

NIH POLICY MANUAL
26101-41-F TEMPORARY IMPORT BONDS
ISSUING OFFICE: OD/OA/OLAO/DLS (301) 496-5921
RELEASE DATE: 09/01/02

- 1. Explanation of Material Transmitted:** This chapter contains specific instructions for applying for a Temporary Import Bond (TIB) in lieu of paying duty for temporary dutiable items.

- 2. Filing Instructions:**
Remove: NIH Manual Chapter 26101-41-F dated 12/01/93

Insert: NIH Manual Chapter 26101-41-F dated 09/01/02

Please Note:

- For questions on this chapter, contact the issuing office above.

- For on-line information on the NIH Manual System, go to <http://www1.od.nih.gov/oma/manualchapters/>

DATE: 09/01/02

REPLACES: 26101-41-F dated 12/01/93

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- A. Purpose:** This chapter establishes specific instructions for applying for a Temporary Import Bond (TIB) in lieu of paying duty for temporary dutiable items.
- B. Background:** The IC importer (NIH procurement official) must pay duty when importing drugs, pharmaceuticals, chemicals, or other commodities considered dutiable and of temporary use by the U.S. Customs Service, unless a TIB is posted. Failure to notify the U.S. Customs Service of the disposition of TIB imports may result in the levy of fines.
- C. Policy:** NIH's policy is to apply for a TIB in lieu of payment of an import duty. An exception is allowed when the duty does not exceed \$100 and is advantageous to the Government.

Either action is handled by the Customhouse Broker who asks the importer to choose between one of two options: (1) pay the duty; or, (2) apply for a TIB.

D. Procedures:

1. Paying Customs Duty

IC importers may pay the duty by directing the Customhouse Broker to include this charge on their invoice. The IC importer must instruct the broker to note on the invoice the IC importer's name, phone number, building and room numbers, and the appropriate fiscal year common accounting number (CAN). The IC importer must pay for services with a credit card or have the Broker send the invoice to the Relocation Services Branch, Freight Forwarding Section, 9000 Rockville Pike, Building 13, Room 1759, MSC 5725, Bethesda, Maryland 20892.

2. Applying for a TIB

IC importers may direct the Broker to apply for a TIB. The administrative requirements are:

a. The IC importer must send a disposition letter via the Customhouse Broker to the U.S. Customs Service within a year of the import. This letter (see the appendix) must show the following information:

(1) The Customs-assigned TIB Entry Number and Entry Date;

(2) The Merchandise (Commodity) Description;

(3) The Reason for Import;

(4) The Disposition (Status) of the Merchandise (i.e., used in its entirety, destroyed) and,

(5) The signature of the IC importer or someone in the IC who has first-hand knowledge of the imported material and its disposition. The disposition letter shall be handled as follows:

i. Address the letter to:

Department of Treasury
U.S. Customs Service
P.O. Box 17423
Washington, D.C. 20041
Attn: District Director

ii. Attach a copy of Customs Form CF7501 to the letter. Contact (301) 402-4431 for copy of this form.

iii. Mail the original letter Registered/Return Receipt to the Customhouse Broker. The Broker will date stamp and file the letter with the Customs Service on behalf of the IC importer.

iv. File a copy for future reference.

- b. The IC importer must request in writing a one-year extension or permission to destroy the commodity from the U.C. Customs service. Requests must be submitted at least two months prior to the TIB expiration date. Up to two 1-year extensions may be granted. When the TIB has been extended, the IC importer is still required to submit a disposition letter when the TIB is no longer required (See D.2.a. above).
- c. If the commodity is exported by the IC importer prior to expiration of the TIB, the IC importer must notify the U.S. Customs Service, in writing, of the circumstances, requesting cancellation of the TIB.

3. Filing for a Petition for Relief

Failure to follow the above procedures will result in a “NOTICE OF PENALTY OR LIQUIDATED DAMAGES INCURRED AND DEMAND FOR PAYMENT” (19

CAR 18.6, 172.31). The IC importer has 30 days to pay the fine or file petition for relief upon receipt of the notice.

The IC importer must include the information outlined in procedure D.2.a. above, the Customs-assigned Case Number and the justification for relief.

4. Distribution Process

The distribution process for filing written notifications to the Customs Service for an extension, permission to destroy a commodity, an export, or a Petition for Relief is the same as the method of distribution for disposition letters. The IC importer addresses the letter to the Customs Service, mails the original letter to the broker.

E. Records Retention and Disposal:

All records (e-mail and non-e-mail) pertaining to this chapter must be retained and disposed of under the authority of NIH Manual 1743, "Keeping and Destroying Records, Appendix 1, NIH Records Control Schedule," 1100 M-5, Tracking and Control Records.

1. NIH e-mail messages (messages, including attachments, that are created on NIH computer systems or transmitted over NIH networks) that are evidence of the activities of the agency or have informational value are considered Federal records. These records must be maintained in accordance with current NIH Records Management guidelines. Contact your IC Records Officer for additional information.
2. All e-mail messages are considered Government property, and, if requested for a legitimate Government purpose, must be provided to the requester. Employees' supervisors, NIH staff conducting official reviews or investigations, and the office of Inspector General may request access to or copies of the e-mail messages. E-mail messages must also be provided to members of Congress or congressional committees if requested and are subject to Freedom of Information Act requests. Since most e-mail systems have back-up files that are sometimes retained for significant periods of time, e-mail messages and attachments may be retrievable from a back-up file after they have been deleted from an individual's computer. The back-up files are subject to the same request as the original messages.

F. Management Controls

A detailed Management Control Process is not required since the Customhouse Broker deals directly with the IC and the dollar amount involved is less than \$10K.

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Appendix 1- Sample Letter

(Date)

Department of the Treasury
U.S. Customs Service
P.O. Box 17423
Washington, D.C. 20041

Attn: District Director

Dear Customs Officer:

Re- Temporary Import Bond Entry Number E5600703484-4 for Dideoxycytidine—Entry Date
March 5, 1999.

The National Cancer Institute (NCI) has a contract for the synthesis of chemicals with activity versus
the causative virus in Aids(HIV) with Raylo Laboratories of Edmonton, Alberta, Canada.
Dideoxycytidine was supplied to the NCI by Raylo under the terms of contract number 263-00-
000001.

This chemical has subsequently been used up in the treatment of patients with AIDS in trials sponsored
by the NCI and the National Institute of Allergy and Infectious Diseases.

I therefore request cancellation of the Temporary Import Bond referenced above.

Sincerely,

John C. Doe, Procurement Official
Pharmaceutical Research Branch
Developmental Therapeutics Program
Division of Cancer Treatment
National Cancer Institute

Attachment (CF7501 Form) - Contact (301) 402-4431 for copies of this form.

Original Letter to Customhouse Broker
Copy to Chief, Relocation Services Branch
Copy to Internal File