cost Savings
2025	218,868			\$2.66	\$0
2026	199,616	-8.80%	199,616	\$2.66	\$530,980
2027	182,058	-8.80%	182,058	\$2.66	\$484,275
2028	166,044	-8.80%	166,044	\$2.66	\$441,678
2029	151,439	-8.80%	151,439	\$2.66	\$402,828
2030	138,119	-8.80%	138,119	\$2.66	\$367,395
2031	125,970	-8.80%	125,970	\$2.66	\$335,079
2032	114,889	-8.80%	114,889	\$2.66	\$305,606
2033	104,784	-8.80%	104,784	\$2.66	\$278,725
2034	95,567	-8.80%	95,567	\$2.66	\$254,208
Total	1,497,354		1,278,486		\$3,400,773

*Note: The 2025 Number of Paper Checks Eliminated is provided to show CBP's estimated number which was used to calculate 2026 paper checks that will be eliminated as a result of this IFR. CBP does not expect any paper checks will be eliminated in 2025. Values may not sum due to rounding.

One of the primary benefits of transitioning from sending paper checks to electronic ACH refunds is the fact that electronic ACH refunds are much less likely to be lost, stolen, altered, or returned. Mailed paper checks from the U.S. Treasury are at least 16 times more likely to be subject to these issues compared to electronic ACH refunds.⁴⁶ As discussed earlier, when an importer files a claim that fraudulent activity has targeted a refund check, the U.S. Treasury adjudicates the claim of non-receipt. When it is determined that the refund check was indeed targeted by fraudulent activity, a refund check is resent to the importer. CBP notes that in 2023, approximately 1,026 paper refund checks were a target of fraud and that number increased in 2024 to 1,393 checks, or on average 1,210 annually. These stolen checks resulted in the U.S. Treasury reissuing checks worth an estimated \$2.0 million in 2023 and \$3.98 million in 2024, which was a loss to financial institutions.⁴⁷ CBP assumes that issuing electronic ACH refunds would eliminate almost all of these instances of fraud. CBP estimates that transitioning

⁴⁶ Bureau of the Fiscal Service, Paper Checks are Going Away – Here's What You Need to Know, available at <https://fiscal.treasury.gov/news/paper-checks-going-away.html> (last updated Aug. 14, 2025).

⁴⁷ Data provided by CBP's Revenue Division, subject matter expert, on August 13, 2025.

to electronic ACH refunds would eliminate approximately 94% of these reissued checks due to fraud, or approximately 1,134 each year.⁴⁸ Based on the estimated value of refund checks for 2023, 2024 and part of 2025, the average value of a refund check that is subject to theft and/or fraud was approximately \$2,439. Eliminating these instances of fraud would save a total of \$2.72 million (1,134 X \$2,439) annually based on the estimated value of the losses incurred from fraud. Prior to this IFR, each one of these checks would also need to be reissued to the importer, and CBP already identified the printing and mailing costs associated with issuing these paper refund checks above at \$2.66 per check. CBP estimates that these cost savings from the elimination of resending stolen checks each year will be around \$2.78 million annually. Table 10 below displays CBP's estimates for savings from eliminating the cost to resend stolen checks.

Table 10. Cost Savings from Eliminating Paper Check Fraud 2025-2034 (undiscounted 2025 U.S. dollars)

Year	Number of Fraudulent Checks	Cost To Resend Checks	Estimated Fraud Loss	Total Cost Savings
2025				
2026	1,134	\$2.66	\$2,765,625	\$2,768,641
2027	1,134	\$2.66	\$2,765,625	\$2,768,641
2028	1,134	\$2.66	\$2,765,625	\$2,768,641
2029	1,134	\$2.66	\$2,765,625	\$2,768,641
2030	1,134	\$2.66	\$2,765,625	\$2,768,641
2031	1,134	\$2.66	\$2,765,625	\$2,768,641
2032	1,134	\$2.66	\$2,765,625	\$2,768,641
2033	1,134	\$2.66	\$2,765,625	\$2,768,641
2034	1,134	\$2.66	\$2,765,625	\$2,768,641
Total	10,205		24,890,625	\$24,917,771

*Note values may not sum due to rounding.

