

CONTINUOUS CUSTOMS



CONTINUOUS CUSTOMS BONDS

A U.S. Customs and Border Protection (CBP) bond is used to guarantee specific obligations between Customs and importers will be met during import transactions. They are required if an importer is importing merchandise valued over \$2,500 into the United States for commercial purposes. A bond is also required if the commodity is subject to other federal agency requirements. They are sometimes referred to as import bonds, or surety bonds.

Why It Is Required

It is required to assure the government that the duty and taxes owed on imports will be paid once goods are released at the border. Having a customs bond is a requirement of entry, and will help ensure that your goods cross quickly without issues.

Types of Bonds

Single Transaction Bonds (STB)

Also known as 'Single Entry Bonds' or SEBs, the STB is used to secure a one-time import for individuals or businesses.

Continuous Bonds (CB)

A continuous bond covers multiple transactions, for 12 months from the date of issue and covers standard entries at all ports of entry. It is much more cost effective to have a continuous bond if an importer has multiple shipments in a year.

Determining the Amount for a Continuous Bond

A continuous bond is 10% of duties, taxes and fees paid for the previous 12 month period. Current bond formulas can be found on www.CBP.gov

Obtaining a Customs Bond

Can be obtained by a Customs Broker or licensed surety. A Power of Attorney (POA) is required if there is a broker doing this on your behalf.



The Bond Application Process at a Glance:

If you are applying through your broker:

- Advise your broker you would like to apply for a continuous bond.
- Complete the application they provide to you.
- Your broker will then submit the bond application, along with any additional documents required to the surety.
- Your broker will advise if there are any further requests, or provide you with a copy of the bond once completed.



How long does it take?

Depending on what avenue the bond is obtained through a bond can take one day to a few weeks. If you are applying through your broker they often have direct systems that allow the bond to be obtained the same day. If you are applying for the first time or through a surety company it can take a little longer depending on your company's import history, if PGA's are involved, the surety companies underwriting guidelines and requirements or a high bond limit.

Questions?

Feel free to contact our service team at clientsupportca@buckland.com. We would be happy to help answer any questions.





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