

# CBLE April 2023 Exam – Answers & Detailed Explanations

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**INSTRUCTIONS:**

In addition to the facts below, use the document provided, and choose the best answer for each of the following six questions.

| COMMERCIAL INVOICE  |                   |   |                                  |   |              | Invoice Number DDWI-10056 |
|---|-------------------|---|----------------------------------|---|--------------|---------------------------|
| <b>EXPORTER/SHIPPER</b><br>Fromage Cheddar LTD<br>126 Farm Road C<br>Sudbury, ONT P3B 8Y2               |                   |   |                                  |  |              | <b>NOTIFY PARTY</b>       |
| <b>Importer</b><br>Dairy Distributors of Wisconsin, Inc.<br>W59N2435 County H<br>Green Bay, WI 53147    |                   |   | <b>IR#</b> 84-1341236            |   |              |                           |
| <b>Ultimate consignee</b>   |                   |   |                                  | J. Person 904-904-9999  |              |                           |
| <b>Carrier</b><br>Sharp Trucking  |                   | <b>Duties / Fees for the Account of</b><br>Importer |                                  | <b>Terms of Sale</b><br>FAS   |              |                           |
| Line  | C/O<br>HS Tariff  | Description<br>HS Tariff Qty/UOM                    | Quantity                         | Unit Price<br>Uom   | Value        |                           |
| 001   | XO/CA<br>04069008 | Cheddar cheese                                      | 20,421                           | \$11.36   | \$231,982.56 |                           |
|   |                   |   | KG                               |   |              |                           |
|   |                   |   | 15,111.33                        | CKG   |              |                           |
| <b>MARKS &amp; NOS.</b><br>FCL Export<br>Batch 912ccfe012023 10,000 KG<br>Batch 101ccfe012023 10,421 KG |                   |   |                                  |   |              |                           |
|   |                   |   | <b>Invoice Date</b><br>9/23/2022 | <b>Currency of Value</b><br>US dollars  |              |                           |
|   |                   |   | <b>Grand Total</b> \$231,982.56  |   |              |                           |
| <b>Notes/Special Instructions:</b><br>Batch 912ccfe012023 is a six-year aged cheddar cheese             |                   |   |                                  |   |              |                           |

**FACTS:**

Canadian cheese producer, Fromage Cheddar, Sudbury, Ontario, Canada, (Shipper) exports cheddar cheese by refrigerated truck to Dairy Distributors of Wisconsin, Inc. of Green Bay, Wisconsin (Importer). The truck crosses into the U.S. via the International Bridge at Sault Ste. Marie, Michigan. The Importer typically warehouses the cheddar cheese for one or more years while the cheese ages or while waiting for the Canadian cheddar cheese quota to open. The warehouse is a cold-storage bonded warehouse in Green Bay, Wisconsin. A wheel of cheese from each batch is selected for testing at relevant times. Samples are removed from the test wheels to ensure that the flavor and consistency are as expected at various ages of the cheese batches prior to withdrawing any batch from the warehouse for consumption in the U.S. The Importer has selected 0406.90.0890 / 12% as the correct classification and rate of duty but prefers to withdraw the cheese from the warehouse when the quota is open so that it can claim duty free under the U.S.-Mexico-Canada Agreement (USMCA). The import date is 9/26/2022.

**1. Which of the following forms or the electronic equivalent would NOT be created by the customs broker to be kept in the warehouse permit folder to support the original deposit of the merchandise in the bonded warehouse under Entry Type 21? The Port Director has not given permission for direct delivery.**

- A) CBP Form 3461
- B) CBP Form 5106
- C) CBP Form 6043
- D) CBP Form 7501
- E) CBP Form 7512

**Correct answer: B**

**Explanation:**

- Entry Type 21 (warehouse entry) paperwork is created to support the actual deposit event—i.e., documents that show CBP authorized the goods to be entered for warehousing, any required movement under bond occurred properly (especially when no direct delivery is authorized), and the warehouse received/placed the goods under CBP control.
- CBP Form 5106 is an importer identity/profile form used to establish or update an importer's information in CBP's system. It is not created for a specific shipment and does not evidence deposit into a bonded warehouse (it doesn't serve as the permit/release/transport/deposit support record for the Entry Type 21 transaction). That's why it is the form that would NOT be created to keep in the warehouse permit folder for the original deposit.

**2. What is the Entry Type code for the withdrawal of 5,000 kilograms of cheddar cheese on opening day, January 2, 2023?**

- A) 01
- B) 02
- C) 21
- D) 31
- E) 32

**Correct answer: E**

**Explanation:**

- The fact pattern describes a **withdrawal** of merchandise that has been held under **bonded warehouse control**, meaning it is **not an initial consumption entry** and it is **not the original warehouse entry (Entry Type 21)**.
- Because the withdrawal is occurring **on quota opening day** and the merchandise is **cheddar cheese subject to a tariff-rate quota (TRQ)**, the withdrawal is processed as a **quota warehouse withdrawal** under ACE entry type rules.
- **Entry Type 32** is used for **quota warehouse withdrawals**, which is why **E) 32** is the correct entry type code for withdrawing the 5,000 kg on January 2, 2023.

**3. Which of the following country codes correctly reflects the country of origin on the entry summary or electronic equivalent?**

- A) CA
- B) OC
- C) XO
- D) XS
- E) XY

**Correct answer: C**

**Explanation:**

- On the **entry summary (CBP Form 7501) or its electronic equivalent in ACE**, the **Country of Origin (COO)** is not entered using “made-up” abbreviations or random two-letter combinations. It must be reported using the **official CBP/ACE country code list** that CBP recognizes for entry processing.
- When a question asks which **country code correctly reflects the COO**, the correct choice is the one that matches CBP’s **approved country code format for reporting origin in ACE** (the same standardized code set used for entry summary data elements).
- Among the options given, **XO** is the **valid CBP/ACE country-origin reporting code** for the scenario referenced by the exam, so it is the only answer that correctly reflects the country of origin on the entry summary/electronic equivalent.

**4. Which of the following statements is TRUE? As indicated on the invoice, 10,000 kilograms of the cheddar cheese needs to be aged for six years. Cheese needs to remain in the same climate for the entirety of its aging process and the warehouse building has separate areas for bonded, foreign trade zone, and domestic merchandise.**

A) Before the expiration of the fifth year from the date of importation, the broker can file a request for extension with the Center director showing good cause as to why the merchandise needs to remain in the warehouse for an additional year.

B) Before the expiration of the fifth year from the date of importation, the broker can file a warehouse withdrawal entry, pay any duties, taxes, and fees if there is insufficient quota remaining, and enter the cheese as privileged foreign merchandise to the foreign trade zone area of the warehouse for the sixth year of aging.

C) Before the expiration of the fifth year from the date of importation, the broker can file a warehouse withdrawal entry, pay any duties, taxes, and fees if there is insufficient quota remaining, and leave the cheese in bonded area of the warehouse for the sixth year of aging.

D) Before the expiration of the fifth year from the date of importation, the broker can file a CBP Form 7512 Transportation Entry to move the cheese from the bonded merchandise area of the warehouse to the domestic merchandise area of the warehouse for the sixth year of aging.

E) Before the expiration of the fifth year from the date of importation, the broker can file a rewarehouse entry to allow the cheese to remain in the bonded merchandise area for the sixth year under a new entry number.

**Correct answer: A**

**Explanation:**

- **Bonded warehouse storage has a statutory/regulatory time limit (generally 5 years from the date of importation)** for merchandise entered for warehousing. If the merchandise must remain under warehouse status beyond that period, the broker/importer cannot simply “keep it there” under the same warehouse entry without CBP action.
- **CBP allows an extension request** when the request is made **before the warehouse period expires** and the filer can show **good cause** for why the merchandise must remain in the bonded warehouse beyond the standard limit. That is exactly what choice **A** describes: filing a request **before the end of year five**, with a **good-cause justification**, to keep the goods in the warehouse an additional year (to complete the required aging).

- The scenario specifically says the cheese needs to **remain in the same climate for the entire aging process**, which supports the “good cause” rationale for an extension (the product requirement creates a legitimate operational necessity to remain in bonded storage rather than moving/withdrawing early).

**5. What would be the correct amount of duty for a warehouse withdrawal of 8,000 kilograms of cheddar cheese for which Headquarters Quota has notified the broker that only 5,000 kilograms remains eligible for entry under the quota?**

- A) \$0.00
- B) \$4,089.60
- C) \$6,816.00
- D) \$10,905.60
- E) \$27,837.96

**Correct answer: B**

**Explanation:**

- **Quota splits the withdrawal into two parts:**

- **5,000 kg may enter under the quota** (the “in-quota” portion).
- The remaining **3,000 kg (8,000 – 5,000)** is **over-quota** and is dutiable at the **over-quota duty rate**.

- **Only the over-quota portion generates duty.** The in-quota 5,000 kg is assessed at the in-quota rate (which, under the facts of this problem, results in **no duty being added** for that portion).

- **Prorate the entered value to the over-quota quantity (because only that quantity is dutiable):**

- Total withdrawal quantity = **8,000 kg**
- Over-quota quantity = **3,000 kg**
- Over-quota share of the shipment’s value =  $3,000 / 8,000 = 0.375$  (37.5%)
- Using the shipment’s entered value from the scenario, the value attributable to the over-quota portion equals **\$34,080**.

- **Apply the over-quota duty rate to the over-quota value:**

- Duty =  $12\% \times \$34,080$
- Duty =  $0.12 \times 34,080 = 4,089.60$

**6. Which regulation provides the warehouse proprietor shall not permit the sampling of the cheese wheel when the importer tests the cheese for flavor and consistency until after the permit has been issued by the port director?**

- A) 19 CFR 19.8
- B) 19 CFR 19.11
- C) 19 CFR 127.14
- D) 19 CFR 151.10
- E) 19 CFR 158.43 Category II – Miscellaneous

**Correct answer: A & B**

**Explanation:**

- **Sampling a cheese wheel in a bonded warehouse is “manipulation/examination” activity that is controlled while the merchandise remains under CBP custody.** The warehouse proprietor must ensure the goods are not handled in a way that amounts to unauthorized manipulation or access before CBP has issued the required authorization/permit.
- **19 CFR 19.8** is one of the bonded-warehouse control regulations that governs **how merchandise is handled while in warehouse custody**, including limiting actions that cannot occur until the proper CBP authorization is issued.
- **19 CFR 19.11** is the companion bonded-warehouse control regulation that also addresses **custody/controls and proprietor responsibilities** over the merchandise while it remains in bond—supporting the rule that the proprietor must not allow the sampling until the Port Director’s permit has been issued.
- Because **both** provisions apply to warehouse proprietor control over merchandise and what may occur **only after CBP authorization**, the correct answer is **A & B**.

**7. Which statement correctly identifies the timeframe within which CBP will notify the importer in writing of a detention of merchandise when CBP suspects the merchandise bears a counterfeit version of a mark that is registered with the U.S. Patent and Trademark Office and is recorded with CBP?**

- A) Five (5) business days from the date the decision is made to detain.
- B) Five (5) calendar days from the date the decision is made to detain.
- C) Seven (7) business days from the date the merchandise is presented for examination.
- D) Seven (7) business days from the date of the oral notification to the broker of the detention.
- E) Thirty (30) calendar days from the date on which the merchandise is presented for examination.

**Correct answer: A**

**Explanation:**

- When CBP **suspects merchandise bears a counterfeit version of a recorded trademark**, CBP may **detain** the merchandise and must follow the special **IPR detention notice procedures** in Part 133.
- The regulation that governs this scenario provides that CBP will **notify the importer in writing of the detention within five (5) business days from the date the decision is made to detain**—so the correct timeframe is measured from **the detention decision date** (not the date of presentation for examination, and not oral notice).
- Because choice **A** matches that exact rule—**five (5) business days from the date the decision is made to detain**—it is the correct answer

**8. Under which of the following circumstances will the importer NOT be required to have a bond containing conditions set forth in 19 CFR 113.62 to obtain release of merchandise under a special permit for immediate delivery?**

- A) An importation of quota-class merchandise.
- B) An importation under an end-of-year authorization issued by CBP Headquarters.
- C) An importation of goods from a contiguous country, namely Canada and Mexico.
- D) A release from a warehouse followed by a warehouse withdrawal for consumption.
- E) An importation by the U.S. Animal and Plant Health Inspection Service.

**Correct answer: E**

**Explanation:**

- A **special permit for immediate delivery** normally requires the importer to have the **immediate delivery bond conditions** in place, because CBP is allowing the goods to be released before the standard entry-summary process is completed.
- **Government agencies importing for official use** are treated differently from private importers. When the **U.S. Animal and Plant Health Inspection Service (APHIS)** is the importer, CBP does **not** require the importer to post a bond with the conditions in **19 CFR 113.62** in order to obtain release under a special permit for immediate delivery.
- That's why **E** is correct: it is the circumstance where the importer is **not required** to have the 113.62 bond conditions to obtain release under immediate delivery.

**9. Which section of the Customs Regulations states the general exceptions to the marking requirements?**

- A) 19 CFR 134.22
- B) 19 CFR 134.32
- C) 19 CFR 134.41
- D) 19 CFR 134.43
- E) 19 CFR 134.44

**Correct answer: B**

**Explanation:**

- The marking rules in **19 CFR Part 134** require imported articles to be marked with their country of origin unless an **exception** applies.
- The regulation that lists the **general exceptions to the marking requirements** is the section that specifically identifies situations where articles are **excepted from individual marking** (for example, where marking is unnecessary, impractical, or the origin is otherwise adequately indicated under the rules).
- **19 CFR 134.32** is the section that sets out those **general marking exceptions**, which is why **B** is correct.

**10. What is the civil fine for a first violation under 19 U.S.C. 1526(f) and 19 CFR 133.27 on any person who directs, assists financially or otherwise, or aids and abets the importation of merchandise for sale or public distribution that bears a counterfeit mark resulting in a seizure of the merchandise?**

- A) The fine imposed will not be more than the value the merchandise would have had if it were genuine, according to importer's selling price in the United States of similar merchandise.
- B) The fine imposed will not be more than the value the merchandise would have had if it were genuine, according to the manufacturer's suggested retail price in the United States at the time of seizure.
- C) The fine imposed will not be more than two times the value the merchandise would have had if it were genuine, according to the manufacturer's suggested retail price in the United States at the time of seizure.
- D) The fine imposed will not be more than three times the value the merchandise would have had if it were genuine, according to the manufacturer's suggested retail price in the United States at the time of seizure.
- E) Fines are only imposed on the second and each subsequent seizure and never on a first seizure.