In addition, eliminating the fraudulent activity on these checks could allow the U.S. Treasury employees to be redirected from paper check claim adjudications to other mission critical work if extrapolated governmentwide. CBP was unable to obtain a specific estimate on the average time burden to the U.S. Treasury to conduct check claim adjudications, as they can

⁴⁸ CBP based this estimate on the assumption that paper checks are 16 times more likely to be subject to fraud, therefore transition to electronic ACH refund would eliminate $[1210 - (1,210 * (1-.9375))] = 1,134$.

vary significantly on a case-by-case basis from days to weeks or longer and at times also involves external partners such as federal law enforcement. Therefore, CBP discusses these savings qualitatively in this analysis. Transitioning to electronic refunds would not fully eliminate the U.S. Treasury staff's work effort on adjudicating check claims as it is only one aspect of U.S. Treasury's post payment exception workloads. CBP assumes that the work effort to complete a paper check non-receipt claim adjudication is equal to the work effort to complete an ACH non-receipt claim adjudication. Unfortunately, CBP does not know exactly how many ACH non-receipt claims will occur in the future after the transition to electronic ACH refunds, nor does it have insight into the U.S. Treasury's other post payment exception workloads. However, as CBP noted above, paper refund checks are 16 times more likely to be lost, stolen, altered or delayed, compared to ACH refunds. Therefore, CBP anticipates that the time savings to the U.S. Treasury staff could be significant, allowing staff to be redirected to other mission critical tasks if extrapolated governmentwide.

Additionally, CBP anticipates that this IFR will result in some time savings to importers from eliminating instances of check theft and fraud. Importers need to conduct reconciliation of their accounts to ensure the refund check was not received and cashed. Once this is confirmed, the importer needs to reach out to CBP's Revenue Division via email to notify CBP that the refund check may have been lost or stolen. CBP acknowledges that this time burden to importers will vary depending on the scenario and the company; therefore, CBP presents a range estimate. CBP's primary estimate suggests the average importer incurs a three-hour time burden to review and reconcile its accounts to identify a missing check and to reach out to CBP.⁴⁹ CBP's low estimate and high estimate suggest that the average time burden would range from one hour to six hours. CBP requests comments on these assumptions. CBP's primary estimate shows that during the period of analysis importers would experience a time savings of approximately 30,615 hours or on average 3,402 annually as they would no longer

⁴⁹ Information provided by CBP's Revenue Division, subject matter expert, on September 24, 2025.

have to review and reconcile their accounts to identify missing refund checks and notify CBP via email. CBP's low and high estimates propose the time savings would range between 10,205 hours and 61,231 hours. To monetize these time savings from this IFR, CBP multiplied the time savings hours by the average hourly loaded wage rate for importers, \$36.57. According to CBP's primary estimate, importers will experience a cost savings of approximately \$1,119,608 or \$124,401 annually. CBP's low and high estimates suggest total cost savings range from \$373,203 to \$2,239,215. Table 11 displays CBP's estimates for time and cost savings to trade members from eliminating theft and fraud of paper checks.

Table 11. Time and Costs Savings to Trade from Eliminating Theft and Fraud of Paper Checks 2025-2034 (time savings in hours, costs in undiscounted 2025 U.S. dollars)

