

## WHAT IS A FOREIGN TRADE ZONE?

A foreign-trade zone (FTZ) is a designated location in the United States where companies can use special procedures that help encourage U.S. activity and value-added - in competition with foreign alternatives - by allowing delayed or reduced duty payments on foreign merchandise, as well as other savings.

## BENEFITS OF FTZ #34

### Duty Exemption

No duties on or quota charges on re-exports.

### Duty Deferral

Customs duties and federal excise tax deferred on imports.

### Inverted Tariff

In situations where zone production results in a finished product that has a lower duty rate than the rates on foreign inputs (inverted tariff), the finished products may be entered at the duty rate that applies to its condition as it leaves the zone (requires prior authorization).

### Logistical Benefits

Companies using FTZ procedures may have access to streamlined customs procedures (e.g. "weekly entry" or "direct delivery").

### Other Benefits

Foreign goods and domestic goods held for export are exempt from state/local inventory taxes. FTZ status may also make a site eligible for state/local benefits which are unrelated to the FTZ Act.

## FTZ #34 CAN HELP SAVE YOUR COMPANY MONEY

Foreign and domestic merchandise may enter the foreign trade zone without a formal Customs entry or the payment of Customs duties or government excise taxes.



Merchandise entering a foreign trade zone may be:

- Stored
- Tested
- Sampled
- Relabeled
- Repackaged
- Displayed
- Repaired
- Manipulated
- Mixed
- Cleaned
- Assembled
- Manufactured
- Salvaged
- Destroyed
- Processed

If the final product is exported from the United States, no U.S. Customs duty or excise tax is levied. If, however, the final product is imported into the United States, Customs duty and excise taxes are due only at the time of transfer from the foreign trade zone and formal entry in the U.S.

The duty paid is the lower of that applicable to the product itself or its component parts. Thus the zone provides opportunities to realize customs duty savings by zone users. In addition, zone procedures provide one of the most flexible methods of handling domestic and imported merchandise.

## ACTIVITIES IN THE FOREIGN TRADE ZONE

DUTY IS DEFERRED ON IMPORTED GOODS ADMITTED TO ZONE

NO UNITED STATES DUTY IS ASSESSED WHEN REEXPORTING GOODS FROM ZONE

PROCESSING GOODS WITHIN THE ZONE CAN ELIMINATE OR LOWER TARIFFS

DUTIES CAN BE AVOIDED ON DEFECTIVE, DAMAGED GOODS BY INSPECTING AND TESTING IMPORTED GOODS WITHIN A ZONE

SAVINGS OF 10% TO 25% HAVE BEEN REALIZED IN TOTAL TRANSPORT INSURANCE FROM FOREIGN SHIPPER'S PLANT TO U.S. IMPORTER IN A ZONE VS. U.S. IMPORTER OUTSIDE A ZONE

## STRATEGIC LOCATION

### WITHIN 500 MILES OF:

- 55% of the U.S. Population
- 62% of the Canadian Population
- 92% of Canadian Manufacturers

## CONVENIENT ACCESS TO:

**Nationwide Rail Service**

**3 International Bridges  
to Canada**

**Air, Truck and Rail  
Connections to Any Point  
in North America**

# FOREIGN TRADE ZONE #34

NIAGARA COUNTY



**BorderWorx Logistics** provides clients with inventory storage, order processing and distribution, returns management, accounting and finance, meeting space and work areas. **BorderWorx** provides storage and shipping solutions on behalf of, and for clients dealing with Amazon, Perfect Shaker, Walmart, eBay, Harris Corporation, and Comcast. Integrated with its customs brokerage service, **BorderWorx** seamlessly manages transportation between neighboring countries. Headquartered in Georgetown, Ontario and Niagara Falls, New York, **BorderWorx** is able to service both the Canadian and U.S. markets, knowing how to best serve the respective interests.

For additional information regarding FTZ #34, please contact:



## ZONE OPERATOR

### Borderworx Logistics, LLC

6405 Inducon Drive West  
Sanborn, NY 14132

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## Niagara County Industrial Development Agency

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Sanborn, NY 14132  
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NCIDA staff is available to discuss opportunities for additional operators and users for FTZ #34.



## Legend

- Foreign Trade Zone #34 Boundaries
- Reactivated Foreign Trade Zone Area
- Niagara County Streets

Foreign Trade Zone #34 Areas	Acres
FTZ #34 - Area A	133
FTZ #34 - Area B	50
FTZ #34 - Area C	158



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