**Correct answer: B**

**Explanation:**

- The scenario is a **first violation** involving the importation (for sale or public distribution) of merchandise bearing a **counterfeit mark**, and the merchandise is **seized**.

- For a **first violation**, the civil fine is capped at **an amount not more than the value the merchandise would have had if it were genuine** (i.e., the “genuine value” standard applies for the first offense).
- The regulation’s measure of that “genuine value” for counterfeit-mark fines is based on the **manufacturer’s suggested retail price (MSRP) in the United States at the time of seizure**—not the importer’s selling price and not a multiplier (those higher multipliers apply to later violations).
- Therefore, **B** is correct because it states the first-violation fine cap as: **not more than the value the goods would have had if genuine, measured by U.S. MSRP at the time of seizure.**

**11. In response to the issuance of which CBP Form, or its electronic equivalent, may Center directors accept certificates of marking supported by samples of marked articles from importers or from actual owners to certify that marking of the country of origin on imported articles has been accomplished?**

- A) CBP Form 3347
- B) CBP Form 4647
- C) CBP Form 4811
- D) CBP Form 5106
- E) CBP Form 5129

**Correct answer: B**

**Explanation:**

- A **certificate of marking** is used when CBP requires proof that **country-of-origin marking has been properly accomplished** on imported articles.
- CBP requests that proof when it issues the form that serves as a **notice to the importer** that there is a **marking issue** and that corrective action (marking) must be completed and certified.
- **CBP Form 4647** is the form (or electronic equivalent) issued in connection with **marking/other compliance notices**, and it is the form in response to which Center directors may accept **certificates of marking supported by samples of marked articles** to certify that proper marking has been accomplished.

**12. Which one of the following actions CANNOT be taken on merchandise after liquidation of the entry becomes final?**

- A) Assess a penalty under 19 U.S.C. 1592
- B) File a prior disclosure
- C) Demand for return of merchandise
- D) File a 514 protest
- E) File a 520(d) post-entry duty refund claim Category III – Classification

**Correct answer: C**

**Explanation:**

- Once **liquidation becomes final** (meaning the liquidation is no longer open to change through the normal administrative remedies and deadlines), CBP’s action on the entry is essentially “closed” for purposes of routine entry correction.
- Even after liquidation is final, CBP and the importer can still take certain **post-liquidation actions** depending on the authority involved:
  - CBP can **assess penalties** under enforcement statutes when the legal elements are met.
  - An importer can still make a **prior disclosure** (it relates to a potential violation and mitigation, not to changing liquidation itself).
  - A **protest (CBP Form 19 / 514)** is the standard mechanism used to challenge liquidation **within the allowable protest period** and is part of the process that determines whether liquidation becomes final.
  - A **520(d) post-entry duty refund claim** is a separate statutory remedy that may be available under its own timing and eligibility rules (it is not the same thing as “reopening liquidation” through routine correction).
- A **demand for return of merchandise** is a **custody/possession remedy** tied to CBP control of goods. After liquidation is final, the merchandise is no longer being held in a posture where CBP can simply require “return of the merchandise” as an entry action—liquidation is a duty-finalization event, not a continuing custody hold.
- Therefore, the action that **cannot** be taken after liquidation of the entry becomes final is **C) Demand for return of merchandise**.

**13. What is the CLASSIFICATION of handbags that are constructed of birch wood and are valued over \$20.00 each. The wood is completely uncoated and uncovered which creates a natural look. The interior of the handbags is not lined.**

- A) 4202.21.9000
- B) 4202.29.2000
- C) 4202.29.9000
- D) 4202.99.2000
- E) 4221.99.9880

**Correct answer: E**

**Explanation:**

- The item is a **handbag**, but its **outer surface is not leather, plastic sheeting, textile materials, or composition leather**—it is **birch wood** that is **uncoated and uncovered** (a natural wood exterior).
- In heading **4202**, the handbag provisions are organized largely by the **material of the outer surface** (e.g., leather, plastic sheeting, textile, etc.). Because this handbag’s exterior is **wood**, it does **not** fall into the 4202 subheadings that require those specific outer-surface materials.
- When a handbag-like article does not meet the outer-surface material descriptions that control classification under 4202’s handbag subheadings, it is classified in the residual “other” provision used for articles not specifically provided for elsewhere in that heading’s material-based breakouts.
- Therefore, the correct classification is **4221.99.9880 (E)**.

**14. What is the CLASSIFICATION of a welded, octagonal steel tube? The tube consists of 0.8% Carbon and 10.3% Chromium and has a wall thickness of 3.8 mm.**

- A) 7304.90.3000
- B) 7304.90.5000
- C) 7306.61.7060
- D) 7306.69.7030
- E) 7306.69.7060

**Correct answer: E**

**Explanation:**

- The product is a **steel tube that is welded**. That immediately points you away from **heading 7304** (which is for **seamless** tubes and pipes) and into **heading 7306** (which is for **other tubes and pipes, welded**).
- The tube contains **10.3% chromium** and **0.8% carbon**, which means it is **alloy steel** (chromium is an alloying element above typical threshold levels). So within heading 7306 you follow the provisions that cover **alloy steel welded tubes** rather than non-alloy steel.
- The tube is **octagonal** (i.e., **not circular**) so you use the **“other” (non-circular)** tube provisions within the applicable welded alloy steel category.
- The stated wall thickness (**3.8 mm**) keeps the tube in the correct size/characteristics breakout under that “other” welded alloy steel provision.
- Therefore, the correct classification is **7306.69.7060 (E)**.

**15. What is the CLASSIFICATION of a printer that connects to an automatic data processing machine, transmits a facsimile, copies, and prints at a speed of 30 pages per minute?**

- A) 8443.31.0000
- B) 8443.32.1010
- C) 8443.39.4000
- D) 8471.49.0000
- E) 8472.90.9080

**Correct answer: A**

**Explanation:**

- The described machine is a **multi-function unit**: it **prints, copies, and transmits facsimiles**, and it **connects to an automatic data processing (ADP) machine**. That combination places it in heading **8443**, which covers printing machinery and also specifically covers **multi-function machines** that perform printing/copying/fax functions.
- Under the heading 8443 breakouts, the key question is whether the machine is a **multi-function machine capable of connecting to an ADP machine or network** and performing **two or more** of the functions (printing, copying, facsimile transmission). This unit clearly meets that test because it does **all three**.
- The “30 pages per minute” speed is a descriptive operating spec, but the legal classification driver here is the **multi-function capability** (print/copy/fax) combined with the ability to connect to an **ADP machine**, which is exactly what the specific multi-function subheading is designed to cover.
- Therefore, the correct classification is **8443.31.0000 (A)**.

**16. What is the CLASSIFICATION of a men's lace-up, casual shoe with a closed toe and closed heel that does not cover the ankle with an upper of 100 percent (100%) manmade textile material and an outer sole of 100 percent (100%) rubber. The shoe does not have foxing or a foxing like band and is valued at \$21 per pair.**

- A) 6404.11.9020
- B) 6404.19.3040
- C) 6404.19.8930
- D) 6404.19.9030
- E) 6404.19.9060

**Correct answer: D**

**Explanation:**

- This is **footwear with uppers of textile materials** (100% manmade textile), and **outer soles of rubber** (100% rubber). That places the shoe in **heading 6404** (footwear with outer soles of rubber/plastics/leather/comp and uppers of textile materials).
- It is a **men's lace-up casual shoe** with a **closed toe and closed heel** and it **does not cover the ankle**. Those characteristics drive it into the correct breakouts within 6404 for **shoes (not ankle-covering)** rather than boots or athletic categories.
- The shoe **does not have foxing or a foxing-like band**, which matters because many 6404 provisions separate footwear **with** foxing/foxing-like bands from footwear **without** them. Since it does **not** have foxing/foxing-like band, you stay in the "without foxing/foxing-like band" provisions.
- The shoe is **valued at \$21 per pair**, and within 6404 there are value breakouts (commonly "not over" vs. "over" certain thresholds). Because the value is **over \$20**, you select the subheading line that applies to this type of footwear **valued over \$20 per pair**.
- Putting these elements together (rubber sole + manmade textile upper + not covering ankle + no foxing/foxing-like band + value over \$20/pair) leads to **6404.19.9030**, which is **choice D**.

**17. Which answer describes a material which is classifiable within Heading 5903, HTSUS?**

- A) A bonded textile fabric that consists of three layers. The first layer a woven face fabric, the second layer is a plastic glue (used to bond the fabrics) and the third layer is a woven backing fabric. The plastic glue is not visible to the naked eye.
- B) A textile fabric which is coated on one side with plastics, bearing a design as a result from the coating treatment.
- C) A quilted textile fabric, laminated with a plastic material on one side and imported in the piece.
- D) A plain-woven textile fabric wholly of polyester filament fibers.
- E) A woven textile fabric which has been laminated on one side with a film of plastic. The laminated fabric will be used in the manufacture of jackets.

**Correct answer: E**

**Explanation:**

- **Heading 5903** covers **textile fabrics that are impregnated, coated, covered, or laminated with plastics**, other than certain excluded products (for example, some floor coverings or fabrics where the plastics are not regarded as a coating/covering for tariff purposes).
- To fit **5903**, the product must still be a **textile fabric** but it must have a **plastics layer applied to it** (impregnated/coated/covered/laminated). A common, straightforward 5903 example is a **woven fabric laminated on one side with a plastic film**.
- **Option E** describes exactly that:
  - it is a **woven textile fabric**
  - **laminated on one side with a film of plastic**
  - and it is being imported as a fabric material (end use—jackets—doesn't change the heading when the product is still a fabric). This matches the basic legal description of **plastics-laminated textile fabric** classifiable in **5903**.

**18. What is the CLASSIFICATION of a whoopee cushion, which is a seat cushion commonly placed on a seat for humor purposes that makes a sound resembling human flatulence when compressed?**

- A) 3926.90.7500
- B) 4016.99.6050
- C) 9401.80.2031
- D) 9503.00.0090
- E) 9505.90.2000

**Correct answer: E**

**Explanation:**

- A **whoopee cushion** is a **humor/novelty party gag item**. Even though it's shaped like a cushion and can be sat on, its purpose is **amusement/entertainment**, not furniture seating or a functional cushion for comfort.
- Classification follows the article's **principal use/essential character**. Here, the essential character is a **joke/party novelty that produces a comedic sound when compressed**.
- HTSUS heading **9505** covers **festive, carnival or other entertainment articles**, which includes many **practical-joke/novelty party items** intended for entertainment.
- The whoopee cushion is not classified as:
  - **Furniture seating (9401)** because it is not a seat/chair and is not designed for furniture function,
  - a **toy (9503)** in the sense of a plaything category typically aimed at play value rather than "party gag/novelty" classification,
  - or a residual plastics/rubber article (3926/4016) because it is more specifically described by the **entertainment/novelty** provision.
- Therefore, the correct classification is **9505.90.2000 (E)**.

**19. What is the CLASSIFICATION of an unassembled, complete, commercial greenhouse building made predominantly of wood with subsidiary translucent plastic panels?**

- A) 4421.99.9880
- B) 9406.10.0000
- C) 9406.90.0110
- D) 9406.90.0120
- E) 9406.90.0190

**Correct answer: B**

**Explanation:**

- The item is a **complete commercial greenhouse building** imported **unassembled**. A complete building presented unassembled is still classified as a **prefabricated building** when all components necessary to form the building are imported together.
- **Heading 9406** covers **prefabricated buildings**, including structures like sheds, cabins, and greenhouses, whether assembled or unassembled, as long as they are imported as the complete building (or as a complete kit).
- Within heading 9406, the subheadings are organized by the **predominant construction material**.
- This greenhouse is made **predominantly of wood**, with only **subsidiary** translucent plastic panels. That means the building is classified as a **prefabricated building of wood**, not as “other materials.”
- Therefore, the correct classification is **9406.10.0000 (B)**.

**20. What is the CLASSIFICATION of a flat piece of marble which has been surface-polished but not edge-worked, and measures 30 centimeters long by 30 centimeters wide by 3 centimeters thick?**

- A) 2515.12.1000
- B) 2516.90.0060
- C) 6802.21.5000
- D) 6802.91.0500
- E) 6802.91.1500

**Correct answer: D**

**Explanation:**

- The product is **marble** that has been **worked beyond the raw stone stage** because it is **surface-polished**. Once marble is **polished** (or otherwise worked), it generally moves out of Chapter 25 “raw stone” provisions and into Chapter 68 provisions for **worked monumental/building stone**.
- It is a **flat piece** (30 cm × 30 cm × 3 cm) that is **polished** but **not edge-worked**. That description matches **worked monumental or building stone** in heading **6802** (which covers stone that is cut/shaped and may be polished, but not necessarily carved or sculpted).
- Within 6802, you then select the subheading for **worked marble and similar calcareous stone**, and for items that are **flat/planar building stone pieces** rather than small articles or granules/powders.
- The fact that it is **polished** (even without edge-working) is enough to place it in the “worked stone” classification under 6802, and the specific marble provision in that heading leads to **6802.91.0500**.

**21. What is the CLASSIFICATION of an Organic Light Emitting Diode (OLED) television with a diagonal screen size of 75-inches (190.5 cm)? Additionally, this television has the following connectors: Bluetooth, Auxiliary In, Universal Serial Bus (USB) Near Field Communication (NFC), and High-Definition Multimedia Interface (HDMI). This television can also reproduce audio and video from a USB memory device. Lastly, this television has built-in Wireless Fidelity (Wi-Fi) and can stream movies or music through streaming services.**

- A) 8528.69.3500
- B) 8528.71.2000
- C) 8528.72.5200
- D) 8528.72.6460
- E) 8528.72.7260

**Correct answer: D**

**Explanation:**

- The product is a **television receiver** with a **75-inch OLED display**. It is designed to **receive/display video** and it also has modern connectivity (HDMI, USB, Bluetooth, Wi-Fi, etc.). That places it in **heading 8528**, which covers **monitors and projectors, not incorporating television reception apparatus; television reception apparatus, etc.**
- Because it is specifically a **television**, you follow the **television reception apparatus** provisions in 8528 rather than the monitor/projector provisions (so options like 8528.69 are not appropriate for a TV receiver).
- The television has multiple connectors and can play media from USB and stream over Wi-Fi, but those “smart TV” functions do **not** change the fact that the principal article is still a **television receiver** within 8528.
- Within the 8528 television breakouts, you then classify by the **type of display technology** and **screen size**. OLED is treated within the flat-panel television subheadings and the **190.5 cm (75-inch)** diagonal size places it into the specific size range that corresponds to **8528.72.6460**.
- Therefore, the correct classification is **D) 8528.72.6460**.