Year	Checks Subject to Fraud	Time Savings Estimates			Wage Rate	Cost Savings Estimates		
		Primary	Low	High		Primary	Low	High
2025								
2026	1,134	3,402	1,134	6,803	\$36.57	\$124,401	\$41,467	\$248,802
2027	1,134	3,402	1,134	6,803	\$36.57	\$124,401	\$41,467	\$248,802
2028	1,134	3,402	1,134	6,803	\$36.57	\$124,401	\$41,467	\$248,802
2029	1,134	3,402	1,134	6,803	\$36.57	\$124,401	\$41,467	\$248,802
2030	1,134	3,402	1,134	6,803	\$36.57	\$124,401	\$41,467	\$248,802
2031	1,134	3,402	1,134	6,803	\$36.57	\$124,401	\$41,467	\$248,802
2032	1,134	3,402	1,134	6,803	\$36.57	\$124,401	\$41,467	\$248,802
2033	1,134	3,402	1,134	6,803	\$36.57	\$124,401	\$41,467	\$248,802
2034	1,134	3,402	1,134	6,803	\$36.57	\$124,401	\$41,467	\$248,802
Total	10,205	30,615	10,205	61,231		\$1,119,608	\$373,203	\$2,239,215

*Note values may not sum due to rounding.

Table 12 displays CBP's estimates for total cost savings as a result of this IFR during the period of analysis. CBP anticipates that overall, this IFR will result in total quantifiable cost savings of approximately \$29 million or on average \$3.2 million annually. CBP also anticipates that the time savings to the U.S. Treasury staff could be significant, allowing staff to be redirected to other mission critical tasks if extrapolated governmentwide. CBP requests public comments on these cost savings discussed above and any other costs savings CBP has not included in this analysis that may result from this IFR.

Table 12. Total Cost Savings from 2025-2034 (undiscounted 2025 U.S. dollars)

Year	Eliminating Printing/Mailing	Eliminating Fraud	Cost Savings to Trade	Total Cost Savings
2025	\$0			\$0
2026	\$527,143	\$2,728,054	\$124,401	\$3,379,598
2027	\$484,275	\$2,728,054	\$124,401	\$3,336,730
2028	\$441,678	\$2,728,054	\$124,401	\$3,294,133
2029	\$402,828	\$2,728,054	\$124,401	\$3,255,283
2030	\$367,395	\$2,728,054	\$124,401	\$3,219,850
2031	\$335,079	\$2,728,054	\$124,401	\$3,187,534
2032	\$305,606	\$2,728,054	\$124,401	\$3,158,061
2033	\$278,725	\$2,728,054	\$124,401	\$3,131,179
2034	\$254,208	\$2,728,054	\$124,401	\$3,106,663
Total	\$3,400,773	\$24,552,486	\$1,119,608	\$29,069,031

*Note values may not sum due to rounding.

Benefits of Rule

In addition to the expected cost savings of this rule, CBP anticipates there will be some benefits, but CBP is unable to quantify those benefits in this analysis. Transitioning to electronic ACH refunds creates a significantly more efficient refund process. Trade members would receive their electronic payments significantly more quickly than mailed paper checks, which can be subject to delays in delivery. CBP expects that trade members will benefit from receiving their refunds sooner, allowing them to use refund amounts for other business expenses or investments significantly sooner than they would be able to use refunded amounts in mailed refund checks. CBP does not know how much of a benefit this will provide to trade members and requests public comments on these benefits and any other benefits resulting from this IFR.

Net Impact of Rule

CBP anticipates that over the time period of analysis (2025-2034), this IFR will result in an overall net cost savings compared to the baseline. CBP estimates that from 2025-2034 this IFR will result in total costs of approximately \$14.9 million or on average \$1.5 million annually. Additionally, CBP estimates this IFR will result in quantifiable cost savings of around \$29 million or on average \$3.3 million annually. CBP expects that total net cost savings, from eliminating paper refund checks and transitioning to electronic refunds, will be

around \$14.5 million or on average \$1.4 million annually. Table 13 displays CBP's estimates for total costs, cost savings and net cost savings as a result of this IFR from 2025-2034.

