



Boone, Campbell and Kenton Counties

GRANTEE

NORTHERN KENTUCKY  
FOREIGN-TRADE ZONE, INC.

[www.gcftz.com](http://www.gcftz.com)

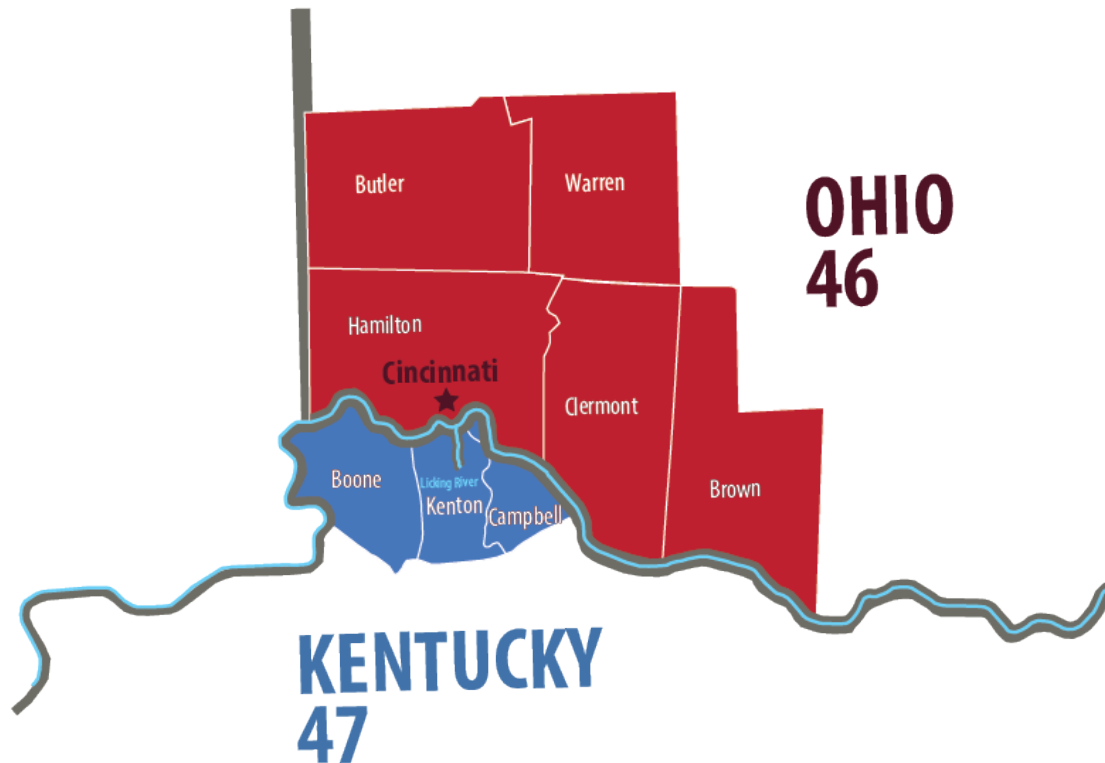
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## FOREIGN-TRADE ZONE BENEFITS

Foreign Trade Zones (FTZ) are designated areas within the United States that operate under special customs procedures. They essentially function as duty-free zones for businesses, allowing for import, storage, manipulation, assembly, or manufacturing of goods with reduced or deferred customs duties.



In 2011, the Foreign Trade Zone Board approved the reorganization of FTZ 47 under the **Alternative Site Framework (ASF)**. This action helps achieve greater flexibility in the designation of new usage-driven and subzone FTZ sites for operators located within the service area and creates a more streamlined approach to zone administration.

# RULES AND POLICIES OF FTZ NO. 47

## **FTZ Policy**

Northern Kentucky Foreign Trade-Zone, Inc. (NKFTZ), a non-profit, is the grantee for FTZ 47, which serves Boone, Campbell, and Kenton counties in the Northern Kentucky. NKFTZ's mission is to catalyze regional economic growth in Greater Cincinnati and Northern Kentucky by promoting the benefits of the Foreign Trade Zone Program

## **Alternative Site Framework**

FTZ 47 operates under the Foreign-Trade Zone Board's Alternative Site Framework (ASF). The ASF approach to designation and management of zone sites allows businesses who wish to utilize foreign trade zone procedures to be able to do so on an expedited basis.