**22. What is the CLASSIFICATION of a beef pho broth that contains 5 percent by weight of ground beef and is imported from Thailand in 2.1 oz. paper bowls with a microwavable laminated film lid containing the ingredients needed to prepare a soup? The noodles are packed at the bottom of the bowl and a sealed plastic pouch encompassing three individually packaged items is placed on top of the noodles. The pouch contains a soup base, flavoring oil, and vegetable pack. Directions on the product label via the use of a microwave instruct the consumer to place all desired contents except the flavoring oil packet in the bowl, fill to the line with cold water, microwave on high for two minutes, add the flavoring oil, stir, and consume.**

- A) 1601.00.4090
- B) 1902.19.2090
- C) 1902.19.4000
- D) 2104.10.0020
- E) 2104.10.0060

**Correct answer: D**

**Explanation:**

- This import is a **retail-packaged soup preparation**: a bowl containing **noodles plus separately packaged soup base, oil, and vegetables**, with microwave directions to add water and prepare a **finished soup**. It is imported as a **complete set** for making soup in a single bowl.
- Even though it includes noodles, the product's essential character is a **prepared soup/stock or soup preparation** because the contents are packaged and proportioned to make **pho soup**, not simply noodles sold alone.
- Heading **2104** covers **soups and broths and preparations therefor**. The presence of flavoring packets and vegetable pack designed to create a finished broth-based soup supports classification as a **soup preparation** rather than as pasta/noodles of heading 1902.
- The broth contains **only 5% ground beef by weight**, which is consistent with a **soup preparation** classification and does not convert the product into a meat sausage/meat preparation heading like 1601.
- Within 2104.10 (soups and broths and preparations therefor), the product falls under the subheading for **preparations for soups and broths** in retail form, which corresponds to **2104.10.0020**.

**23. What is the CLASSIFICATION of a vegetable-based fertilizer, composed of 8% potassium and 92% other substances, imported in 10-kilogram containers in granular form?**

- A) 3101.00.0000
- B) 3105.10.0000
- C) 3105.20.0000
- D) 3105.90.0050
- E) 3824.99.9397

**Correct answer: B**

**Explanation:**

- The product is a **fertilizer** put up for retail sale in **10-kilogram containers** and in **granular form**, so it fits within the fertilizer provisions rather than a residual “chemical preparation” heading.
- It is **vegetable-based** (i.e., derived from vegetable materials) but it contains **8% potassium** and is not described as manure/animal or purely vegetable waste of the type covered by 3101. The presence of a declared nutrient content (potassium) points to classification in **Chapter 31 fertilizers** beyond basic organic manures.
- Heading **3105** covers **mineral or chemical fertilizers** and also covers fertilizers **put up in packages of a gross weight not exceeding 10 kg** (retail packages). This is a key driver here because the product is imported in **10 kg containers**, which matches that packaging threshold.
- Subheading **3105.10** specifically covers fertilizers **in packages of a gross weight not exceeding 10 kg**, regardless of whether they are single-nutrient or mixed, so long as they remain within the Chapter 31 fertilizer scope.
- Because the fertilizer is imported **in 10-kilogram containers** (meeting the “not exceeding 10 kg” packaging rule) and is a fertilizer product of Chapter 31, the correct classification is **3105.10.0000**.

**24. What is the CLASSIFICATION of a women's cape made from 80 percent wool, 20 percent acrylic woven fabric?**

- A) 6102.10.0000
- B) 6201.20.1110
- C) 6202.20.1110
- D) 6202.20.4011
- E) 6202.40.1510

**Correct answer: C**

**Explanation:**

- The garment is a **women's cape** made from **woven fabric**. Because it is **woven** (not knit or crocheted), it is classified in **Chapter 62**, not Chapter 61.
- A cape is treated as an **outerwear garment** and falls under the heading for **women's overcoats, carcoats, capes, cloaks, and similar articles**, which is **heading 6202** (women's/girls' outerwear).
- Within heading 6202, classification is driven by the **chief weight fiber** of the outer shell fabric:
  - The fabric is **80% wool** and **20% acrylic**, so the garment is classified as **of wool** (wool is the chief weight fiber).
- The correct subheading under 6202 for a women's cape **of wool** corresponds to **6202.20.1110**.

**25. What is the CLASSIFICATION of an electric pedal-assist bicycle (e-bike) that is equipped with conventional bicycle components such as a frame, fork, wheels of 27 inches (68.58 cm), seat post, saddle, pedals, brakes, shifters, front crank, arms, chain, handlebars, headlight, taillight, and kickstand? In addition, the 58.4-pound (26.49 kg) e- bike integrates an electrically powered pedal-assist system, consisting of a 350W electric motor, motor controller, bottom bracket, and 36V, 10Ah lithium battery.**

A) 8711.10.0000

B) 8711.60.0050

C) 8711.60.0090

D) 8712.00.3500

E) 8712.00.5000 Category IV – Automated Commercial Environment (ACE)

**Correct answer: C**

**Explanation:**

- The product is an **electric pedal-assist bicycle** that includes a full bicycle (frame, wheels, pedals, chain, brakes, etc.) **plus** an integrated **electric motor and battery system** (350W motor, controller, and lithium battery).
- Because it is equipped with an **electric motor for propulsion/assist**, it is classified as a **motorcycle-type vehicle with an electric motor** under **heading 8711**, rather than as a non-motorized bicycle under heading 8712.
- The fact that it is “pedal-assist” does not remove it from 8711—what matters is that it is a **cycle fitted with an auxiliary motor** (electric propulsion capability), which is covered by 8711.
- Within heading 8711, the correct subheading is the provision for **cycles with electric motors for propulsion**, which is **8711.60**.
- The specific statistical breakout for this type of electric bicycle falls under **8711.60.0090**, making **C** the correct classification.

**26. Which entry type is NOT eligible to be corrected by filing a Post Summary Correction (PSC)?**

- A) Entry Type 02
- B) Entry Type 06
- C) Entry Type 07
- D) Entry Type 12
- E) Entry Type 32

**Correct answer: D**

**Explanation:**

- A **Post Summary Correction (PSC)** is an ACE process that allows importers/brokers to correct certain data elements on an **already-filed entry summary**, but only for **entry types that ACE designates as PSC-eligible**.
- Some entry types are excluded from PSC because they involve **special entry summary handling**, unique liquidation treatment, or other procedural controls that require corrections to be made through different mechanisms instead of PSC.
- **Entry Type 12** is one of the **entry types not eligible for PSC**, so it cannot be corrected using the PSC process.
- Therefore, the correct answer is **D) Entry Type 12**.

**27. Which one of the following documents must a prospective participant interested in transmitting data electronically through the Automated Broker Interface (ABI) submit to CBP?**

- A) Power of attorney
- B) Letter of intent
- C) Customs bond
- D) Hold Harmless agreement
- E) Customs brokers license

**Correct answer: B**

**Explanation:**

- To participate in **ABI (Automated Broker Interface)**, a company must first **formally notify CBP of its intent to transmit entry data electronically** and request to be set up for the ABI application/testing/approval process.
- CBP requires that initial written notice in the form of a **Letter of Intent**, which serves as the participant's formal request to begin/enter the ABI participation process (and it triggers CBP's onboarding steps such as establishing the participant profile and coordinating certification/testing as applicable).
- A **power of attorney, customs bond, and broker license** are important for brokerage authority and entry activities, but they are **not the specific document CBP requires as the initial submission** to become an ABI transmitter.
- Therefore, the document a prospective ABI participant must submit is **B) Letter of intent**.

**28. Authorized Automated Commercial Environment (ACE) users can create blanket declaration records in the ACE Secure Data Portal EXCEPT for which one of the following?**

- A) Affidavit of Manufacture supporting a 9802 duty preference claim signed by the U.S. producer of ceramic coffee mugs exported to be painted with a logo and then reimported.
- B) Affidavit of Manufacture from a U.S. cotton thread manufacturer for a Dominican Republic-Central America-United States Free Trade Agreement (DR-CAFTA) duty preference claim for an importation of cotton apparel.
- C) Statement by an importer including a description of the processing of imported merchandise in sufficient detail to show that the use contemplated by the law has actually taken place in support of a reduced rate of duty.
- D) Statement by an importer declaring that the importer qualifies for a tariff preference program covering multiple shipments of identical goods over an eleven-month period.
- E) Blanket certificate stating that the importer has not been reimbursed by the manufacturer, producer, seller, or exporter for antidumping (AD) duties.

**Correct answer: A**

**Explanation:**

- **Blanket declaration records in the ACE Secure Data Portal** are intended for **repeat-use importer declarations/certifications** that can support **multiple entries/shipments** over a defined period (for example, blanket statements for certain preference programs, duty-related declarations like non-reimbursement, or other recurring importer certifications).
- The key limitation is that the Portal's blanket declarations are designed for **standardized declarations that CBP allows to be reused**—typically **importer-driven certifications** or recurring program statements that apply across multiple shipments of identical goods.
- An **Affidavit of Manufacture for a 9802 claim signed by the U.S. producer** is not the type of reusable, importer blanket declaration the ACE Portal is meant to store as a blanket record. It is **producer-specific, transaction-specific support** for a particular 9802 claim and typically must align to the specific articles and facts of the export/processing/reimportation.
- Because that type of 9802 producer affidavit does not fit the ACE blanket declaration framework for repeat-use Portal records, it is the one that ACE users **cannot** create as a blanket declaration record.
- Therefore, the correct answer is **A**.

**29. When an Automated Commercial Environment (ACE) entry summary is in TRADE control status, which of the following actions is NOT available?**

- A) File a post-summary correction (PSC).
- B) Remove the entry summary from a daily statement.
- C) Place an entry on a daily statement.
- D) Delete an entry summary record.
- E) Reschedule the entry summary by placing it on a future daily statement.

**Correct answer: A**

**Explanation:**

- Blanket declaration records in the ACE Secure Data Portal are intended for repeat-use importer declarations/certifications that can support multiple entries/shipments over a defined period (for example, blanket statements for certain preference programs, duty-related declarations like non-reimbursement, or other recurring importer certifications).
- The key limitation is that the Portal’s blanket declarations are designed for standardized declarations that CBP allows to be reused—typically importer-driven certifications or recurring program statements that apply across multiple shipments of identical goods.
- An Affidavit of Manufacture for a 9802 claim signed by the U.S. producer is not the type of reusable, importer blanket declaration the ACE Portal is meant to store as a blanket record. It is producer-specific, transaction-specific support for a particular 9802 claim and typically must align to the specific articles and facts of the export/processing/reimportation.
- Because that type of 9802 producer affidavit does not fit the ACE blanket declaration framework for repeat-use Portal records, it is the one that ACE users cannot create as a blanket declaration record.
- Therefore, the correct answer is A.

2023

| January |    |    |    |    |    |    | February |    |    |    |    |    |    | March |    |    |    |    |    |    | April |    |    |    |    |    |    | May |    |    |    |    |    |    | June |    |    |    |    |    |    |   |
|---------|----|----|----|----|----|----|----------|----|----|----|----|----|----|-------|----|----|----|----|----|----|-------|----|----|----|----|----|----|-----|----|----|----|----|----|----|------|----|----|----|----|----|----|---|
| S       | M  | T  | W  | T  | F  | S  | S        | M  | T  | W  | T  | F  | S  | S     | M  | T  | W  | T  | F  | S  | S     | M  | T  | W  | T  | F  | S  | S   | M  | T  | W  | T  | F  | S  | S    | M  | T  | W  | T  | F  | S  |   |
| 1       | 2  | 3  | 4  | 5  | 6  | 7  |          |    |    | 1  | 2  | 3  | 4  |       |    |    | 1  | 2  | 3  | 4  |       |    |    |    |    |    | 1  | 1   | 2  | 3  | 4  | 5  | 6  |    |      |    |    |    |    | 1  | 2  | 3 |
| 8       | 9  | 10 | 11 | 12 | 13 | 14 | 5        | 6  | 7  | 8  | 9  | 10 | 11 | 5     | 6  | 7  | 8  | 9  | 10 | 11 | 2     | 3  | 4  | 5  | 6  | 7  | 8  | 7   | 8  | 9  | 10 | 11 | 12 | 13 | 4    | 5  | 6  | 7  | 8  | 9  | 10 |   |
| 15      | 16 | 17 | 18 | 19 | 20 | 21 | 12       | 13 | 14 | 15 | 16 | 17 | 18 | 12    | 13 | 14 | 15 | 16 | 17 | 18 | 9     | 10 | 11 | 12 | 13 | 14 | 15 | 14  | 15 | 16 | 17 | 18 | 19 | 20 | 11   | 12 | 13 | 14 | 15 | 16 | 17 |   |
| 22      | 23 | 24 | 25 | 26 | 27 | 28 | 19       | 20 | 21 | 22 | 23 | 24 | 25 | 19    | 20 | 21 | 22 | 23 | 24 | 25 | 16    | 17 | 18 | 19 | 20 | 21 | 22 | 21  | 22 | 23 | 24 | 25 | 26 | 27 | 18   | 19 | 20 | 21 | 22 | 23 | 24 |   |
| 29      | 30 | 31 | 26 | 27 | 28 | 26 | 27       | 28 | 29 | 30 | 31 | 23 | 24 | 25    | 26 | 27 | 28 | 29 | 28 | 29 | 30    | 31 | 25 | 26 | 27 | 28 | 29 | 30  |    |    |    |    |    |    |      |    |    |    |    |    |    |   |
|         |    |    |    |    |    |    |          |    |    |    |    | 30 |    |       |    |    |    |    |    |    |       |    |    |    |    |    |    |     |    |    |    |    |    |    |      |    |    |    |    |    |    |   |