Table 13. Total Cost, Cost Savings and Net Cost Savings from Transitioning to Electronic ACH Refunds from 2025-2034 (undiscounted 2025 U.S. dollars)

Year	Costs	Cost Savings	Net Cost Savings
2025	\$1,551,734		(\$1,551,734)
2026	\$11,634,194	\$3,420,185	(\$8,214,009)
2027	\$244,938	\$3,377,317	\$3,132,378
2028	\$203,653	\$3,334,720	\$3,131,067
2029	\$207,462	\$3,295,870	\$3,088,408
2030	\$211,363	\$3,260,437	\$3,049,074
2031	\$215,360	\$3,228,121	\$3,012,761
2032	\$219,456	\$3,198,648	\$2,979,192
2033	\$223,652	\$3,171,767	\$2,948,114
2034	\$227,953	\$3,147,250	\$2,919,297
Total	\$14,939,767	\$29,434,315	\$14,494,548

*Note values may not sum due to rounding.

Table 14. Total Monetized Present Value and Annualized Costs 2025-2034 (2025 U.S. dollars)

	3% Discount Rate	7% Discount Rate
Present Value Cost	\$13,923,328	\$12,755,414
Annualized Cost	\$1,632,239	\$1,816,084

Table 14 shows the discounted total quantified costs from this IFR from 2025-2034 compared to the baseline scenario. As shown, the total costs over the 10-year period of analysis will range from \$13.9 million (in 2025 U.S. dollars) using a three percent discount rate to \$12.8 million (in 2025 U.S. dollars) using a seven percent discount rate. Expected total annualized costs from this final rule range from \$1.6 million using a three percent discount rate to \$1.8 million using a seven percent discount rate.

Table 15. Total Monetized Present Value and Annualized Cost Savings 2025-2034 (2025 U.S. dollars)

	3% Discount Rate	7% Discount Rate
Present Value Cost Savings	\$25,516,795	\$21,408,372
Annualized Cost Savings	\$2,991,347	\$3,048,071

Table 15 shows the discounted total quantified costs savings as a result of this IFR from 2025-2034. As shown, the total cost savings over the 10-year period of analysis will range from

\$25.5 million (in 2025 U.S. dollars) using a three percent discount rate to \$21.4 million (in 2025 U.S. dollars) using a seven percent discount rate. Expected total annualized cost savings from this IFR will range from \$3.0 million using a three percent discount rate to \$3.1 million using a seven percent discount rate.

Table 16. Total Monetized Present Value and Annualized Net Cost Savings 2025-2034 (2025 U.S. dollars)

	3% Discount Rate	7% Discount Rate
Present Value Net Cost Savings	\$10,850,260	\$7,252,411
Annualized Net Cost Savings	\$1,271,981	\$1,032,580

Table 16 shows the discounted total quantified net cost savings during the period of analysis from this IFR. As shown, the total net cost savings over the 10-year period of analysis compared to the baseline will range from \$10.8 million (in 2025 U.S. dollars) using a three percent discount rate to \$7.2 million (in 2025 U.S. dollars) using a seven percent discount rate. Expected total annualized net cost savings from this IFR will range from \$1.3 million using a three percent discount rate to \$1.0 million using a seven percent discount rate.

C. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*), as amended by the Small Business Regulatory Enforcement and Fairness Act of 1996, requires an agency to prepare and make available to the public a regulatory flexibility analysis that describes the effect of a proposed rule on small entities (*i.e.*, small businesses, small organizations, and small governmental jurisdictions) when the agency is required to publish a notice of proposed rulemaking for a rule. Since a notice of proposed rulemaking is not necessary for this rule, CBP is not required to prepare a regulatory flexibility analysis for this rule. 5 U.S.C. 603.

D. Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3507), an agency may not conduct or sponsor, and an individual is not required to respond to, a collection of information unless it has been approved by the Office of Management and Budget (OMB) and

assigned an OMB control number. However, this rule does not involve any material change to an existing approved information collection, and the banking account information for payments and credits is not covered by the Paperwork Reduction Act (44 U.S.C. 3507). As such, this rule does not affect any approved information collection.

Signing Authority

In accordance with Treasury Order 100-20, the Secretary of the Treasury delegated to the Secretary of Homeland Security the authority related to the customs revenue functions vested in the Secretary of the Treasury as set forth in 6 U.S.C. 212 and 215, subject to certain exceptions. This regulation is being issued in accordance with DHS Delegation 07010.3, Revision 03.2, which delegates to the Commissioner of CBP the authority to prescribe and approve regulations related to customs revenue functions.

