FTZ#238

Foreign Trade Zone #238 Program

Virginia's New River Valley Economic Development Alliance – DBA Onward New River Valley, is the grantee of Foreign Trade Zone (FTZ) #238. Companies located in the 22 county/city service area of FTZ 238 can petition Onward NRV to establish a subzone of FTZ #238 at their facility.

Overview of FTZ Benefits:
FTZs are areas which are geographically inside the United States but are legally considered outside its Customs territory. Companies that operate an FTZ can benefit by:

- **Duty Deferral:** Users can avoid paying duties on imported merchandise until the goods are removed from the FTZ and enter in the U.S. commerce. Duty on machinery is deferred until it is put into production; there is no duty paid on re-exports or scrap.
- **Inverted Tariffs/Duty Reduction:** FTZ zone users can pay lower duty rates on goods produced in the zone when the finished product has a lower duty rate than the imported components and parts.
- **Weekly Entries:** Zone users will benefit if they file multiple Customs and Border Protection entries each week. FTZs allow the user to file this paper work once a week.
- **No Time Constraints:** Merchandise may remain in the zone indefinitely, whether or not it is subject to duty.
- **Customs Compliance:** Customs & Border Protection requirements and federal criminal sanctions are deterrents against theft. Cargo that is imported into FTZs have fewer incidents of loss and may result in lower insurance costs.

Please visit the website of the National Association of Foreign Trade Zones to view a comprehensive list of FTZ benefits.

FTZ Savings Calculator:
Wondering if your company could benefit from being in FTZ #238? Please click **here**

to complete the Duty Savings Estimator Worksheet to estimate your company's potential savings from operating with foreign-trade zone status.

Overview of Application Process:
Step 1: Contact Virginia's New River Valley Economic Development Alliance (Onward NRV)

Katie Boswell
Executive Director
katie@onwardnrv.org
(540) 267-0007

Step 2: Apply with Onward NRV

1. Site visit by Onward NRV (If applicable)
2. Applicant downloads and completes the Minor Boundary Modification application
3. Applicant submits application and application fee to Onward NRV
4. Onward NRV obtains concurrence from CBP-Richmond
5. Onward NRV submits all documents to FTZ Board

Step 3: Receive approval from FTZ Board

1. Application review by FTZ Board
2. Applicant reviews and sign Operator Agreement with Onward NRV

Step 4: Activate with U.S. Customs & Border Protection

1. Onward NRV will notify applicant when FTZ Board has approved the site
2. CBP and approved user can now begin activation – View Manual