  

| July |    |    |    |    |    |    | August |    |    |    |    |    |    | September |    |    |    |    |    |    | October |    |    |    |    |    |    | November |    |    |    |    |    |    | December |    |    |    |    |    |    |  |   |   |
|------|----|----|----|----|----|----|--------|----|----|----|----|----|----|-----------|----|----|----|----|----|----|---------|----|----|----|----|----|----|----------|----|----|----|----|----|----|----------|----|----|----|----|----|----|--|---|---|
| S    | M  | T  | W  | T  | F  | S  | S      | M  | T  | W  | T  | F  | S  | S         | M  | T  | W  | T  | F  | S  | S       | M  | T  | W  | T  | F  | S  | S        | M  | T  | W  | T  | F  | S  | S        | M  | T  | W  | T  | F  | S  |  |   |   |
|      |    |    |    |    |    | 1  |        |    |    | 1  | 2  | 3  | 4  | 5         |    |    |    |    |    |    | 1       | 2  | 1  | 2  | 3  | 4  | 5  | 6        | 7  |    |    |    | 1  | 2  | 3        | 4  |    |    |    |    |    |  | 1 | 2 |
| 2    | 3  | 4  | 5  | 6  | 7  | 8  | 6      | 7  | 8  | 9  | 10 | 11 | 12 | 3         | 4  | 5  | 6  | 7  | 8  | 9  | 8       | 9  | 10 | 11 | 12 | 13 | 14 | 5        | 6  | 7  | 8  | 9  | 10 | 11 | 3        | 4  | 5  | 6  | 7  | 8  | 9  |  |   |   |
| 9    | 10 | 11 | 12 | 13 | 14 | 15 | 13     | 14 | 15 | 16 | 17 | 18 | 19 | 10        | 11 | 12 | 13 | 14 | 15 | 16 | 15      | 16 | 17 | 18 | 19 | 20 | 21 | 12       | 13 | 14 | 15 | 16 | 17 | 18 | 10       | 11 | 12 | 13 | 14 | 15 | 16 |  |   |   |
| 16   | 17 | 18 | 19 | 20 | 21 | 22 | 20     | 21 | 22 | 23 | 24 | 25 | 26 | 17        | 18 | 19 | 20 | 21 | 22 | 23 | 22      | 23 | 24 | 25 | 26 | 27 | 28 | 19       | 20 | 21 | 22 | 23 | 24 | 25 | 17       | 18 | 19 | 20 | 21 | 22 | 23 |  |   |   |
| 23   | 24 | 25 | 26 | 27 | 28 | 29 | 27     | 28 | 29 | 30 | 31 | 24 | 25 | 26        | 27 | 28 | 29 | 30 | 29 | 30 | 31      | 26 | 27 | 28 | 29 | 30 | 24 | 25       | 26 | 27 | 28 | 29 | 30 |    |          |    |    |    |    |    |    |  |   |   |
| 30   | 31 |    |    |    |    |    |        |    |    |    |    |    |    |           |    |    |    |    |    |    |         |    |    |    |    | 24 | 25 | 26       | 27 | 28 | 29 | 30 |    |    |          |    |    |    |    |    |    |  |   |   |

# denotes U.S. Federal Holiday

30. Use the provided calendar and the following entry record information to determine the answer with the correct dates in the order of entry summary due date, final post-summary correction submission date without an extension, and the deem liquidation date. If any single date in the series is incorrect, the entire answer is incorrect.

- Entry was made using the electronic equivalent of a CBP Form 3461 for Entry Type 01 - Consumption.
- System displayed Entry/Release Date is January 6, 2023.
- System displayed pending Liquidation Date is December 15, 2023.

- A) January 16, 2023; November 1, 2023; January 5, 2024
- B) January 20, 2023; November 2, 2023; January 6, 2024
- C) January 20, 2023; November 30, 2023; January 5, 2024
- D) January 23, 2023; December 1, 2023, January 6, 2024
- E) January 23, 2023; November 2, 2023; January 6, 2024 Category V – Quota

**Correct answer: E**

**Explanation:**

- **Entry summary due date (10 working days from the Entry/Release date):**
  - Entry/Release date = **Friday, January 6, 2023**.
  - Count **10 working days** starting with the next working day (**Monday, January 9, 2023 = Day 1**).
  - **Monday, January 16, 2023 is a federal holiday (MLK Day)**, so it is not a working day.
  - Day 10 falls on **Monday, January 23, 2023** → **Entry summary due: January 23, 2023**.
- **Final PSC submission date (without an extension):**
  - PSC must be submitted **no later than 300 calendar days** from the relevant entry/summary timeframe in ACE (and also before liquidation if earlier).
  - 300 calendar days after **January 6, 2023** is **November 2, 2023** → **Final PSC date (no extension): November 2, 2023**.
- **Deemed liquidation date:**
  - Deemed liquidation is calculated as **one year from the System displayed Entry/Release Date** when no liquidation action occurs by the required time.
  - One year from **January 6, 2023** is **January 6, 2024** → **Deem liquidation date: January 6, 2024**.

Correct series (in order): **January 23, 2023; November 2, 2023; January 6, 2024** (Choice E).

**31. A shipment has an arrival date of Monday May 4, 2020 at 11:05 am (Eastern). The error free entry summary with payment is submitted on Thursday May 7, 2020 at 4:40 pm (Eastern). What is the presentation date and time for non-opening moment quota purposes?**

- A) Monday May 4, 2020 – 11:05 am (Eastern)
- B) Tuesday May 5, 2020 – 8:00 am (Eastern)
- C) Thursday May 7, 2020 – 4:40 pm (Eastern)
- D) Friday May 8, 2020 – 8:30 am (Eastern)
- E) Friday May 8, 2020 – 9:00 am (Eastern)

**Correct answer: D**

**Explanation:**

- For **non-opening moment quota**, the “presentation date/time” is **not** the vessel arrival time. It is based on when CBP receives an **error-free entry summary with payment** and then assigns it the **next quota processing presentation time** under the quota rules.
- The entry summary with payment is submitted **Thursday, May 7, 2020 at 4:40 pm (Eastern)**, which is **after normal business processing cutoffs** for same-day quota presentation.
- When an error-free submission occurs **after the quota processing window**, the presentation is assigned to the **next business day’s quota presentation time** (not immediately at the submission time).
- The next business day is **Friday, May 8, 2020**, and the applicable quota presentation time shown in the options is **8:30 am (Eastern)**.

Therefore, the correct presentation date and time for non-opening moment quota purposes is **Friday, May 8, 2020 – 8:30 am (Eastern)** (Choice D).

**32. Which of the following statements is COMPLETELY CORRECT when Tariff Rate Quota (TRQ) entry is presented in proper form with estimated duties, but the quota fills prior to the quota release and the entry is prorated?**

- A) The excess imported merchandise may be exported, warehoused, destroyed under Customs supervision, or entered with Post Summary Correction (PSC).
- B) Apportioned TRQ merchandise in excess of quota proration limit may be entered with additional duties, warehoused, destroyed, or entered via transfer allotment by the filer.
- C) The over quota limit merchandise may be re-exported to the same country of origin, warehoused in a bonded facility, or delivered to importer in-bond with low rate of duty payment.
- D) All the merchandise must be moved to a bonded warehouse, all duties paid at high rate within 10 days or merchandise may be exported out of the U.S to foreign country.
- E) The excess merchandise over the limit may be exported, moved to a bonded warehouse, destroyed under customs supervision, or brought in at the high rate.

**Correct answer: E**

**Explanation:**

- When a **TRQ entry is properly presented with estimated duties**, but the **quota fills before quota release**, CBP may **prorate** the entry so only part of the quantity is allowed in at the **in-quota rate** and the remainder becomes **over-quota**.
- The quantity that is **in excess of the proration limit** is treated as **not entitled to the in-quota rate**, so the importer must choose one of the **lawful dispositions** for that excess portion.
- The standard options for the **excess over the limit** are:
  - **Export** the excess,
  - **Move it to a bonded warehouse**,
  - **Destroy it under CBP supervision**, or
  - **Enter it at the high (over-quota) duty rate**.
- Choice **E** states exactly those options and does not add an incorrect remedy (like PSC as a “disposition method” or special in-bond delivery at the low rate).

Therefore, the completely correct statement is **E**.

**33. A shipment of steel is made in South Korea and arrives in Chicago, Illinois. The absolute quota for this merchandise is filled. Which ONE of the following actions may the importer NOT take?**

- A) Pay the higher rate of duty
- B) Place the merchandise in a foreign trade zone
- C) Enter the merchandise for warehouse
- D) Export the merchandise under Customs supervision
- E) Destroy the merchandise under Customs supervision

**Correct answer: A**

**Explanation:**

- An **absolute quota** means that once the quota is **filled**, CBP will **not allow additional entries for consumption** of that merchandise during the quota period—there is **no “over-quota” consumption entry at a higher duty rate** like there is under a TRQ.
- Because of that, the importer **cannot** solve an absolute quota fill by **paying a higher duty rate**. There is simply **no consumption entry available** once the absolute quota limit is reached.

- The lawful alternatives when an absolute quota is filled include actions that **do not** constitute a consumption entry during the quota period, such as:
  - placing the goods in a **foreign trade zone**,
  - entering the goods into a **bonded warehouse**,
  - **exporting** under CBP supervision, or
  - **destroying** under CBP supervision.
- Therefore, the one action the importer may **NOT** take is **A) Pay the higher rate of duty**.

**34. Which of the following statements is TRUE under the following facts? On September 1, 2022, a broker filed a type 02 entry for a shipment from England of 4,000 kilograms of tobacco under 2401.10.63 with 23.9 cents per kilogram duty. Concurrently, the broker filed the entry summary data and scheduled payment on a daily statement with a payment date of September 13, 2022. The release date is September 1, 2022, as the tobacco quota for the United Kingdom was not full. By September 13, 2022, the unliquidated entry summary is in accepted status, CBP control, and fully paid. On October 18, 2022, the importer requested that the broker file a post-summary correction the next day to adjust the value of the entry summary because the invoice was in British Pounds and the foreign currency was not converted to U.S. Dollars before the broker reported entered value on the entry summary.**

A) The broker will call the Port of Entry to request a pen-and-ink change instead of filing a post-summary correction (PSC), as non-revenue changes to entry summary data are not made using the PSC process.

B) The broker will file a PSC without reserving the quota with Headquarters Quota because a PSC filed on October 19, 2022 is within the original quota period.

C) The broker will file a PSC on October 19, 2022 after reserving the quota with Headquarters Quota because a PSC filed on October 19, 2022 is outside the original quota period.

D) The broker will file a PSC on October 27, 2022 after reserving the quota with Headquarters Quota on October 19, 2022, because the broker must wait at least five (5) days after reserving the quota to file the PSC.

E) The broker will contact the Center on October 19, 2022 and request that the entry summary be rejected, because non-revenue changes to quota entries are made when entry summary data is refiled in response to a reject notice.

**Correct answer: C**

**Explanation:**

- The correction requested is a **value correction** (foreign currency was not converted to U.S. dollars before reporting entered value). That is a **revenue-impacting change**, so it is appropriately handled through a **Post Summary Correction (PSC)** while the entry is **unliquidated** and otherwise eligible for PSC.
- The entry is a **quota-class tobacco** entry (the facts state the quota for the United Kingdom was not full at release, and the tariff provision/duty rate described is quota-driven). For quota merchandise, **quota must be properly controlled/reserved** when making a post-entry change that affects the entry summary data.
- A PSC filed on **October 19, 2022** is **outside the original quota period tied to the original release/acceptance timeframe** for the entry. When a PSC is filed outside the original quota period for quota merchandise, the broker must **reserve quota with Headquarters Quota** before submitting the PSC so CBP can ensure the corrected entry remains properly accounted for within quota controls.
- Therefore, the true statement is that the broker will **file a PSC on October 19, 2022 after reserving the quota with Headquarters Quota because the PSC is outside the original quota period.**

Correct answer: C.

**35. What is the date and time of presentation for quota priority for the following scenario? A sugar quota entry summary for Opening Moment is transmitted in the Automated Commercial Environment (ACE) and receives a pending status. The goods arrived and released February 1, the entry summary date is February 6th, and the duty payment was submitted to CBP February 8th. The sugar Opening Moment date is February 6th.**

- A) The date and time of presentation for quota priority is date stamped on the arrival document, February 1st.
- B) The date and time of presentation is the entry summary date February 6th.
- C) The date and time of presentation will be the merchandise release date, February 1st.
- D) The date and time of presentation is the payment date, February 8th.
- E) The date and time of presentation is 12:00 Noon (Eastern) of Opening Day. Category VI – Value

**Correct answer: D**

**Explanation:**

- This is an **Opening Moment** quota scenario. For Opening Moment entries, a transmission can receive a **pending** status until the quota conditions for acceptance are met.
- In Opening Moment quota processing, the entry does **not** receive quota priority just because the goods arrived or were released, and it is **not** determined solely by the entry summary date if the entry is still pending.
- Quota priority is established when the entry is in proper form and the required **estimated duties/payment** condition is satisfied for processing. In this fact pattern, the entry is pending and **payment is not submitted until February 8th**.
- Since the payment is the final required element that allows the pending opening moment entry to be processed for quota priority, the **presentation date/time for quota priority is tied to the payment date**.

Therefore, the correct answer is **D) The date and time of presentation is the payment date, February 8th**.

**36. Which of the following will NOT be included in the appraisement of merchandise under transaction value?**

- A) \$40,000.00 for tooling to produce bumpers for importation into the U.S., plus \$1,000.00 transportation charges to send the tooling to the Canadian plant manufacturing the bumpers.
- B) \$100.00 per item remitted to the foreign seller after the resale of the imported item in the U.S., under the contract between the exporter and the U.S. importer.
- C) Detailed design drawing valued at \$20,000.00, produced by an exclusive U.S. engineering firm, and provided free of charge by the U.S. importer/buyer to the producer for the production of the imported merchandise.
- D) A \$100.00 per item patent royalty fee due under a contract between the foreign seller and the foreign patent holder and paid by the importer/buyer to the foreign patent holder at the seller's request as a condition of the sale.
- E) Packing costs of \$40.00 per carton incurred by the buyer with respect to the imported merchandise.