Rodney S. Scott, Commissioner, having reviewed and approved this document, has delegated the authority to electronically sign the document to the Director of the Regulations and Disclosure Law Division of CBP, for purposes of publication in the *Federal Register*.

List of Subjects

19 CFR Part 24

Accounting, Claims, Exports, Freight, Harbors, Reporting and recordkeeping requirements, Taxes.

19 CFR Part 141

Reporting and recordkeeping requirements.

19 CFR Part 159

Antidumping, Countervailing duties, Foreign currencies.

19 CFR Part 174

Administrative practice and procedure.

Amendments to the CBP Regulations

For the reasons stated above, amend parts 24, 141, 159, and 174 of title 19 of the Code of Federal Regulations (19 CFR parts 24, 141, 159, and 174) as set forth below.

PART 24 – CUSTOMS FINANCIAL AND ACCOUNTING PROCEDURE

1. The general authority citation for part 24 is revised to read as follows:

Authority: 5 U.S.C. 301; 19 U.S.C. 58a-58c, 66, 1202 (General Note 3(i), Harmonized Tariff Schedule of the United States), 1505, 1520, 1624; 26 U.S.C. 4461, 4462; 31 U.S.C. 3332, 3717, 9701; Pub. L. 107-296, 116 Stat. 2135 (6 U.S.C. 1 *et seq.*).

* * * * *

Section 24.36 also issued under 26 U.S.C. 5001(c)(4), 5041(c)(7), 5051(a)(6), 6423; Pub. L. 115-97; Pub. L. 116-260; 134 Stat. 3046.

2. Revise § 24.5(a) to read as follows:

§ 24.5 Filing identification number.

(a) *Generally.* Each person, business firm, Government agency, or other organization shall file CBP Form 5106, Create/Update Importer Identity Form, with the first formal entry which is submitted or the first request for services that will result in the issuance of a bill or a refund. A CBP Form 5106 shall also be filed for the ultimate consignee for which such entry is being made. CBP Form 5106 may be obtained from any CBP Office.

* * * * *

3. In § 24.24, the last two sentences of paragraph (c)(8)(i), the last sentence of paragraph (e)(4)(iii), and the last sentence of paragraph (e)(4)(iv)(A) are revised to read as follows:

§ 24.24 Harbor maintenance fee.

* * * * *

(c) * * *

(8) * * *

(i) * * * A description of the cargo listed in the shipping documents and a brief

summary of the intended use of the goods, if such use is not reflected in the documents, are

acceptable evidence for certification purposes. Approved HMF refund payments will be made via ACH in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met.

* * * *

(e) * * *

(4) * * *

(iii) * * * Approved HMF refund payments will be made via ACH in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met.

(iv) * * *

(A) * * * Approved HMF refund payments will be made via ACH in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met.

* * * *

4. In § 24.36, the introductory text of paragraph (a) and paragraph (a)(3) are revised to read as follows:

§ 24.36 Refunds of excessive duties, taxes, etc.

(a) When it is found upon, or prior to, liquidation or reliquidation of an entry or reconciliation that a refund of excessive duties, taxes, fees or interest (at the rate determined in accordance with § 24.3a(c)(1)) is due, a refund shall be prepared in the name of the person to whom the refund is due, as determined under paragraphs (b) and (c) of this section, and issued electronically in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met. If CBP Form 4811, submitted to CBP through a CBP-approved method, authorizes someone other than the payee to receive a refund, CBP will issue the refund electronically to the authorized person in accordance with 31 U.S.C. 3332 and the waiver conditions in 31 CFR 208.4. If a power of attorney is on file, the refund will be issued electronically to such attorney, if requested. A CBP Form 4811 received by CBP will not be effective if a customs transaction requiring the use of the owner's importer number has not been made within three years from the

date the CBP Form 4811 was filed or if there is no unliquidated entry on file to which such number is to be associated. For purposes of this section:

