

FOREIGN TRADE ZONE #57 FAST FACTS



Administered by the Charlotte Regional Partnership

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Foreign Trade Zones

- FTZs, which are licensed by the U.S. FTZ Board, have special customs procedures.
- Foreign items are allowed to undergo domestic activity prior to formal customs entry.
- Items that are re-exported are duty-free.
- Duty payment is deferred on items sold in the U.S. market.
- If the final product is imported into the U.S., customs duty and excise taxes are due only at the time of transfer from the foreign trade zone and formal entry into the U.S. Duty is paid on the product itself or its imported parts, whichever is lower.
- Lower duty on items going through FTZs helps keep production costs down, making items better able to compete with wholly foreign-made products, while employing U.S. workers who add value to the final product.
- Spoiled, damaged or waste goods may be disposed of or re-exported without duty payment.
- FTZs must be within or adjacent to a U.S. Customs and Border Protection (CBP) port of entry. **The Charlotte Douglas International Airport serves as the port of entry for FTZ #57.**
- If a subzone site does not meet the adjacency requirement, it may qualify to be considered adjacent if the CBP Port Director agrees to ensure proper oversight.



Foreign Trade Zone #57

- Ronnie Pruett signed Articles of Incorporation on August 2, 1979.
 - Ronnie Pruett was elected general counsel, serving 25 years.
 - Mike Hawley, Partner with K&L Gates, assumed this role in 2004 and remains general counsel.

General Purpose Zone

- There are 11 approved sites in FTZ #57's General Purpose Zone.
 - GPZ's are open to multiple zones users and usually located at ports or industrial parks.
 - Manufacturing is permitted within GPZs, but they are traditionally used for warehouse and distribution activity.

Subzones

- Two approved zones - DNP in Concord and Volvo in Asheville.
 - Subzones are special-purpose zones, usually at manufacturing facilities.
 - Subzones are approved for use by one company for a specific activity.