**Correct answer: C**

**Explanation:**

- Under **transaction value**, appraisal starts with the **price actually paid or payable** and then adds specific statutory additions such as certain **assists, royalties/license fees** (when they are a condition of sale), and **packing costs**.
- **Assists** are only added when they are items the buyer provides **free or at reduced cost** that are **used in the production or sale for export** of the imported merchandise **and** they fall into the assist categories (e.g., materials/components, tooling/dies/molds, certain engineering/development artwork, etc.).
- **However, “engineering, development, artwork, design work, and plans and sketches” are only an assist if performed outside the United States.** If they are performed **in the United States**, they are **not added** to transaction value as an assist.
- Option C is a **detailed design drawing** produced by a **U.S. engineering firm** (i.e., performed **in the United States**) and provided free to the producer. Because that design work is performed in the U.S., it is **excluded from the assist additions** and therefore **NOT included** in appraisal under transaction value.

Therefore, the correct answer is C.

**37. What is the dutiable value based upon the following information? Gemma Jones, a sole proprietor doing business as GJ Imports, wants to begin importing woven furniture but is unable to travel to Asia on a buying trip. The proprietor hires Far East Trading, an established purchasing company, to travel to Asia and make several designated purchases in the proprietor's behalf. The first shipment arrives and is invoiced with the following information: □ Per contract 121622; 23 Crates furniture; U.S. \$121,900.00; Includes Rattan Chairs, Rattan Tables, Bamboo Stands, and: o Ocean freight and marine insurance (\$22,000), o Far East Trading 5% commission, and o All charges and commissions are included in the invoice price payable via letter of credit, Bank of England to Far East Trading.**

- A) U.S. \$121,900.00, net.
- B) U.S. \$121,900.00, minus freight, insurance, and commission.
- C) U.S. \$121,000.00, minus commission only.
- D) U.S. \$121,900.00, minus freight, and insurance only.
- E) U.S. \$121,900.00 plus freight, insurance, and commission.

**Correct answer: D**

**Explanation:**

- Under **transaction value**, you start with the **price actually paid or payable** for the merchandise and then remove amounts that are **specifically excludable** from dutiable value.
- **International (ocean) freight and marine insurance** are **not part of dutiable value** when they are identified separately and relate to transportation/insurance **after exportation to the U.S.** Here, the invoice specifically states **ocean freight and marine insurance = \$22,000**, so that amount is excluded.
- The **5% commission paid to Far East Trading** is **not excluded** in this fact pattern. It is included in the invoice price and payable through the same payment arrangement, and nothing in the facts establishes it as a **bona fide buying commission** that is clearly segregated and documented as such for exclusion. So it remains part of the **price paid or payable**.
- Therefore, the **dutiable value** is the invoice total **minus freight and insurance only**:
  - $\$121,900 - \$22,000 = \$99,900$

Correct answer: **D) U.S. \$121,900.00, minus freight and insurance only** (dutiable value = **\$99,900**).

38. What is the deductive value of the imported merchandise under the following circumstances? A foreign shipper sells 1000 leather attaché cases to a related U.S. importer classified under 4202.11.0030 / 8%. The foreign shipper does not sell to any unrelated persons. CBP determines that the relationship between the foreign shipper and the U.S. importer influences the price. There is no identical or similar merchandise from the same country of production. The U.S. importer sells the attaché cases in their imported state to three domestic buyers approximately one month after importation. The first buyer purchases 350 cases for \$200.00 each. The second purchaser gets an even better deal, 400 cases for \$180.00 each. The third buyer snaps up the remaining 250 cases for \$150.00 each. The importer also incurred the following expenses: □ Actual international transportation and insurance costs of \$8,000.00. □ Domestic transportation costs of \$2,000.00. □ Customs duties totaling \$4,000.00. □ In addition, the importer realized profits and general expenses of \$40.00 per case sold, which is consistent with the profit and expenses reflected in sales in the U.S. of merchandise of the same class or kind from all countries.

- A) \$42,000.00
- B) \$50,000.00
- C) \$122,670.00
- D) \$126,000.00
- E) \$146,000.00

**Correct answer: D**

**Explanation:**

- Because CBP found the **related-party price was influenced** and there are **no identical/similar merchandise sales**, transaction value cannot be used, so you move to **deductive value** (based on U.S. resale of the imported goods in the condition as imported).
- Under deductive value, you start with the **unit price at which the imported merchandise is sold in the greatest aggregate quantity**:
  - 350 cases at **\$200** each
  - 400 cases at **\$180** each *greatest aggregate quantity*
  - 250 cases at **\$150** each

→ Starting unit price = **\$180**

- Then deduct the allowable per-unit deductions from that \$180:
  - **Profit & general expenses:** \$40 per case
  - **International freight & insurance:**  $\$8,000 \div 1,000 = \$8$  per case
  - **Domestic transportation:**  $\$2,000 \div 1,000 = \$2$  per case
  - **Customs duties:**  $\$4,000 \div 1,000 = \$4$  per case
  - Total deductions per case =  $\$40 + \$8 + \$2 + \$4 = \$54$
- Deductive value per case:
  - $\$180 - \$54 = \$126$  per case
- Total deductive value for 1,000 cases:
  - $\$126 \times 1,000 = \$126,000$

Correct answer: **D) \$126,000.00**

**39. Which is NOT a requirement for an assist?**

- A) An assist must be supplied by the seller to the buyer.
- B) An assist may be furnished directly or indirectly.
- C) An assist must be supplied free of charge or at reduced cost.
- D) An assist must be used in connection with the production or sale for export to the U.S. of the merchandise.
- E) An assist that was purchased or leased from an unrelated person has the value of the cost of the purchase or lease.

**Correct answer: A**

**Explanation:**

- An **assist** is something **the buyer (importer)** provides—directly or indirectly—**free of charge or at reduced cost** to the foreign producer, **for use in producing or selling for export** the imported merchandise.
- Because an assist is **supplied by the buyer to the seller/producer**, it is **not** a requirement that it be supplied by the **seller to the buyer**.
- The other statements reflect actual assist requirements:
  - it can be furnished **directly or indirectly**,
  - it must be provided **free or at reduced cost**,
  - it must be **used in production or sale for export to the U.S.**, and
  - if purchased/leased from an unrelated party, its value is generally based on the **cost of purchase or lease**.

Therefore, the statement that is **NOT** a requirement is **A**.

**40. Which of the following pairings of foreign seller and U.S. importer are NOT related persons as defined in Part 152 of the Title 19 CFR?**

- A) Seller and importer have the same mother, but not the same father.
- B) Seller is on the Board of Directors XYZ Fashion Corporation and the U.S. Importer is XYZ Fashion Corporation.
- C) Seller is Mr. John Smythe, and the importer is ABC Customs Brokers, Inc. in which Mr. John Smythe's spouse owns seven percent (7%) of the common stock.
- D) Seller is British Motor Company, which is incorporated in England as a wholly- owned subsidiary of BMC, GmbH and importer is BMC USA, Inc., a Delaware corporation owned by BMC, GmbH.
- E) Seller is Mr. John Smythe, and the importer is ABC Customs Brokers, Inc. in which Mr. John Smythe's spouse's brother owns seven percent (7%) of the common stock.

**Correct answer: E**

**Explanation:**

- “Related persons” under Part 152 includes specific relationships such as:
  - **family members** (including brothers/sisters),
  - an individual and a **corporation where that individual (or their family) owns or controls it**,
  - and **common control** situations (both entities controlled by the same parent), among other listed relationships.
- In choices **A–D**, the relationship fits one of the defined “related” categories:
  - **A** involves a family relationship (siblings/half-siblings are treated as family relationships for relatedness).
  - **B** is a corporate control relationship (board/management control relationship).
  - **C** involves the seller’s **spouse** owning stock in the importer (spouse is a defined family relationship and ownership can create relatedness).
  - **D** describes **common control** (both seller and importer are owned by the same parent company).
- **E** is different: it involves the seller’s **spouse’s brother** owning 7% of the importer. A spouse’s sibling is **not the seller’s family member** for “related persons” purposes in the same way a spouse is, and the ownership is held by that third party—not by the seller or the seller’s spouse. With only these facts, it does **not** meet the Part 152 definition of related persons.

Therefore, the pairing that is **NOT** related persons is **E**.

**41. How should the merchandise be appraised in the following scenario? A foreign shipper sold merchandise at \$100.00 per unit to a U.S. importer. Subsequently, the foreign shipper increased its price to \$110.00 per unit. The merchandise was exported after the effective date of the price increase. The invoice price of \$100.00 was the price originally agreed upon.**

- A) \$90.00
- B) \$100.00
- C) \$100.00 with \$10.00 payable in next purchase
- D) \$110.00
- E) None of the above. Category VII – Partner Government Agencies (PGA)

**Correct answer: B**

**Explanation:**

- Under **transaction value**, merchandise is appraised based on the **price actually paid or payable** for the imported goods when sold for export to the United States.
- In this scenario, the parties had an **agreed contract price of \$100 per unit**, and the invoice reflects **\$100** as the price for the shipment—even though the seller later raised its general price to \$110.
- The key fact is that the shipment was sold under the **original agreement** and the **invoice price of \$100** is the amount that is **actually paid or payable** for these units (there is no indication that the importer must pay the additional \$10 for this shipment).
- Therefore, the merchandise should be appraised at **\$100.00 per unit**.

Correct answer: **B**.

**42. Which of the following importations does NOT require a permit issued by Fish and Wildlife Services (FWS)? The importation is not from either Canada or Mexico.**

- A) Any species of Indian wild dog, red dog, or dhole of the genus *Cuon*
- B) Any live specimens or egg of the species of so-called “pink starling” or “rosy pastor” *Sturnus roseus*
- C) Any species of Java sparrow, *Padda oryzivora*
- D) Wild yak, a wild ruminant of the Bovidae family
- E) Any live fish or viable eggs of the family Clariidae

**Correct answer: D**

**Explanation:**

- Fish & Wildlife Service (FWS) “permit required” in questions like this is usually testing whether the animal is on the **injurious wildlife list** (Lacey Act). If it is listed as injurious, it generally **cannot be imported** unless a specific **FWS permit/authorization** applies (typically limited purposes such as scientific, educational, or zoological use).
- **A) Indian wild dog / dhole (*Cuon*)** — treated as an injurious wildlife listing category in these exam scenarios, so it would fall under FWS-controlled injurious wildlife restrictions (permit/authorization framework applies).
- **B) “Pink starling” / rosy pastor (*Sturnus roseus*)** — also appears on the injurious wildlife listings used in these questions; importation is restricted and tied to FWS authorization.
- **C) Java sparrow (*Padda oryzivora*)** — commonly tested as an injurious-listed bird in CBP/FWS compliance questions; importation is restricted and tied to FWS authorization.
- **E) Live fish or viable eggs of the family Clariidae (walking catfish group)** — a classic injurious wildlife example; importation is restricted and tied to FWS authorization.
- **D) Wild yak (Bovidae)** — **not treated as an injurious-listed species in this regulatory framework**, so it is the one that **does NOT require an FWS-issued permit** under the “injurious wildlife” permit logic being tested (assuming no other separate wildlife law trigger is present in the facts).

**Correct answer: D**

**43. With which Federal agencies must documentary evidence of conformity with other agency regulations be filed when importing a motor vehicle for sale in the United States?**

- A) Environmental Protection Agency and National Highway Traffic Safety Administration
- B) Environmental Protection Agency and Federal Motor Carrier Safety Administration
- C) Federal Highway Administration and Federal Motor Carrier Safety Administration
- D) Federal Motor Carrier Safety Administration and National Highway Traffic Safety Administration
- E) Federal Highway Administration and National Highway Traffic Safety Administration

**Correct answer: A**

**Explanation:**

- When importing a **motor vehicle for sale in the United States**, the importer must show the vehicle complies with **two major federal regulatory regimes**:
  - **Environmental emissions requirements**, and
  - **U.S. vehicle safety standards**.
- **Environmental Protection Agency (EPA)** is responsible for **emissions compliance** for imported motor vehicles (e.g., compliance with U.S. emissions standards and related documentation).
- **National Highway Traffic Safety Administration (NHTSA)** (within DOT) is responsible for **Federal Motor Vehicle Safety Standards (FMVSS)** compliance and requires the related safety conformity documentation for vehicles imported for sale.
- Therefore, documentary evidence of conformity must be filed with **EPA and NHTSA**.

Correct answer: A.

**44. Which of the following statements is FALSE?**

A) The importation into the customs territory of the United States of chemical substances in bulk form or as part of a mixture, and articles containing a chemical substance or mixture are governed by the Toxic Substances Control Act (TSCA).

B) No certification under TSCA by the importer or an authorized agent is needed for an importation where the merchandise is only identified as "bulk chemicals" if the importer or the authorized agent know that the imported bulk chemicals are not subject to TSCA.

C) If an importer fails to certify compliance with TSCA as required and the shipment has been detained, with reasonable grounds, the port director may release the shipment under bond pending a decision by the Administrator of the Environmental Protection Agency to permit or refuse entry of the shipment.

D) If the Administrator of the Environmental Protection Agency has refused entry of a shipment that has been released under bond, the merchandise must be redelivered within 30 days of the date of the redelivery notice, or the port director will assess liquidated damages in the full amount of the bond.

E) Exclusive of extensions, the importer of a shipment of covered merchandise that has been detained must bring the merchandise into compliance with TSCA or export the merchandise within 90 days after notice of detention or 30 days of the demand for redelivery, whichever comes first. Category VIII – Entry / Entry Summary

**Correct answer: B**

**Explanation:**

- **TSCA requires an importer (or authorized agent) to certify** whether imported chemical substances/mixtures are **subject to TSCA** and are in compliance (or are not subject). The certification requirement applies even when goods are described generally, and the importer cannot avoid certification just by using a vague description like "bulk chemicals."
- **Statement B is false** because it claims **no TSCA certification is needed** when the merchandise is only identified as "bulk chemicals" if the importer/agent knows the chemicals are not subject to TSCA. In practice, the importer still must make the appropriate **TSCA certification** (typically a "negative" certification if not subject) rather than omitting certification altogether.

- The other statements describe standard TSCA import enforcement concepts:
  - TSCA covers chemical substances/mixtures and articles containing them (A),
  - shipments may be released under bond pending EPA decision in certain detention contexts (C),
  - if EPA refuses entry after bonded release, redelivery is required and liquidated damages may be assessed if not redelivered (D),
  - and there are specific time limits to bring goods into compliance or export following detention/redelivery requirements (E).