* * * * *

(3) If a refund, including any interest thereon, is not paid in full within the applicable 30-day period specified in paragraph (a)(2) of this section, the refund shall be considered delinquent thereafter and interest under 19 U.S.C. 1505(d) shall accrue on the unpaid balance by 30-day periods until the full balance is paid. However, no interest will accrue during the 30-day period in which the refund is paid. Likewise, no interest under 19 U.S.C. 1505(d) will accrue when CBP certifies an electronic refund for issuance within 30 days of the liquidation or reliquidation of the entry, and CBP is unable to deliver the electronic refund solely due to the recipient's failure to provide CBP with the necessary banking information to effectuate delivery of the electronic refund.

* * * * *

PART 141 – ENTRY OF MERCHANDISE

5. The general authority citation for part 141 continues to read as follows:

Authority: 19 U.S.C. 66, 1448, 1484, 1498, 1624.

* * * * *

6. Revise § 141.61(d)(1) through (3) to read as follows:

§ 141.61 Completion of entry and entry summary documentation.

* * * * *

(d) * * *

(1) *Generally.* Except as provided in paragraph (d)(2) of this section, the importer number of the importer of record and the consignee number of the ultimate consignee must be reported for each entry summary and for each drawback entry. When the importer of record and the ultimate consignee are the same, the importer number may be entered in both spaces provided on CBP Form 7501 (boxes 22 and 23), or its electronic equivalent, or the importer

number may be entered in the space provided for the importer (box 23, or its electronic equivalent) and the word “SAME” may be entered in the space provided for the ultimate consignee (box 22, or its electronic equivalent).

(2) *Exception.* In the case of a consolidated entry summary covering the merchandise of more than one ultimate consignee, the importer number must be reported on CBP Form 7501 (box 23, or its electronic equivalent) and the notation “CONSOLIDATED” must be made in the space provided for the consignee number (box 22, or its electronic equivalent).

(3) *When refunds, bills, or notices of liquidation are to be sent to agent.* If an importer of record desires to have refunds issued electronically in accordance with § 24.36, and bills or notices of liquidation mailed in care of an agent, the agent's importer number must be reported on CBP Form 7501 in the box designated “Reference No” (box 24, or its electronic equivalent). In this case, the importer of record must file, or must have filed previously, through a CBP-approved method, a CBP Form 4811 authorizing the electronic issuance of refunds, and the mailing of bills or notices of liquidation, to the agent.

* * * * *

PART 159 – LIQUIDATION OF DUTIES

7. The general and specific authority citations for part 159 continue to read as follows:

Authority: 19 U.S.C. 66, 1500, 1504, 1624.

* * * * *

Section 159.6 also issued under 19 U.S.C. 1321, 1505;

* * * * *

§ 159.6 [Amended]

8. Amend § 159.6 as follows:

a. In paragraph (c), remove the words “refund checks” and add in their place the word “refunds”; and

b. In paragraph (d), remove the words “refund check” and add in their place the words “a refund”.

PART 174 – PROTESTS

9. The general authority citation for part 174 continues to read as follows:

Authority: 19 U.S.C. 66, 1514, 1515, 1624.

* * * * *

10. In § 174.13, paragraph (c) is revised to read as follows:

§ 174.13 Contents of protest.

* * * * *

(c) *Optional designation for refunds.* If desired by the importer/consignee, the statement “any refunds with respect to the entry under protest shall be issued electronically in accordance with 31 U.S.C. 3332, unless a waiver condition in 31 CFR 208.4 is met, to the agent designated by the importer/consignee: _____”

(Name and Address of Agent)

may be appended to the protest. This designation supersedes any existing designation previously authorized on CBP Form 4811.

Robert F. Altneu,
Director, Regulations & Disclosure Law Division,
Regulations & Rulings,
Office of Trade,
U.S. Customs and Border Protection.