

ACH PAYMENT OF CUSTOMS DUTIES AND FEES

Automated Clearinghouse (ACH) is an **electronic payment option** that allows importers the ability to make payment of import duties and fees directly to Customs and Border Protection (CBP) from a bank account. The trade initiatives implemented in recent years have resulted in tremendous increases in tariffs on most imported merchandise. As such we recommend that importers get set up to pay their duties and taxes directly to CBP through the ACH payment process.

CBP offers two options for importers to make automated payments and an option to consolidate duty payments into a single monthly payment. Importers should choose the method that works best for their business:

ACH Debit

With this payment option, the Importer gives authority to CBP to withdraw funds through an approved financial institution. Payment is automatically pulled by CBP, so the worry of forgetting to initiate the transaction is eliminated.

ACH Credit

With this payment option, the Importer controls the initiation and timing of the payment by transmitting the payment authorization to CBP. With the authorization, CBP then withdraws a single authorized payment. Note: Although this method provides the importer with control in initiation of payment, failure to make timely payments can result in penalties and interest.

Periodic Monthly Statement (PMS)

Once an importer is set up on ACH, they can also choose to participate in PMS. With PMS, importers will make a consolidated payment of duties and fees on a monthly basis, rather than paying duties on a transaction-by-transaction basis. For merchandise imported and released during a given month, the duties will be paid on the fifteenth working day of the following month.

ACH Benefits

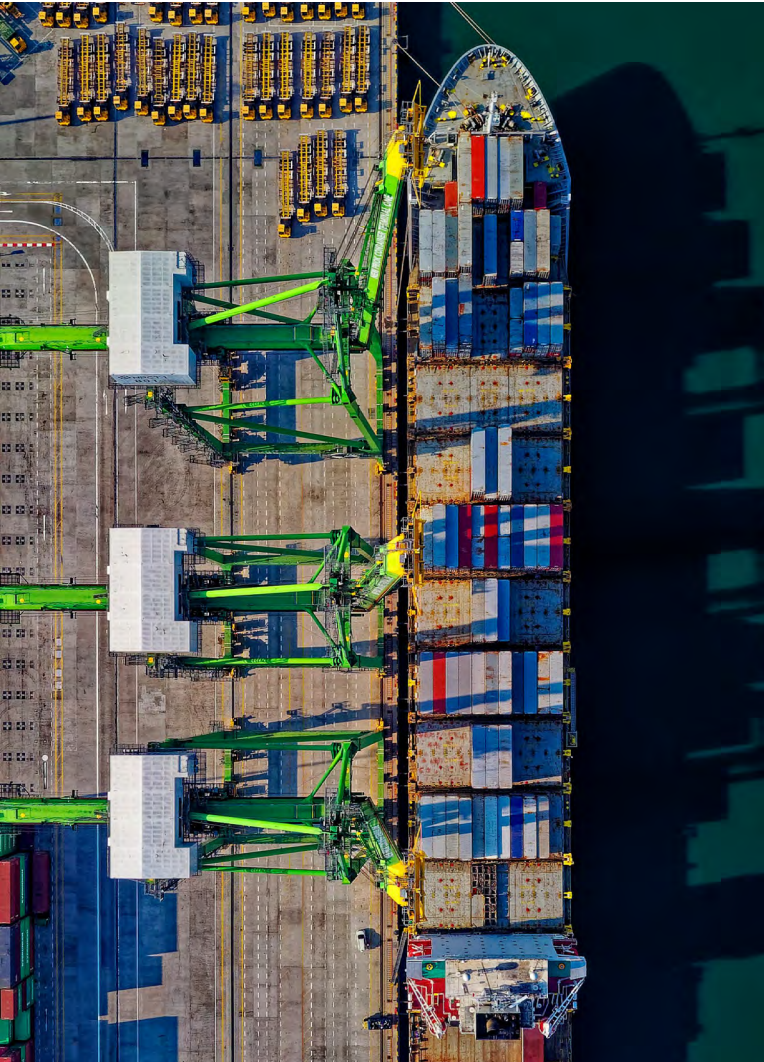
ACH is a secure, efficient and automated process to pay import duties and fees and offers many additional benefits to the importer.

- Eliminates Broker duty advance or processing fee.
- Eliminates bank fees for wire transfers.
- No more cutting checks for each entry.
- Eliminating lost or stolen checks.
- Paying all duties and fees statements in a central location.
- Reduces administrative processing time, costs, and errors.