Therefore, the **FALSE** statement is **B**.

**45. Where in the Harmonized Tariff Schedule of the United States (HTSUS) can the definition of the "Customs Territory of the United States" be found?**

- A) Annex A to the HTSUS
- B) Annex C - Schedule D to the HTSUS
- C) Explanatory Notes to the HTS
- D) General Notes (GN) to the HTSUS
- E) General Rules of Interpretation (GRIs) in the HTSUS

**Correct answer: D**

**Explanation:**

- The HTSUS contains several different sections that serve different purposes:
  - **GRIs** explain how to classify goods,
  - **Explanatory Notes** provide guidance but are not legal text of the HTSUS,
  - **Annexes/Schedule D** relate to special listings and reference materials,
  - **General Notes (GN)** contain the legal definitions and scope rules for the HTSUS, including territorial scope.
- The definition of the “**Customs Territory of the United States**” is a **scope/territory definition**, and those kinds of definitions are set out in the **General Notes** because they establish how the tariff schedule applies and what geographic areas are included/excluded for tariff purposes.

Therefore, the correct answer is **D) General Notes (GN) to the HTSUS**.

**46. Which of the following duties, taxes or fees CANNOT be reduced or removed in ACE through the transmission of a post summary correction (PSC)?**

- A) Merchandise processing fees (MPF)
- B) Antidumping and countervailing duties (AD/CVD)
- C) Internal revenue taxes (IRT)
- D) Harbor maintenance fees (HMF)
- E) Agricultural fees

**Correct answer: E**

**Explanation:**

- A **Post Summary Correction (PSC)** is an ACE tool to correct **entry summary data elements** and it can adjust certain CBP-assessed duties/fees **when those amounts are calculated from correctable entry summary fields** (e.g., value, classification, special program indicators, etc.).
- **Agricultural fees** (commonly the **agriculture quarantine/inspection-related fees**) are treated differently in ACE because they are **not reduced or removed through PSC** the way other entry-summary-calculated amounts can be. They are tied to **agriculture inspection/coverage requirements** and how the fee is assessed/collected in ACE, which is not designed to be “backed out” through a PSC transmission.
- As a result, even if you correct other entry summary elements by PSC, **ACE will not allow the agricultural fee to be reduced/removed via PSC**, which is why **E** is the correct answer.

**47. What action must be taken to avoid liquidated damages for failing to file or late filing of an entry summary when an entry summary is rejected more than ten (10) working days after the date of entry and additional duties are due?**

A) The entry summary must be resubmitted to CBP within two (2) working days from the date of reject.

B) The entry summary must be resubmitted to CBP within two (2) working days from the date of reject, with payment of additional duties.

C) The entry summary must be resubmitted to CBP within ten (10) working days from the date of reject.

D) The entry summary must be resubmitted to CBP within ten (10) working days from the date of reject, with payment of additional duties, upon resubmission.

E) The entry summary must be resubmitted within the remainder of the ten (10)- working day filing period for submitting the summary, but never less than two (2) working days.

**Correct answer: B**

**Explanation:**

- An entry summary must normally be filed **within 10 working days** of the date of entry/release. If CBP rejects the entry summary **after that 10-working-day period has already run**, the filer is exposed to **liquidated damages** for late filing unless they cure the defect within the **limited reject resubmission window**.
- When the rejection occurs **more than 10 working days after entry** and the correction results in **additional duties due**, avoiding liquidated damages requires **both**:
  - **resubmitting promptly within the reject resubmission window**, and
  - **paying the additional duties at the time of resubmission** (because the entry summary is not considered properly filed/complete until the correct data and required payment are provided).
- The required cure window in this situation is **two (2) working days from the date of reject**, with **payment of the additional duties** upon resubmission.

Therefore, the correct answer is **B**.

**48. Which regulatory section defines the "time of entry" when merchandise is released under the immediate delivery procedure?**

- A) 19 CFR 10.101(e)
- B) 19 CFR 141.68
- C) 19 CFR 142.23
- D) 19 CFR 142.24(a)
- E) 19 CFR 142.26(a)

**Correct answer: B**

**Explanation:**

- "Time of entry" is a defined concept in the CBP regulations because it determines when certain entry obligations and time limits begin to run.
- When merchandise is released under the **immediate delivery procedure**, CBP does not treat the "time of entry" the same way as a standard consumption entry filed in the ordinary sequence; instead, the regulations provide a specific rule for when "entry" is deemed to occur under immediate delivery.
- **19 CFR 141.68** is the section that defines the **time of entry** for merchandise released under **immediate delivery** procedures, which is why **B** is correct.

**49. A commercial invoice states that the imported widgets are manufactured by Best Widgets. The goods are exported to the United States by reseller Wacky Widgets. The imported widgets are subject to the widgets Anti- Dumping (AD) order. The AD order excludes Best Widgets from antidumping duties if Best Widgets is both the manufacturer and exporter of the merchandise. Best Widgets does not have a manufacturer AD suffix case number or rate, nor does Best Widgets have an exporter AD suffix case number or rate. Wacky Widgets does not have a manufacturer AD suffix case number or rate, nor does Wacky Widgets have an exporter AD suffix case number or rate. What is the correct procedure to file the entry for this shipment of widgets?**

- A) File as type 01 consumption since the goods are excluded from the Anti-Dumping (AD) order.
- B) File as type 01 consumption since Best Widgets is excluded from the Anti- Dumping (AD) order.
- C) File as type 01 consumption since Best Widgets is the manufacturer of the goods.
- D) File as type 03 Anti-Dumping and Countervailing Duties (AD/CVD) under the widgets Anti-Dumping (AD) case All-Others (e.g., -000) suffix case number and rate.
- E) File as type 03 Anti-Dumping and Countervailing Duties (AD/CVD) with a 0.00% AD rate since Best Widgets shouldn't have to pay AD duties.

**Correct answer: D**

**Explanation:**

- An AD order exclusion that applies **only when a specific company is both the manufacturer and the exporter** is a **conditional exclusion**. If the exporter is **not** the excluded company, the entry does **not** qualify for the exclusion.
- Here, the invoice shows **Best Widgets is the manufacturer**, but the goods are **exported by reseller Wacky Widgets**. Because Best Widgets is **not both** the manufacturer **and** the exporter, the shipment does **not** meet the exclusion condition.
- In addition, neither Best Widgets nor Wacky Widgets has an AD case suffix/rate that would support filing the entry under an excluded company-specific case. When there is no qualifying company-specific case/rate available and the goods are subject to an AD order, the correct procedure is to enter under the **All-Others** case for that order.
- Therefore, the entry must be filed as an **AD/CVD entry (Entry Type 03)** using the **All-Others (e.g., "-000")** case suffix and rate for the widgets AD order.

**50. Which of the following two-digit codes would be entered in the "mode of transport" block of the CBP Form 7501 or its equivalent under the following facts? A formal entry is required. Sample dresses arrived in the U.S. in the dress designer's checked baggage. The designer flew into the U.S. on a commercial passenger aircraft from France.**

A) 32

B) 33

C) 41

D) 50

E) 60

**Correct answer: E**

**Explanation:**

- The "mode of transport" on the **CBP Form 7501** is a **two-digit code** that identifies how the merchandise arrived in the United States (air, vessel, rail, truck, mail, etc.).
- Here, the facts state the dresses arrived in the designer's **checked baggage**, and the designer traveled on a **commercial passenger aircraft** from France. Even though the goods are in baggage, the mode of transport for the importation is still **air**.
- The two-digit mode code used on the 7501 for **air** transportation is **60**.
- Therefore, the correct code to enter is **E) 60**.

51. Given the following manufacturer information from a commercial invoice, what would be the correct CBP Form 3461/7501 Entry Manufacturer Identification Code (MID)? □

- Chingdong Biopoi LTD 2F
- No. 12 Building, 3
- No 51159, Rontin Ave
- Wenleng Zone
- Chingdong City, Sichuan, China 611149

A) CNCHIBIO51159SIC

B) CNBIOPOI5115SIC

C) CNBIOPOI2F11CHI

D) CNCHIBIO5115CHI

E) CNCHINGD2F11CHI

**Correct answer: D**

**Explanation:**

- A **Manufacturer Identification Code (MID)** on the 3461/7501 is built from specific pieces of the manufacturer's name and address in a standardized order:
  - **Country code** (2 letters),
  - key letters from the **manufacturer name**,
  - key numbers/letters from the **street address** (usually the main street number, not suite/floor),
  - and key letters from the **city** (and sometimes state/province elements depending on format rules).
- Applying the MID construction rules to the invoice:
  - Country is **China** → **CN**
  - Manufacturer name is **Chingdong Biopoi LTD** → use the significant name elements (CH + BIO...)
  - Street number is **No. 51159** (the principal address number) → **5115** (standard truncation)
  - City is **Chingdong City** → **CHI** (city key)
- Putting those elements together yields **CNCHIBIO5115CHI**, which matches **choice D**.

**52. Which of the following is a TRUE statement regarding the principles governing the classification of goods in the tariff schedule?**

A) For legal purposes, the Harmonized Tariff Schedule's (HTS) table of contents, alphabetical index, and title of sections, chapters and sub-chapters are of equal weight to the terms of headings, relative section or chapter notes, and the General Rules of Interpretation in classifying goods under the tariff schedule.

B) For legal purposes, under the governing principles for the classification of goods in the tariff schedule, the Harmonized Tariff Schedule (HTS) Explanatory Notes are required to be applied, unless the HTS headings or notes otherwise require.

C) For legal purposes, the HTS General Rules of Interpretation (GRI) principles are applied in any sequence as long as all the GRIs are applied in classifying goods in the tariff schedule.

D) For legal purposes, the classification of goods in the subheadings of a heading shall be determined according to the terms of those subheadings and any related subheading notes with the understanding that subheadings at any level are comparable.

E) For legal purposes, classification is determined according to the terms of the headings and any relative section or chapter notes, while the table of contents, alphabetical index, and titles of sections, chapters and sub-chapters are provided for ease of reference.

**Correct answer: E**

**Explanation:**

- The legal framework for classification starts with **GRI 1**, which says classification is determined according to the **terms of the headings** and any **relative Section or Chapter Notes**.
- The **table of contents, alphabetical index, and the titles of Sections/Chapters/Subchapters** are **not legally controlling**—they are provided only as **reference aids**.
- Option **E** states that exact principle: headings + relevant notes control legally, while titles/index/table of contents are for ease of reference.

Therefore, the correct answer is **E**.

**53. To avoid having excluded merchandise deemed abandoned and destroyed, importers have up to from the date of receipt of Exclusion Letter notification to export merchandise subject to Withhold Release Order or to file a protest under 19 USC 1514. Choose the answer that correctly fills in the blank.**

- A) Six (6) weeks
- B) Sixty (60) days
- C) Three (3) months
- D) One hundred, twenty (120) days
- E) One (1) year

**Correct answer: B**

**Explanation:**

- When merchandise is **excluded** under a **Withhold Release Order (WRO)**, CBP issues an **Exclusion Letter** to the importer.
- After receiving that Exclusion Letter, the importer has a limited window to **avoid the merchandise being treated as abandoned and destroyed** by either:
  - **exporting** the excluded merchandise, or
  - filing a **protest under 19 U.S.C. 1514**.
- The allowed timeframe is **sixty (60) days from the date of receipt of the Exclusion Letter notification**.

Therefore, the correct answer is **B) Sixty (60) days**.

**54. What is the latest date CBP can demand that the following shipment be returned to CBP custody? A shipment of textile products claiming country of origin Hong Kong arrived on March 7, 2022 and was released on March 8, 2022. The entry summary was filed on March 18, 2022. On March 21, 2022, the Center director finds that the textile product is not entitled to admission into the commerce of the United States because the country of origin was not accurately represented as the entry summary should have listed People’s Republic of China as the country of origin.**

- A) March 22, 2022
- B) April 7, 2022
- C) April 20, 2022
- D) September 4, 2022
- E) September 17, 2022

**Correct answer: D**

**Explanation:**

- For many textile imports, release is **conditional** for a defined period so CBP can later verify admissibility requirements (including **correct country of origin**, quota/visa-type admissibility issues, and related controls).
- When goods are released under a **conditional release period**, CBP’s “demand for return to custody” (redelivery) can be issued **up to the end of that conditional release period**, not just immediately after release.
- For textiles, the conditional release period used in this scenario is **180 days from the date of release**.

Step-by-step with your dates:

- **Release date:** March 8, 2022
- **Add 180 days:** March 8, 2022 + 180 days = **September 4, 2022**
- That is the **latest date** CBP can demand the shipment be returned to CBP custody.

**Correct answer: D) September 4, 2022**

**55. As defined in the Customs Regulations, what does "released conditionally" mean?**

- A) Any release from CBP custody before liquidation.
- B) The bond is a temporary importation bond.
- C) Any admission of merchandise to a Foreign Trade Zone.
- D) Any release of merchandise to the General Order warehouse.
- E) The release requires further action, such as marking.

**Correct answer: A**

**Explanation:**

- In the Customs Regulations, **"released conditionally"** refers to merchandise that CBP has **released from custody**, but the release is **not final in the sense that CBP may still require further action or verification** during a specified conditional-release period.
- A conditional release occurs **before liquidation**, meaning CBP has not yet completed the final determination of the entry (duties, admissibility, compliance, etc.), and CBP can still require **redelivery** if later review shows the merchandise should not have been released or does not meet requirements.
- Because the regulatory definition ties **"released conditionally"** to **release from CBP custody before liquidation**, the correct statement is:

**A) Any release from CBP custody before liquidation.**

56. In the following scenario, upon proper request, to which type of ruling is the importer entitled? □ The Center of Excellence and Expertise has rejected the importer's claim as to the tariff classification of biofuel manufactured in Norway in connection with the entries of this merchandise. □ Entries filed for these shipments have NOT been liquidated. □ Proposed rate advances on CBP Form 29 will result in substantial duty increases. □ The importer has NOT requested or been issued a ruling on these import transactions.

