



NAFTA

Corporate Office:  
700 State St.  
Racine, WI 53404

February 4<sup>th</sup>, 2014

U.S. Customs and Border Protection,  
Attn: Tracey Denning  
Regulations and Rulings  
Office of International Trade  
90 K Street NE., 10th Floor  
Washington, DC 20229-1177.



Re: Request for Information on CBP Form 28- OMB Number: 1651-0023

Dear U.S. Customs and Border Protection,

In response to Federal Register Vol. 78 No. 239 dated December 12, 2013, CNH America LLC ("CNH") would like to provide comments on the Customs Form 28 ("CF28") process.

The Federal Register listed five elements the comments should address. Please see those elements below with CNH's response provided.

**(a) Whether the collection of information is necessary for the proper performance of the functions of the agency, including whether the information shall have practical utility;**

CNH believes information gathered through the current CF28 process is not necessary for the proper performance and functions of the agency, specifically on an entry-by-entry basis. The data collected is a way of ensuring proper compliance processes and procedures are in place as well as a way of auditing specific entries considered questionable by CBP.

CNH believes, if CBP were to eliminate the current CF28 process and instead implement a new process (similar to the process used by CBSA) that would be conducted annually (different product types/class throughout the year) triggering review of a product type as a whole versus specific part numbers on specific entries, the workload for both CBP and Importers would be reduced dramatically with more compliance being implemented.

The objective of this type of review process is to promote and ensure compliance with customs accounting obligations as they relate to a single program, which could be tariff classification, origin, valuation or other CBP provisions.

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A high-level overview of the process is as follows:

1. At the beginning of each year, CBP would identify a list of the types of products they will be focusing on. This would allow the Importer to plan accordingly.
2. A defined review period would be selected, usually twelve (12) months.
3. CBP would select a number of transactions for the period, a minimum of ten (10) to a maximum of twenty-five (25), they would like to review. This allows for a large enough sample to make an informed evaluation of the ongoing compliance level as it relates to the targeted program.
4. The list is then provided via official letter of "Desk Review" to the Importer.
5. The importer, within a specific time allotted, would then provide complete documentation packages for these entries. Sample documents include (but not limited to) commercial invoices, accounting document, recaps and product literature.
6. CBP would review the documentation provided, communicate with the Importer on any questions or additional documentation required and then once complete, provide an interim report based on the findings, which includes not only a requirement to correct the last twelve (12) months worth of entries but also an additional requirement and/or corrective action for future compliance.
7. At that time, there would be an opportunity for the importer to provide comments prior to the issuance of the final report.
8. Once comments have been reviewed, CBP would issue a final report.
9. Based on the report, the Importer would process the required corrective action and make corrections (if necessary) to internal processes to ensure compliance moving forward. As long as corrective actions are taken and processes are improved, there is no monetary penalty assessed with the review. However, if the Importer fails to take necessary actions, there would be a possibility for penalty.
10. The Importer would be limited to no more than two (2) "Desk Reviews" annually.

CNH believes this type of process would not only allow CBP and the company to review compliance processes and procedures in a much more broad fashion but also eliminate the day-to-day workload by allowing the Importer to pull data at one time on multiple entries over a 12 month period. By consolidating efforts, CNH believes workload and resources can be minimized.

**(b) the accuracy of the agency's estimates of the burden of the collection of information;**

CNH is unsure about the amount of CF28's issued across all Importers annually, however, CNH does not agree with CBPs' estimated time per response of an average of one (1) hour. Upon receipt of a CF28, often times, CNH Trade Compliance must reach out to other departments to obtain necessary information. This can take a couple of days to facilitate. Once receipt of all necessary information is received, it takes, on average approximately four (4) to five (5) hours to compile and process a proper response.



**(c) ways to enhance the quality, utility, and clarity of the information to be collected;**

Unlike the current CF28 process which requires busy importers to temporarily divert resources usually dedicated to other tasks in order to respond to various 28's as they come in, changing to a single review period annually will allow importers to focus dedicated resources to responding to the inquiry thus increasing the ability of the importer to provide clear, accurate and useful information.

**(d) ways to minimize the burden including the use of automated collection techniques or the use of other forms of information technology; and**

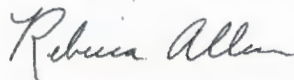
Whether documents are shared via mail, fax or email, CNH believes the proposed process above will automatically minimize the burden of the CF28 process as it stands today. However, CNH also proposes that CBP review the ACE portal to see if enhancements can be made to track this process electronically, implement capabilities for CBP to formally issue "Desk Review" notifications for the Importer to upload documentation responses as well as to capture the history and status of each request. This would eliminate the need for paper as well as parcel expenses and it would also allow both CBP and Importers to know the current status of each process.

**(e) the annual costs burden to respondents or record keepers from the collection of information (a total capital/startup costs and operations and maintenance costs).**

CNH estimates it receives, on average, around twenty-five (25) CF28s annually which would equate to approximately one person working full time for 175 hours annually or 4.4 weeks on CF28 responses. This amounts to \$5,500 in annual costs that could be avoided with a new, more efficient process.

Thank you for considering our feedback!

Sincerely,



Rebecca Allan  
Customs Compliance Manager  
CNH - North America