Port of New York/Newark
Cargo Operations Division
1210 Corbin Street
Elizabeth, NJ 07201

U.S. Customs and Border Protection

Bonded Warehouse Regulations and Guidelines

Upon approval of a Bonded Warehouse, the regulations and guidance below should be followed for daily operations.

Regulations: eCFR :: 19 CFR Part 19 -- Customs Warehouses, Container Stations and Control of Merchandise Therein

Manual: BONDED WAREHOUSE MANUAL FOR CUSTOMS AND BORDER PROTECTION OFFICERS AND BONDED WAREHOUSE PROPRIETORS

- **19 CFR 19.1** ***Classes of Customs Warehouses***
  - Your ability to operate a specific class of Bonded Warehouse will be specified in your approval letter. If you want to perform different functions in your Bonded Warehouse that weren't previously approved, a request will need to be sent to the mailbox below.

- **19 CFR 19.3** ***Bonded Warehouses; Alterations; Relocation; Suspensions; Discontinuance***
  - **(a)** *Alterations or relocation.* Alterations to or relocation of a warehouse may be made with the permission of the director of the port nearest to where the facility is located.
  - **(c)** *Discontinuance.* If a proprietor wishes to discontinue the bonded status of the warehouse, he shall make written application to the port director. The port director shall not approve the application until all goods in the warehouse are transferred to another bonded warehouse without expense to the Government. To reestablish the bonded warehouse, application shall be made and approved under the provision of § 19.2 of this chapter.

- **19 CFR 19.3 (d)** ***Employee Lists*** - The port director may make a written demand upon the proprietor to submit, within 30 days after the date of demand, a written list of the names, addresses, social security numbers, and dates and places of birth of all persons employed by the proprietor in the carriage, receiving, storage, or delivery of any bonded merchandise. If a list has been previously furnished the proprietor shall advise the port director in writing of the names, addresses, social security numbers, and dates and places of birth of any new personnel employed by him in the carriage, receiving, storage, or delivery of bonded merchandise within 10 days after such employment. For the purpose

of this part a person shall not be deemed to be employed by a warehouse proprietor if he is an officer or employee of an independent contractor engaged by the warehouse proprietor to load, unload, transport, or otherwise handle bonded merchandise.

- **19 CFR 19.4 (b)(2)** ***Customs Access*** - The warehouse proprietor shall permit access to the warehouse and present merchandise within a reasonable time after request by any Customs officer.

- **19 CFR 19.4 (b)(6)** ***Warehouse and Merchandise Security - Warehouse and merchandise security.*** The warehouse proprietor shall maintain the warehouse facility in a safe and sanitary condition and establish procedures adequate to ensure the security of all merchandise under Customs custody stored in the facility. The warehouse construction will be a factor that will be considered by the port director in deciding whether to approve the application. The facility shall be built in such a manner as to render it impossible for unauthorized personnel to enter the premises without such violence as to make the entry easy to detect. If a portion of the facility is to be used for the storage of non-bonded merchandise, the port director shall designate the means for effective separation of the bonded and non-bonded merchandise, such as a wall, fence, or painted line. All inlets and outlets to bonded tanks shall be secured with locks and/or in-bond seals.

- **19 CFR 19.4 (b)(8)(i)** ***Direct Identification*** - The warehouse proprietor shall mark all shipments for identification, showing the general order or warehouse entry number or seizure number and the date of the general order, entry, or delivery ticket in the case of seizures. Containers covered by a given warehouse entry, general order or seizure shall not be mixed with goods covered by any other entry, general order or seizure. Merchandise covered by a given warehouse entry, general order or seizure may be stored in multiple locations within the warehouse if the proprietor's inventory control system specifically identifies all locations where merchandise for each entry, general order or seizure is stored and the quantity in each location. The proprietor must provide, upon request by a Customs officer, a record balance of goods, specifying the quantity in each storage location, covered by any warehouse entry, general order, or seizure so a physical count can be made to verify the accuracy of the record balance.

- **19 CFR 19.12 (c)** ***Accountability for Merchandise in a Warehouse***

    - (1) Identification of merchandise. The customs entry number or unique identifier, as applicable under § 19.4(b)(8), will be used to identify and trace merchandise.

    - (2) Inventory records. The inventory records will specify by customs entry number or unique identifier if an alternative inventory control method is approved:

        - The location of the merchandise within the warehouse;
        - Except for merchandise in general order, the cost or value of the merchandise, unless the proprietor's financial records maintain cost or value and the records are made available for CBP review; and
        - The beginning balance, cumulative receipts and withdrawals, adjustments, destructions, and current balance on hand by date and quantity

- **19 CFR 19.3 (e)** ***Revocation or Suspension for Cause***– Reference this section to view grounds for revocation or suspension.

Guidelines:

- The Bonded Warehouse area needs to be **physically segregated** via an 8ft. fence, with proper Bonded Warehouse signage, and video camera coverage with a minimum retention period of 30 days
- The Bonded Warehouse area needs to be **always closed/secured**, except for when Bonded Warehouse merchandise is being moved in or out of the Bonded Warehouse area
- **Only** Type 21 Entries will be stored in the Bonded Warehouse area
- Type 21 Entries **cannot** be stored outside of the Bonded Warehouse area
- **No** domestic merchandise, CFS merchandise, FTZ merchandise, General Order Merchandise, or supplies/equipment can be stored in the Bonded Warehouse area
- All Type 21 Entries will be stored together, not in different parts of the Bonded Warehouse area
- Any changes to the Bonded Warehouse area need to be requested via the email below **prior** to any action being taken (via the mailbox below)
- Any changes to the activity code 2 bond (number or amount) need to be sent to the mailbox below

- The Bonded Warehouse cannot lease out space in the facility to another company without CBP review and approval
- If the Bonded Warehouse elects to deactivate, send an email the mailbox below
- If there are any changes in key employees (additions or subtractions), notify the Port of New York/Newark
    - For any new key employees, a CBP Form 3078, and "Authorization for Release of Information" will need to be emailed to the mailbox below

Contact Information:

nwkbondedwarehouse@cbp.dhs.gov