- A) A ruling request submitted to the National Commodity Specialist Division.
- B) A protest application for further review filed using the Automated Commercial Environment (ACE) protest module.
- C) An Internal Advice request submitted through the Customs field office issuing the rate advances.
- D) A manufacturing ruling under the Trade Facilitation and Trade Enforcement Act of 2015 (TFTEA).
- E) A preliminary classification ruling petition submitted to the Court of International Trade. Category IX – Modernized Drawback

**Correct answer: C**

**Explanation:**

- The key facts are:
  - CBP (through the Center) is **challenging the importer's classification on unliquidated entries.**
  - CBP is issuing **proposed rate advances on CBP Form 29**, which means CBP is proposing a classification/rate change **before liquidation.**
  - The importer **has not requested or received a binding ruling** for these transactions.
- A **protest** is generally a **post-liquidation** remedy, so it is not the right tool when the entries are **not yet liquidated.**
- When there is an **unliquidated entry dispute** on classification (especially tied to CBP Form 29 rate advance action) and no prior binding ruling exists, the importer is entitled, upon proper request, to seek **Internal Advice** so CBP Headquarters can provide guidance on the correct classification treatment before liquidation.
- Internal Advice is submitted **through the Customs field office** handling the matter (the office issuing the rate advance action), which matches the scenario.

Therefore, the correct answer is **C) An Internal Advice request submitted through the Customs field office issuing the rate advances.**

**57. Within how many working days prior to the date of intended destruction must a Notice of Intent to Export, Destroy, or Return Merchandise for Purposes of Drawback on CBP Form 7553 for merchandise that is going to be destroyed be filed by the claimant with the CBP port where the destruction is to take place?**

- A) One (1)
- B) Two (2)
- C) Seven (7)
- D) Ten (10)
- E) Fourteen (14)

**Correct answer: C**

**Explanation:**

- When a claimant plans to **destroy merchandise for drawback purposes**, CBP must be given advance notice so it has an opportunity to **examine the goods and witness the destruction** if it chooses.
- That advance notice is provided on **CBP Form 7553 (Notice of Intent to Export, Destroy, or Return Merchandise for Purposes of Drawback)** and it must be filed with the **CBP port where the destruction will occur**.
- For destruction, the notice must be filed **at least seven (7) working days before** the intended destruction date.

Therefore, the correct answer is **C) Seven (7)**.

**58. Which designated merchandise qualifies for Direct Identification Unused Merchandise Drawback under 19 USC 1313(j)(1)?**

- A) A yacht imported and used to participate in a race and then exported immediately after the race.
- B) Imported socks which are repackaged and then exported.
- C) Imported fabric which is cut and sewn into shirts and then exported.
- D) Imported bike wheels which are substituted and commingled with domestically sourced bike wheels and then exported.
- E) Imported duty paid petroleum derivatives under Harmonized Tariff Schedule of the United States (HTSUSA) Subheading Chapter 3911.90.91 which are exported within 180 calendar days.

**Correct answer: B**

**Explanation:**

- **Direct Identification Unused Merchandise Drawback (19 U.S.C. 1313(j)(1))** applies when the **same imported merchandise** is **exported or destroyed without being used in the United States**.
- “Unused” allows certain limited operations that do **not** amount to use in the U.S., such as **repacking, relabeling**, sorting, or similar minor handling that does not change the merchandise into a new article or constitute use.
- **Imported socks that are repackaged and then exported** still qualify because:
  - the socks remain the **same merchandise** (direct identification), and
  - **repackaging** is a permitted activity that does not disqualify the goods as “unused.”
- The other options involve disqualifying “use” or a different drawback type:
  - racing a yacht is **use**,
  - cutting/sewing fabric into shirts is **manufacturing** (not unused),
  - commingling/substitution points to **substitution drawback**, not direct identification unused,
  - the petroleum option is aimed at other drawback rules and the timing stated does not match the unused direct-identification framework given.

Therefore, the designated merchandise that qualifies is **B**.

**59. Which of the following factors does CBP NOT consider when requiring a claimant to restructure their drawback claims in such a manner as to foster administrative efficiency?**

- A) The claimant's number of import and export transactions.
- B) The value of the claims.
- C) The frequency of the claims.
- D) The accounting method used to identify the merchandise.
- E) The product or products being claimed.

**Correct answer: D**

**Explanation:**

- When CBP requires a claimant to **restructure drawback claims** to foster **administrative efficiency**, CBP focuses on operational and workload factors that affect how manageable the claims are to review and verify.
- Factors CBP considers include:
  - the claimant's **number of import/export transactions** (volume),
  - the **value** of the claims (materiality),
  - the **frequency** of claims (how often CBP must review submissions),
  - and the **product(s)** being claimed (complexity and review burden).
- The **accounting method used to identify the merchandise** is not the type of "administrative efficiency" driver CBP uses to require restructuring in this context, because it is a method permitted under the drawback rules rather than a workload/claim-structure factor.

Therefore, the factor CBP does **NOT** consider for requiring restructuring for administrative efficiency is **D**.

**60. Which of the following answers is NOT a condition or criteria for identification of merchandise or articles by accounting method for drawback purposes?**

- A) The lots of merchandise or articles to be so identified must be fungible.
- B) The person using the identification method must be able to establish that inventory records (for example, material control records), prepared and used in the ordinary course of business, account for the lots of merchandise or articles to be identified as being received into and withdrawn from the same inventory.
- C) Unless provided in the section of the U.S. Code of Federal Regulations related to identification of merchandise or articles by accounting method or otherwise specifically approved by Customs (by a binding ruling under Part 177 of Chapter 1 of Title 19 of the U.S. Code of Federal Regulations), all receipts (or inputs) into and all withdrawals from inventory must be recorded in the accounting record.
- D) The records which support any identification method under this section are subject to verification by Customs.
- E) Any accounting method which is used by a person for drawback purposes under this section must be used without variation with other methods for a period of at least two (2) years, unless approval is given by Customs for a shorter period.

**Correct answer: E**

**Explanation:**

- Identification by **accounting method** for drawback is built around maintaining a reliable inventory trail for **fungible** merchandise and ensuring CBP can verify that the accounting records accurately track **receipts into** and **withdrawals from** the same inventory.
- Conditions/criteria that do apply include:
  - the merchandise/lots must be **fungible** (A),
  - inventory/material control records used in the ordinary course of business must show **receipts and withdrawals** (B),
  - receipts/inputs and withdrawals must be recorded (unless an exception/ruling allows otherwise) (C),
  - and the records are subject to **CBP verification** (D).
- **There is no general requirement** that an accounting method must be used **without variation for at least two years**. CBP may require consistency and may evaluate changes, but a fixed **two-year minimum-use** rule is not a condition/criteria for using identification by accounting method.

Therefore, the statement that is **NOT** a condition/criteria is **E**.

61. Calculate the total amount to be claimed for drawback for line item 2 using the following facts. Line item 1 is for 5,000 articles valued at \$10.00 each totaling \$50,000.00. The duty rate for line item 1 is 7%. Line item 2 is for 6,000 articles valued at \$15.00 each totaling \$90,000.00. The duty rate for line item 2 is 5%. The only fee is the merchandise processing fee that was paid at the regulatory rate of 0.3464% and is between the minimum and maximum. Direct identification drawback is claimed.

- A) \$4,455.00
- B) \$4,763.64
- C) \$4,811.76
- D) \$7,920.00
- E) \$8,484.96 Category X – Broker Compliance

**Correct answer: B**

**Explanation:**

- **Step 1: Calculate the duty paid on Line Item 2**
  - Entered value (Line 2) =  $6,000 \times \$15.00 = \$90,000.00$
  - Duty rate = 5%
  - Duty =  $\$90,000.00 \times 0.05 = \$4,500.00$
- **Step 2: Calculate the MPF paid on Line Item 2**
  - MPF rate = 0.3464% = 0.003464
  - MPF =  $\$90,000.00 \times 0.003464 = \$311.76$ 
    - (Check:  $\$90,000 \times 0.003 = \$270.00$ ;  $\$90,000 \times 0.000464 = \$41.76$ ; total \$311.76)
- **Step 3: Determine the total eligible amount paid (duty + MPF)**
  - Total paid on Line 2 =  $\$4,500.00 + \$311.76 = \$4,811.76$
- **Step 4: Apply Direct Identification Drawback (99%)**
  - Drawback claim =  $\$4,811.76 \times 0.99 = \$4,763.6424$
  - Rounded to cents = \$4,763.64

**Correct answer: B) \$4,763.64**

**62. What is the maximum penalty for any one incident of conducting Customs business without a license?**

- A) \$5,000.00
- B) \$10,000.00
- C) \$15,000.00
- D) \$20,000.00
- E) \$30,000.00

**Correct answer: B**

**Explanation:**

- “Conducting Customs business without a license” is a broker compliance violation. CBP can assess a **civil penalty per incident** for a person who performs customs business without holding the required broker license.
- The **maximum penalty for any one incident** of conducting customs business without a license is **\$10,000.00**.
- Therefore, the correct answer is **B) \$10,000.00**.

**63. Who must a broker business designate as the contact for CBP for broker-wide customs business and financial recordkeeping requirements?**

- A) A knowledgeable company employee
- B) An owner of the company
- C) A director of the company
- D) Duly appointed legal counsel
- E) The broker whose license qualifies the permit

**Correct answer: A**

**Explanation:**

- CBP requires each broker business to have a **designated point of contact** for **broker-wide customs business** and **financial recordkeeping** requirements so CBP knows exactly who can respond to compliance questions and documentation requests.

- This contact does not have to be the license-qualifying broker, an owner, a director, or legal counsel. The key requirement is that the person is **knowledgeable and able to communicate and coordinate** the business's customs and financial recordkeeping responsibilities with CBP.

- Therefore, the correct choice is **A) A knowledgeable company employee.**

**64. Which of the following is NOT an example of diligence in correspondence and paying monies?**

A) Brokers must transmit payments received from the client after the due date to the Government within five (5) working days from receipt.

B) Brokers must provide a written statement to a client accounting for funds received for the client from the Government within sixty (60) calendar days of receipt.

C) Brokers must provide active clients with a notice to client of method of payment within each twelve (12)-month period.

D) Brokers must file a status report with CBP every three (3) years accompanied by the prescribed fee.

E) Brokers need not provide a written statement accounting for funds received if there is actual payment of the funds by a broker.

**Correct answer: D**

**Explanation:**

- “Diligence” in broker regulations focuses on **how brokers handle correspondence, client funds, and payments**—things like timely remittance of monies, proper accounting to clients, and required client notices about payment methods.

- Choices **A, B, C, and E** all relate to **handling/receiving/remitting funds** or **providing required notices/accounting** to clients—these are the types of actions that fall under diligence in correspondence and paying monies.

- **Filing a status report with CBP every three years accompanied by a fee is a broker administrative/permit compliance requirement**, not an example of diligence in correspondence and paying monies.

- Therefore, the item that is **NOT** an example of diligence in correspondence and paying monies is **D**.

**65. Within how many days of the date of discovery that an employee is a convicted felon must a duly licensed broker seek approval of such employment from the Assistant Commissioner or be assessed a \$5,000 penalty for knowingly employing any convicted felon?**

- A) Ten (10) days
- B) Fifteen (15) days
- C) Thirty (30) days
- D) Forty-five (45) days
- E) Ninety (90) days

**Correct answer: C**

**Explanation:**

- CBP broker regulations restrict a broker from **knowingly employing a convicted felon** in connection with customs business unless CBP approval is obtained.
- When a broker **discovers** that an employee is a convicted felon, the broker must act promptly by **seeking approval** from the appropriate CBP authority to continue that employment.
- The required timeframe to seek approval is **within thirty (30) days of the date of discovery**. If the broker does not do so and continues the employment knowingly, CBP may assess the **\$5,000 penalty**.
- Therefore, the correct answer is **C) Thirty (30) days**.

**66. Newly licensed Customs broker Pat Smith (Smith or they/their) received their individual Customs broker license on August 1, 2022. On December 19, 2022, Smith received their national permit and began conducting customs business as a sole proprietor. What month and year will Smith's next status report be due and how much will the triennial status report fee be?**

- A) January 2023; \$100.00
- B) February 2023; \$163.71
- C) February 2023; \$263.71
- D) January 2024; \$100.00
- E) February 2024; \$100.00

**Correct answer: E**

**Explanation:**

- A broker's **triennial status report** is tied to the broker's **permit status** (i.e., when the broker is authorized to conduct customs business under a permit), and it is due on the **triennial reporting cycle** measured from the broker's permit effective timeframe.
- Smith received their **national permit** and **began conducting customs business on December 19, 2022**. The next required triennial filing falls on the first triennial due cycle that comes after the permit becomes active, which places Smith's next status report due in **February 2024**.
- The **triennial status report fee** for the broker status report is **\$100.00**.

**Correct answer: E) February 2024; \$100.00.**

**67. How long after attaining a passing grade on the Customs Broker License Exam (CBLE) does an applicant have to apply for a Customs broker license?**

- A) Three (3) months
- B) One (1) year
- C) Two (2) years
- D) Three (3) years
- E) Five (5) years

**Correct answer: D**

**Explanation:**

- After an applicant earns a **passing grade** on the Customs Broker License Exam (CBLE), CBP allows a fixed period of time for the applicant to **submit the application for a broker license**.
- That application window is **three (3) years** from the date the applicant attains a passing score.
- Therefore, the correct answer is **D) Three (3) years**.

**68. Which of the following dates is the earliest date that an examinee who took the Customs Broker License Exam (CBLE) on October 26, 2022, is eligible to apply for a customs broker license under the following facts? The examinee's birth date is October 12, 2004. The examinee was notified that the examinee passed the CBLE on November 10, 2022. The examinee received the application instruction letter from the processing Center on December 1, 2022.**

- A) October 27, 2022
- B) November 10, 2022
- C) December 1, 2022
- D) October 12, 2025
- E) October 26, 2025

**Correct answer: D**

**Explanation:**

- To be eligible to apply for a **customs broker license**, an applicant must meet the **minimum age requirement** at the time of application.
- The examinee's birth date is **October 12, 2004**, so the examinee turns **21 years old on October 12, 2025**.
- Even though the examinee took the CBLE on October 26, 2022 and was notified of passing on November 10, 2022, the earliest date they can apply is when they first satisfy the age requirement.
- Therefore, the earliest eligible application date is **October 12, 2025**.

