# SPOTSYLVANIA JOINS CULPEPER FOREIGN TRADE ZONE

Fact Sheet February 2013

## FOREIGN TRADE ZONE (FTZ) BACKGROUND

- Definition: Site within the United States where foreign and domestic merchandise is generally
  considered to be in international commerce. Merchandise may enter this zone without formal Customs
  entry or payment of Customs duties or government excise taxes.
- Goals: Create/maintain U.S. jobs and investment by deferring, reducing, or eliminating Customs duties
- Benefits: Cuts cost for U. S. based importers of goods for eventual domestic or foreign distribution
- FTZ Board: Secretaries of Commerce, Treasury, Homeland Security, and Customs / Border Protection
- VA Foreign Trade Zone's: Norfolk #20, Culpeper #185, Richmond #207, Roanoke #238, Dulles #137

### **CULPEPER FOREIGN TRADE ZONE**

- Culpeper's new Foreign Trade Zone status leads to greater flexibility, expanding operations, and more
  jobs for local business.
- Culpeper recently filed an application with the U.S. Department of Commerce's Foreign-Trade Zones Board to amend Culpeper's FTZ management plan to an Alternative Site Framework.
- Under the ASF, foreign—trade zone grantees have greater flexibility in meeting requests for zone status, while making the Foreign Trade Zone application process easier and less expensive.

### **ALTERNATIVE SITE FRAMEWORK (ASF)**

- Goal: Improve competitiveness benefits to broad range of users in a regional service area
- Benefits: Reduce monitoring / reporting requirements for numerous "inactive" properties
- Advantages: 1-2 month process, no filing fee, efficient monitoring/reporting
- Activation requirements: Background check, security inspection, operator's performance bond
- One of the aspects of the Alternative Site Framework is that Foreign Trade Zone Grantees, i.e.
   Culpeper County, must designate a "Service Area" in which the Grantee agrees to extend the efficiencies of the Alternative Site Framework approach and provide foreign—trade service.

### SPOTSYLVANIA JOINS CULPEPER #185 FOREIGN TRADE ZONE

- Spotsylvania is one of 21 counties to join Culpeper's ASF Service Area
- Other counties to join the "Service Area" include: Albemarle, Augusta, Bath, Caroline, Culpeper, Fluvanna, Greene, Highland, King George, Louisa, Madison, Nelson, Orange, Page, Rappahannock, Rockbridge, Rockingham, Shenandoah, Stafford and Warren

### **CONTACTS**

Carl Sachs Kathleen Boyce

Email: <u>CSachs@culpepercounty.gov</u> Email: <u>Kathleen.Boyce@trade.gov</u>

Phone: 540.727.3410 Phone: 202.482.1346

**RESOURCES** 

<u>www.federalregister.gov/foreign-trade-zone</u>
Foreign-Trade Zone 185-Culpeper County, VA Application for Reorganization Under Alternative Site Framework

<u>www.clients.callcbd.com/culpeper</u> In The Zone: New Foreign Trade Zone Status For Greater

Flexibility

<u>www.culpeperva.com/hub-foreigntradezones</u> HUB / Foreign Trade Zones

www.spotsylvania.org/ftz.pdf FTZ - Culpeper 185 Map

<u>www.census.gov/foreign-trade/regulations/index.html</u> FTZ Regulations Website Updates

