

FOREIGN TRADE ZONE

#whysj

PROGRAM MANAGER
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/ The Foreign Trade Zone program represents an important part of San Jose's trade and manufacturing infrastructure. The City can help companies designate their facility as a Foreign Trade Zone, or otherwise access a zone. The Foreign Trade Zone is a designated site within the U.S. where foreign merchandise is considered outside of U.S. Customs territory. Foreign merchandise can be brought into a Foreign Trade Zone without payment of federal import duties and with streamlined customs procedures. This enhances the competitiveness of businesses in San Jose by deferring, reducing, or eliminating duty payments on foreign merchandise entering the Zone.



Foreign duties eliminated

while merchandise is in a Foreign Trade Zone

Foreign Trade Zone Program

/ Foreign merchandise can be brought into a Foreign Trade Zone without payment of federal import duties and with streamlined customs procedures.

/ Foreign Trade Zones can be used for storage, assembly, testing, processing, repackaging and manufacturing.

/ No duties are paid on foreign merchandise that are exported after entering a Foreign Trade Zone.

Program Process

/ A company contacts the City about its desire to use General-Purpose Zone, or to designate a portion of its existing building as a Foreign Trade Zone (called a Subzone).

/ For Subzones, a company submits an application to the City who remits it to the Foreign Trade Zone's Board for approval.

/ A company works with U.S. Customs and Border Protection to prepare a site for designation and activation.

/ Upon approval by the Foreign Trade Zone's Board and U.S. Customs and Border Protection, a company enters into a Use Agreement with the City and begins importing goods through its designated Foreign Trade Subzone.