PMS Benefits

- Allows Importers to view the Periodic Monthly Statement as it is being built during the month. (Daily Statements)
- One interest-free monthly payment of duties rather than transaction-by-transaction process.
- Up to 45 days from entry release to submit payment for duties and fees.
- PMS offers flexibility in the management of working capital and cashflow.

GETTING SET UP ON ACH AND PMS



ACH and PMS Resources:

CBP - [Automated Clearinghouse \(ACH\)](#)

CBP Form 400 – [ACH Debit Application](#)

CBP Form 401 – [ACH Credit Application](#)

PMS – [CBP Fact Sheet](#)

PMS – [Schedule of Due Dates](#)

PMS – [ACE](#)

CBP – [Automated Commercial Environment \(ACE\)](#)

ACH Debit

1. Confirm with your financial institution (bank) that they are a U.S. Bank and National Automated Clearing House Association (NACHA) participant with Electronic Data Interchange (EDI) capability.
2. Complete and submit the [ACH Debit application](#) to CBP. For faster processing, email the application to ACH-Customs@cbp.dhs.gov. **Note:** if you have multiple accounts, you will need to submit an application for each account.
3. Submit written authorization from your bank with your bank routing and account number.
4. Once CBP receives and approves your application, you will be assigned a unique Payer Unit Number (PUN). Provide the PUN to M.E.Dey (Customs Broker) for authorization of the debit of the duties from your account.

ACH Credit

1. Confirm with your financial band that they are a U.S. Bank and NACHA participant and that they have Electronic Data Interchange (EDI) capability
2. Complete and submit the CBP Form 401 [ACH Credit Application](#) to CBP.
3. CBP will review and approve your application and will provide the payment format and requirements for your financial institution (bank).
4. The Bank will test and validate payment routing and account data by sending a pre-notification to confirm the transmission method.
5. Once the payment process is confirmed, CBP will notify the importer to begin making ACH Credit transactions.

PMS

1. As an established M.E. Dey customer, we will handle the communication with CBP to set your payments up for PMS.
2. Importers can also establish their own ACE Secure Data Portal account. The ACE portal is essentially a customized homepage that connects CBP, the trade community and Participating Government Agencies.

DUTY PAYMENT PROCESS

ACH Debit Payments

1. **The Filer Receives the Preliminary Statement.** CBP sends the filer the preliminary statement for all entry summaries that are scheduled for payment. If any entry summaries are deleted, CBP will send a new statement amount to the filer.
2. **The filer submits ACH payment authorization.** The filer submits the payment authorization to CBP through ABI, sending one ACH payment authorization per statement. CBP will not receive payment until the filer provides CBP the ACH payment authorization.
3. **CBP sends authorization acceptance confirmation to the filer.** If the authorization is received, the filer receives a message that CBP has accepted the authorization.
4. **The filer receives a final statement,** usually on the first business day after CBP processes payment authorization.
5. **Payment is Withdrawn from Filer's Account.** CBP transmits payment information to the ACH processor bank. The ACH processor bank then sends the data to the filer's bank. The filer's account is debited usually two business days after CBP accepts the initial payment authorization.

ACH Credit Payments

1. **The Importer provides the necessary data to their financial institution for payment including the following:**
 - a. CBP transit routing number
 - b. CBP account number
 - c. Payer identifier
 - d. Settlement date (date the filer will debit their account)
 - e. Total payment amount
 - f. Document number
 - g. Document payment amount
 - h. Payment type
2. **The importer initiates the payment transaction using their bank's procedures.** The transaction must originate at least one day before the settlement date. Once the filer begins the transaction, they cannot reverse it. If an overpayment occurs, CBP will process the payment through the normal refund process.
3. **The Treasury Department Transmits the Information to CBP and CBP Posts the Payment.** If the amount paid matches the amount due, CBP will post the payment. If there is a discrepancy, CBP will manually reconcile the transaction, which may cause a delay in posting the payment.
4. **The Treasury Department Notifies the Filer's Bank that CBP Received the Payment.** The transaction will be listed on the filer's bank statement, or through other arrangements made with the bank.

Periodic Monthly Statement Payments for ACH Debit and ACH Credit

1. Process entry summaries for Periodic Daily Statement.
2. On the 11th business day of the following month, the importer will receive the Preliminary Monthly Statement which includes a summary of all Daily Statement of the previous month
3. On the 15th business day of the following month the Importer receives the Final Monthly Statement which includes all authorized Daily Statements.
4. On the 16th business day, the funds are debited from the Importer's Bank Account.