

Basics of the Customs' In-Bond Program

For US Bound (Northbound) Traffic

Most goods entering the country 'enters' the commerce of the United States at the port of entry. In other words, the importer 'clears' the shipment with U.S. Customs at the port of entry, making a declaration as to what is being imported and paying any applicable import duties. When this process is complete the importer is free to do whatever he wishes with the imported merchandise—distribute, sell, etc.

In some cases it is preferable to delay making entry or not make entry at all. The shipment may not be going to 'enter' the commerce of the U.S. at all, perhaps only transiting the U.S. enroute from Canada to Mexico. Or the importer may want to bring the product with high duties into the U.S. and warehouse it for a time and delay paying duties. The In-Bond process allows this to take place.

If the shipment is simply transiting through the U.S., a bond can be posted with Customs and the shipment can move 'In-Bond' through the U.S. When the shipment leaves the U.S. the bond is closed. This type of bond is called a type-62 or T&E (Transportation and Exportation). If the shipment is moving to an interior location where it will be cleared with U.S. Customs, the shipment will move on a bond type-61, or I.T. bond.

Most large carriers have a bond posted with U.S. Customs that lets them transport goods moving 'In Bond'. The BNSF moves a large volume of traffic 'In Bond', mainly steamship containers moving from the West Coast. In this case the shipments move under the steamship carrier's bond, not the BNSF's.

For all questions and concerns regarding the In-Bond Program please contact BorderSupport@bnsf.com or 888-700-3075 option 3.