

FOREIGN TRADE ZONE

In the Missouri portion of the Joplin Region, a Foreign Trade Zone may be created as a sub-zone of Foreign Trade Zone #225, which is located at the Springfield-Branson National Airport in Springfield MO. A review of the project and an application would need to be filed. Each is taken on a case by case basis.

A Foreign Trade Zone (FTZ) is an economic incentives program created by the federal government to facilitate international trade. An FTZ is physically located within a nation's boundaries, but legally exists outside the customs area. This is like having an overseas plant located in your own hometown. While your merchandise is in an FTZ, customs duties are delayed until it enters U.S. commerce. If goods enter the FTZ and are exported again, they may never be subject to U.S. Customs duties.

FTZ Advantages:

- Never pay U.S. Customs duties on good exported from an FTZ or transferred from one FTZ to another
- Duties are not owed on labor, overhead or profit attributed to production in an FTZ
- Store your goods indefinitely, duty-free
- Minimize inventory cost
- Pay the duty rate on either imported components or the finished product, whichever is lower
- Duties are reduced or eliminated on damaged or waste materials
- Utilize the "weekly entry" feature approved by Customs to save processing fees and minimize procedural requirements
- FDA, Department of Agriculture and FCC non-approved items may be allowed into a foreign trade zone eligibility.