



**U.S. Customs and
Border Protection**

18-002
CMP-1-CL-APD-EJM

January 12, 2018

CLEVELAND AREA PORT PIPELINE

TO: All Importers, Brokers, Customs and Border Protection Officers and Other Interested Parties

SUBJECT: Section 321 De Minimis Value Threshold (DMT)

On February 24, 2016, the De Minimis Value Threshold (DMT) for the United States was raised from \$200 to \$800. This increase was required by the Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA) (Pub. Law 114-125). The DMT is the maximum monetary value of a shipment that can be imported into a country duty and tax free. In the United States, De Minimis shipments are commonly referred to as Section 321 shipments. The term "Section 321" comes from Section 321(a)(2)(C) of the Tariff Act of 1930.

*Subject to the **conditions and exceptions** below, CBP shall pass free of duty and tax any shipment of merchandise having a fair retail value in the country of shipment not exceeding \$800. The conditions are:*

- *The shipment must be imported by one person on one day;*
- *The importer must provide evidence of the value by an oral declaration or the bill of lading (or other document filed as the entry) or manifest listing each bill of lading;*
- *Consolidated shipments addressed to one (ultimate) consignee shall be treated as one importation;*
- *No alcoholic beverage, perfume containing alcohol (except where the aggregate fair retail value in the country of shipment of all merchandise contained in the shipment does not exceed \$5), cigars, or cigarettes shall be exempted from the payment of duty and tax under these provisions;*
- *The exemption to entry is not to be allowed in the case of any merchandise of a class or kind provided for in any absolute or tariff-rate quota, whether the quota is open or closed. In the case of merchandise of a class or kind provided for in a tariff-rate quota, the merchandise is subject to the rate of duty in effect on the date of entry.*

Merchandise subject to this exemption shall be entered under the informal entry procedures except for mail importations or in the case of personal written or oral declarations, a shipment of merchandise not exceeding \$800 in value which qualifies for informal entry may be entered by presenting the bill of lading or a manifest listing each bill of lading. The following information is required to be filed as a part of such entry:

- (1) Country of origin of the merchandise;*
- (2) Shipper name, address and country;*
- (3) Ultimate consignee name and address;*
- (4) Specific description of the merchandise;*
- (5) Quantity;*
- (6) Shipping weight; and*
- (7) Value.*

CBP has identified multiple low value shipments, whose aggregate value exceed \$800, destined to a single consignee, being improperly rated as Section 321 shipments. These shipments are not entitled to Section 321 clearance as they exceed the limitation set forth in the regulation of one person, once per day, not to exceed \$800. These shipments entering each day, in the aggregate, far exceed the allowable \$800.

The carrier, and brokerage services, are hereby instructed to immediately cease utilizing Section 321 clearance procedures for all shipments destined to a single consignee, whose aggregate value exceeds \$800 daily, in all modes of transportation.

As always, CBP has the right to require a formal entry on any shipment where additional information, bonding or protection is required. In the case of low value shipments, it is important to note that this treatment can be denied if used for the purpose of avoiding compliance with any pertinent law or regulation. This is especially important where revenue, import safety or serious trade enforcement risks exist.

Please follow the instructions in Pipeline 18-002 and go to the Customs and Border Protection website at: and look for <https://www.cbp.gov/trade/trade-enforcement/tftea>

Should you have any questions regarding the contents of the directive, please contact Assistant Area Port Director Eugene J. Matho Jr. (440) 891-3840.



Marc A. Hurteau
Area Port Director