**\*\*Applications submitted under ASF typically receive approval approximately 60 days from the submittal date.**

## **FTZ Availability**

FTZ 47 encourages companies within its service area to participate in the foreign trade zone program to take advantage of the savings opportunities it can provide to businesses with international operations, which can result in the retention, expansion, and attraction of both jobs and investment in the region. FTZ 47 is located adjacent to a valuable network of transportation and logistics resources and is recognized to be among the top regional international business locations in the United States.

- FTZ 47 will sponsor a Usage Driven site within its service area. A Usage Driven site is typically company specific and located at the businesses.
- FTZ 47 will sponsor a Subzone site for a business located within its service area. A Subzone is a site or group of sites tied to a single operator.
  - Establishing a Usage Driven or Subzone site within a service area requires submission of a written request to the GCFTZ Board and participation in the ASF application process with the FTZ Board.
  - Establishing a Usage Driven Zone or Subzone outside of the service area is possible but requires submission of a written request to the NKFTZ Board and participation in the **Traditional Site-Framework (TSF)** application process with the FTZ Board.

TSF applications require the zone location meet adjacency requirements as defined by at least 1 of the following:

- The zone site to be within the limits of a CBP port of entry.
- The zone site to be within 60 statute miles of the outer limits of a CBP port of entry.
- The zone site to be within 90 minutes' driving time from the outer limits of a CBP port of entry as verified by the CBP Service Port Director.
- Zone sites that are outside the 60 miles/90 minutes driving time from the outer limits of the CBP port of entry may alternatively qualify to be considered adjacent if they work with the CBP Port Director to ensure that proper oversight measures are in place.

## DEFINITION OF TERMS

<b>ACTIVATION:</b>	Once a zone or subzone site is approved by the FTZ Board, a request must be made to the local CBP office, with the concurrence of the FTZ grantee, to operate the zone/subzone site under FTZ procedures.
<b>CUSTOMS:</b>	U.S. Customs & Border Protection (CBP) - CBP oversees the day-to-day monitoring of zone activity. Merchandise is admitted into a zone on CBP form 214 and is removed from the zone through CBP entry or transportation under bond procedures. Goods located in a zone are under CBP control. Goods and zone records are subject to spot check and other verifications at any time.
<b>CUSTOMS TERRITORY:</b>	The territory of the U.S. in which the general tariff laws of the U.S. apply. The U.S. Customs territory includes the States, the District of Columbia and Puerto Rico minus any areas within the boundaries of foreign-trade zones.
<b>FTZ BOARD:</b>	Established within the Department of Commerce to carry out the provisions of the FTZ Act. The FTZ Board consists of the Secretary of Commerce (chair) and the Secretary of Treasury, or their designated alternates.
<b>GRANTEE:</b>	An entity who is the recipient of a grant of authority to establish, operate and maintain a zone. The authority to establish a zone includes the responsibility to manage it.
<b>MAGNET SITE:</b>	A site intended to serve or attract multiple users under the ASF.
<b>OPERATOR:</b>	A corporation, partnership or person that operates a usage driven or subzone site under the terms of an agreement with the grantee.
<b>SUBZONE:</b>	A site or group of sites tied to a single operator established for a specific use under the ASF.
<b>USAGE-DRIVEN SITE:</b>	A site tied to a single operator established for a specific use under the ASF.
<b>USER:</b>	An entity using a portion of a zone under agreement with an operator.
<b>ZONE:</b>	An FTZ established under the provisions of the FTZ Act and regulations.
<b>ZONE SITE:</b>	The physical location of a usage-driven, subzone or magnet site.

## GRANTEE FEES

Application Processing Fee: \$500.00

### Annual Fee Structure:

Magnet Site: \$0.20 per square foot of activated space, with a maximum fee of \$20,000 per year and a minimum fee of \$4,000 per year.

Usage Driven/ Subzone Operators: \$20,000 per year (billed in 2 installments Oct 1 & Apr 1)

De-Activation Fee: \$500.00

Businesses utilizing FTZ 47 are subject to grantee fees as published in the NKFTZ Fee Schedule. The NKFTZ fee schedule is subject to change.

## CONTACT INFORMATION

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