



U.S. Customs and
Border Protection

JUL 28 2009

MEMORANDUM FOR: DIRECTORS, FIELD OPERATIONS

FROM: Executive Director, Trade Policy and Programs
Office of International Trade

SUBJECT: Guidance: Merchandise Processing Fee and Duty Preference
Programs

The attached Merchandise Processing Fee (MPF) and Duty Preference Programs table highlights how MPF is treated by the various duty preference programs. In some cases, a duty preference program claim entitles an importer to an MPF exemption on that entry line.

Please note that an importer may use a Special Program Indicator (SPI) to claim an MPF exemption on unconditionally free goods. A good with a General column duty rate of Free will not have an SPI indicator in the Special column of the HTSUS, because no claim for duty preference is needed. However, the SPI can still be used on the entry summary line to claim the MPF exemption. The good must meet the appropriate rule of origin and all other requirements of the duty preference program being claimed in order to qualify for the MPF exemption.

Copies of this memorandum should be made available to Port Directors, Assistant Port Directors, Import and Entry Specialists, CBP Officers, Brokers, Importers and other interested parties. It will also be posted on www.cbp.gov.

Questions regarding this memo or document should be directed to Mr. Seth Mazze, International Trade Specialist, International Coordination Branch, at seth.mazze@dhs.gov.

A handwritten signature in cursive script that reads "Brenda B. Smith".

Brenda B. Smith

Attachment