**Correct answer: D) October 12, 2025.**

**69. Within how many working days must a licensed customs broker transmit a payment to CBP of funds received from an importer after the payment due date?**

- A) One (1)
- B) Two (2)
- C) Three (3)
- D) Five (5)
- E) Ten (10) Category XI – Free Trade Agreement (FTA)

**Correct answer: D**

**Explanation:**

- Broker diligence rules require brokers to handle client funds and government payments promptly, even when the broker receives the client's payment **after** the official due date.
- When a licensed customs broker receives funds from an importer **after the payment due date**, the broker must transmit the payment to CBP **within five (5) working days from receipt** of those funds.
- Therefore, the correct answer is **D) Five (5)**.

**70. What is the correct amount of estimated duty to be deposited with an Entry Summary dated June 1, 2022 for an air shipment of Leather Briefcases classified under 4202.11.0030 with an entered value of \$5,000.00, claiming Generalized System of Preferences (GSP) Preferential Duty Claim by utilizing the Special Program Indicator (SPI) of A?**

- A) \$0.00
- B) \$17.32
- C) \$400.00
- D) \$417.32
- E) \$427.75

**Correct answer: C**

**Explanation:**

- The briefcases are classified under **4202.11.0030**, which carries a **general (Column 1) duty rate of 8% ad valorem**.
- The entered value is **\$5,000.00**, so the duty at the general rate is:  **$\$5,000.00 \times 0.08 = \$400.00$**
- Even though the entry is *claiming GSP (SPI “A”)*, the duty deposit required **for that June 1, 2022 entry summary** is the **normal duty amount** calculated from the HTS rate and entered value.

Correct answer: C) \$400.00

**71. What is the TRADE AGREEMENT status of an unlined curtain panel of 100% acrylic, dyed, woven fabric that has undergone the following processing?**

- **CHINA:** Solution dyed acrylic fiber is extruded and cut into staple fibers and shipped to the United States. (Heading 5503).
- **UNITED STATES:** The acrylic staple fibers are spun into an acrylic yarn. (Heading 5509); the acrylic yarns are woven into a 100% acrylic fabric and dyed. (Heading 5512); the 100% acrylic woven fabric is shipped to Honduras.
- **HONDURAS:** Polyester filament for sewing thread is extruded. (Heading 5402); The extruded sewing thread of polyester filament is formed. (Heading 5401); Fabric is cut and sewn; curtain panel is assembled and shipped to the U.S.

A) Qualifies under Dominican Republic-Central America-United States Free Trade Agreement (DR-CAFTA) because the good is wholly obtained or produced in the territory of one or more of the parties to the Agreement.

B) Qualifies under DR-CAFTA because the good is produced entirely in the territory of one or more of the parties to the Agreement, and each of the non-originating materials used in the production of the good undergoes an applicable change in tariff classification and the good satisfies all other applicable requirements of General Note 29.

C) Qualifies under DR-CAFTA because the good satisfies the regional value content.

D) Does not qualify under DR-CAFTA because each of the non-originating materials does not undergo an applicable change in tariff classification.

E) Does not qualify under DR-CAFTA because the good undergoes an applicable change in tariff classification but does not satisfy the remainder of the tariff shift rule.

**Correct answer: B**

**Explanation:**

- The finished good is a **curtain panel** assembled in **Honduras**, a DR-CAFTA party, using materials produced in **the U.S. and Honduras**, plus a non-originating input from **China** (the acrylic staple fiber).
- The good is **not “wholly obtained”** in the DR-CAFTA territory because there is a **non-originating material from China**, so option **A** cannot be correct.
- DR-CAFTA allows a good to qualify when it is **produced entirely in the territory of one or more DR-CAFTA parties** and **each non-originating material undergoes the required tariff shift** (and other GN 29 conditions are met). Here, the production occurs in the **U.S. + Honduras** (both DR-CAFTA territories).
- The **non-originating Chinese acrylic staple fiber (5503)** is transformed in the **United States** into:
  - **acrylic yarn (5509)**, then into
  - **woven acrylic fabric (5512)**, and finally into
  - a **made-up textile article (curtain panel)** after cutting/sewing in **Honduras**.These steps reflect the type of **tariff classification changes** that DR-CAFTA tariff-shift rules are designed to capture (fiber → yarn → fabric → finished made-up article), meaning the non-originating input undergoes the applicable change in tariff classification.
- Because the good is produced entirely in DR-CAFTA territory and the **non-originating material undergoes the applicable tariff shift**, the curtain panel **qualifies under DR-CAFTA** under the tariff-shift pathway described in **General Note 29**.

Correct answer: **B**.

**72. Which one of the following is NOT a program providing special tariff treatment?**

- A) Agreement on Trade in Civil Aircraft
- B) Automotive Products Trade Act
- C) Generalized System of Preferences
- D) Trade Facilitation and Trade Enforcement Act
- E) United States-Morocco Free Trade Agreement

**Correct answer: D**

**Explanation:**

- A “program providing special tariff treatment” is something that can change the **duty rate applied to an import**—typically a **preference program** or **trade agreement** reflected in the HTSUS special rates/SPI claims.

- The following are examples of special tariff treatment programs:
  - **Agreement on Trade in Civil Aircraft** (duty-free/special treatment for qualifying civil aircraft products),
  - **Automotive Products Trade Act** (special duty treatment for qualifying automotive products),
  - **Generalized System of Preferences (GSP)** (preference program),
  - **U.S.–Morocco Free Trade Agreement** (FTA preference).
- The **Trade Facilitation and Trade Enforcement Act (TFTEA)** is a **trade enforcement/modernization law**, not a tariff preference program that provides special duty rates.

Correct answer: **D**.

**73. Which of the following would NOT be used to support a claim by the importer of petroleum products classified in Heading 2710 of the Harmonized Tariff Schedule for preferential treatment under the Caribbean Basin Trade Partnership Act (CBTPA)?**

A) Purchase orders, invoices, bills of lading and other shipping documents, and customs import and clearance documents for the country of manufacture showing U.S.-origin crude oil was used in the production of the imported merchandise.

B) A completed Certificate of Origin showing that the petroleum products meet the rules of origin for the Bahamas.

C) Records showing that internal controls were established and implemented requiring the periodic review of the accuracy of the Certificate of Origin or other applicable origin records.

D) Shipping papers showing the shipment from the CBTPA beneficiary country directly to the United States without being shipped through a country other than a CBTPA beneficiary country.

E) A CBP Form 450 in English signed by the exporter applicable to multiple importations by the U.S. importer over a one-year period from the date of the exporter's signature.

**Correct answer: B**

**Explanation:**

- A CBTPA preference claim for petroleum products is supported by documents that demonstrate:
  - **how the product was produced** and that qualifying inputs/rules were met,
  - **direct shipment** from a beneficiary country to the U.S.,
  - and, where applicable, **exporter/importer declarations** and internal controls showing the claim is supported and monitored.

- The **Bahamas is not a CBTPA beneficiary country** for purposes of making a CBTPA preferential treatment claim in this context. Because of that, a “Certificate of Origin” asserting the petroleum products meet rules of origin **for the Bahamas** would not be relevant support for a CBTPA claim.

- Therefore, the document that would **NOT** be used to support the CBTPA preferential treatment claim is **B**.

**74. Under the United States–Mexico–Canada Agreement (USMCA), which of the following would NOT be considered an "indirect material" in the manufacture of a ceramic mug? A kiln is the oven that is used to fire or bake the ceramic clay to harden.**

- A) Purified water churned with the clay powder and feldspar to make ceramic clay
  - B) Molds shaped like cylindrical coffee mugs
  - C) Electricity used to power the kilns
  - D) Lubricants for the conveyor belts transporting the mugs through the kilns
  - E) Purified water added to the kiln wash powder used to maintain kiln performance
- Category XII – Foreign Trade Zones (FTZ) and Bonded Warehouse

**Correct answer: A**

**Explanation:**

- Under USMCA, **indirect materials** are items used in the production process that **do not become a physical part of the finished good** (examples include **energy, fuel, lubricants, tools, dies, molds, and supplies used in maintenance/operation**).
- In this scenario:
  - **Molds** are production tooling → indirect material.
  - **Electricity** to power kilns → indirect material.
  - **Lubricants** for conveyor belts → indirect material.
  - **Water used to mix kiln wash** (a maintenance/operation supply) → indirect material.
- **Purified water churned with clay powder and feldspar to make ceramic clay** is different because it is part of the **direct production mixture** used to create the ceramic body (it is used as an ingredient in forming the clay, not merely as a maintenance or operating supply).
- Therefore, it is **NOT** treated as an “indirect material” for USMCA purposes in this context.

**Correct answer: A.**

**75. What status designation should be applied to merchandise entered for warehousing and transferred to a Foreign Trade Zone?**

- A) Privileged Foreign Status
- B) Nonprivileged Foreign Status
- C) Domestic Status
- D) Activated Status
- E) Zone-Restricted Status

**Correct answer: E**

**Explanation:**

- Merchandise that is **entered for warehousing** is still under CBP control and has not been entered for consumption in U.S. commerce.
- When that warehoused merchandise is **transferred into a Foreign Trade Zone**, the appropriate FTZ status is the one that preserves the merchandise in a **restricted, non-consumption posture**—meaning it is admitted to the zone **for storage/handling under restrictions** rather than being treated as domestic merchandise or admitted in a way that would allow it to be entered for consumption without the intended controls.
- **Zone-Restricted Status** is the designation used for merchandise that is to remain **restricted in the zone** and is not eligible for entry into U.S. commerce in the same manner as nonprivileged/privileged foreign status merchandise.
- Therefore, merchandise entered for warehousing and then transferred to an FTZ should be placed in **Zone-Restricted Status**.

Correct answer: **E) Zone-Restricted Status.**

**76. Merchandise in may be entered for warehouse from a foreign trade zone.**

- A) Privileged Foreign Status imported 3 years ago
- B) Privileged Foreign status imported 6 years ago
- C) Nonprivileged Foreign Status imported 3 years ago
- D) Nonprivileged Foreign Status imported 6 years ago
- E) Activated Status

**Correct answer: C**

**Explanation:**

- Merchandise can be moved from a **Foreign Trade Zone (FTZ)** into a **bonded warehouse** only if it is still treated as **foreign merchandise under CBP control** and is eligible to be entered for warehousing within the allowable warehouse-entry time limits.
- **Privileged Foreign (PF) status** locks in the classification and duty rate as of the time it was admitted to the zone and is generally not the status used for this type of warehouse entry eligibility scenario being tested.
- **Activated status** is not a merchandise status; it describes the **zone/operator activation** condition, not whether goods are privileged/nonprivileged/domestic/zone-restricted.
- **Nonprivileged Foreign (NPF) status** merchandise remains in a flexible foreign status in the zone and can be entered into other CBP-controlled procedures (like warehousing) when otherwise eligible.
- The time factor matters: the merchandise must be within the permitted timeframe for warehousing eligibility in this fact pattern. **Three years** is within that allowable window, while **six years** is beyond it.
- Therefore, the merchandise that **may be entered for warehouse from an FTZ** is **Nonprivileged Foreign Status imported 3 years ago**.

Correct answer: C.

**77. Which of the following does not apply to a Duty-Free Store Operation?**

- A) Withdrawal for Export
- B) Procedures Manual
- C) Reimported Merchandise Non-Exemption
- D) Application for Transfer of Merchandise
- E) Inventory Procedure

**Correct answer: D**

**Explanation:**

- A **Duty-Free Store (DFS)** operates under CBP control and must follow specific operational requirements, including:
  - using **withdrawal for export** procedures (DFS merchandise is treated as exported when properly withdrawn to travelers or for export),
  - maintaining required **inventory procedures** to account for merchandise under CBP supervision,
  - maintaining a CBP-compliant **procedures manual** describing how the operation controls and records merchandise,
  - and complying with rules that affect how **reimported merchandise** is treated (i.e., it does not automatically receive special treatment just because it previously moved through a duty-free channel).
- An “**Application for Transfer of Merchandise**” is not a standard required DFS operational element in the way inventory controls, procedures manuals, and withdrawal-for-export processes are.
- Therefore, the item that does **not** apply to a Duty-Free Store operation is **D) Application for Transfer of Merchandise**.

**78. Which class of bonded warehouse is known as a general order warehouse, established for the storage and disposition exclusively of general order merchandise?**

- A) Class 2
- B) Class 7
- C) Class 8
- D) Class 9
- E) Class 11

**Correct answer: E**

**Explanation:**

- A **general order (GO) warehouse** is the bonded warehouse class used specifically for the **storage and disposition of general order merchandise** (goods that CBP has taken into GO status for custody, disposition, and eventual release/export/auction/destruction under GO procedures).
- The bonded warehouse class that is **established exclusively** for general order merchandise is **Class 11**.

Correct answer: **E) Class 11**.

**79. Upon proper application, what Zone status will be given to merchandise taken into a Foreign Trade Zone for the sole purpose of exportation, destruction, or storage?**

- A) Domestic status
- B) Nonprivileged foreign status
- C) Privileged foreign status
- D) Zone-restricted status
- E) Privileged domestic status

**Correct answer: D**

**Explanation:**

- In a Foreign Trade Zone, merchandise can be admitted under different **zone status designations** depending on what the merchandise is intended to do while in the zone.
- When merchandise is taken into an FTZ **solely for exportation, destruction, or storage** (i.e., not for entry into U.S. commerce), CBP assigns a status that keeps it **restricted from domestic entry** and preserves it for those limited purposes.
- That status is **Zone-Restricted Status**, which is specifically used when the merchandise is intended to remain in the zone for **exportation or destruction** (and associated restricted handling/storage) rather than being entered into U.S. consumption.
- Therefore, the correct answer is **D) Zone-restricted status**.

**80. Choose the time pairing that will correctly fill in the blanks in the following sentence. Regarding the annual reconciliation report and letter of certification, the foreign trade zone operator shall prepare a reconciliation report within days after the end of the zone/subzone year and submit the letter of certification within working days after the annual reconciliation report is prepared.**

- A) Less time – I finished early
- B) Same amount of time – it was just right
- C) Slightly more time – to consider or review my answers
- D) More time – I did not finish the examination
- E) Very difficult to understand 6. Would you have like more, less or the same amount of time for this examination?

**Correct answer: D**

**Explanation:**

The correct time pairing is:

- **Within 90 days** after the end of the zone/subzone year (to prepare the annual reconciliation report), and
- **Within 10 working days** after the annual reconciliation report is prepared (to submit the letter of certification).