

SOUTH CAROLINA STATE PORTS AUTHORITY
FOREIGN-TRADE ZONE GRANTEE SCHEDULE
&
FOREIGN-TRADE ZONE BOARD FEE SCHEDULE PER REGULATIONS
Revised July 2011

Foreign-Trade Zone Nos. 21 and 38



Operating under the authority granted by the
Foreign-Trade Zones Board, U.S. Department of Commerce

Effective July 1, 2009

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GENERAL PURPOSE ZONE OPERATOR/FACILITY/SITE APPLICATION
AND ACTIVATION

\$10,000 General Purpose Zone Operator/Facility/Site’s Application Processing Fee

This fee does not include actual preparation of the General Purpose Zone Operator/Facility/Site’s Application.

The Application Processing Fee covers the South Carolina State Ports Authority’s (“Zone Grantee”) expenses for obtaining the necessary approvals/resolutions for the General Purpose Zone Operator/Facility/Site, submission of the Application to the Foreign-Trade Zones Board (the “Board”) and any necessary support required in the General Purpose Zone Operator/Facility/Site Application process.

\$ 500 Activation Processing Fee

This fee does not include actual preparation of the General Purpose Zone Operator/Facility/Site Activation Application to U.S. Customs and Border Protection (“Customs”)

The Activation Fee covers Grantee expenses for preparation and processing of the General Purpose Zone Operations Agreement, providing the Grantee Concurrence Letter to Customs, and any necessary Grantee support required in the Customs Activation process.

\$ 5,000 Active Site Annual Fee

The General Purpose Zone Operator/Facility/Site’s Annual Fee will cover Grantee expenses for oversight of the General Purpose Zone project and submission of the Annual Report to the Board. If application approval by the Board is not July first (1st) the Annual Fee will be pro-rated.

\$ 2,500 Inactive Site Annual Fee

The General Purpose Zone Operator/Facility/Site’s Annual Fee will cover Grantee expenses for oversight of the General Purpose Zone project and submission of the Annual Report to the Board. If application approval by the Board is not July first (1st) the Annual Fee will be pro-rated.

SUBZONE OPERATOR/FACILITY/SITE APPLICATION AND ACTIVATION

\$10,000 Application Processing Fee - New Zone or Expansion

This fee does not include actual preparation of the Subzone Application.

The Application Processing Fee covers Grantee expenses for obtaining the necessary approvals/resolutions for the Subzone, submission of the Subzone Application to the Foreign-Trade Zones Board and any necessary support required in the Application process.

\$ 5,000 Active Site Annual Fee

The Subzone Operator/Facility/Site's Annual Fee will cover Grantee expenses for oversight of the Subzone project and submission of the Annual Report to the Board. If application approval by the Board is not July first (1st) the Annual Fee will be pro-rated.

\$ 2,500 Inactive Site Annual Fee

The Subzone Operator/Facility/Site's Annual Fee will cover Grantee expenses for oversight of the Subzone project and submission of the Annual Report to the Board. If application approval by the Board is not July first (1st) the Annual Fee will be pro-rated.

\$ 3,500 Activation Processing Fee

This fee does not include actual preparation of the Activation Application to Customs.

The Activation Fee covers Grantee expenses for preparation and processing of the Operations Agreement, providing the Grantee Concurrence Letter to Customs, and any necessary Grantee support required in the Customs Activation process.

\$ 3,500 Manufacturing Authorization Request

(This fee does not include actual preparation of the Manufacturing Approval Request to the Board.)

The fee will cover the Grantee expenses for processing the Manufacturing Approval Request, submission of the Request to the Board, and base support services required in the approval process.

EXPANSION APPLICATIONS

The following fees do not include actual preparation of the application.

- \$ 3,000** **Expansion Application** to the Board to expand the designated zone site area or the scope of operations in a Subzone.
- \$ 2,000** **Amendment to Expansion Application** to the Board to expand the designated zone site area or the scope of operations in a Subzone Zone.
- \$ 1,500** **Activation Expansion Application** to Customs to expand the activated area of a particular Subzone area.
- \$ 1,000** **Amendment to Activation Expansion Applications** to Customs on activated areas within a particular Subzone.

BOUNDARY MODIFICATION

- \$ 2,000** **Request for Boundary Modification**

This fee does not include actual preparation of the Request for Boundary Modification to the Board.

This fee will cover the Grantee expenses for processing the Request for Boundary Modification, submission of the Request for Boundary Modification to the Board and base support services required in the approval process.

LEGAL EXPENSES

Applicant, Zone Operator/Facility/Site agrees to pay, or cause to be paid, all legal expenses and costs which Grantee incurs in conjunction with, or arising out of, any of the services provided in this fee schedule.

MISCELLANEOUS EXPENSES

- \$100/Hr.** **Special Grantee Assistance**

Any additional assistance or interface required with the Board, Customs, or any other governmental agency on procedures or operations within the foreign-trade zone will be provided by the Grantee on an hourly rate basis.

FTZ GRANTEE POLICIES

Applications

A detailed description of FTZ application requirements are outlined in the SC State Ports Authority's document titled Requirements to Establish Foreign-Trade

Zones in South Carolina. The SC State Ports Authority cannot guarantee that the FTZ Board will approve the project.

Removing FTZ Status

The SC State Ports Authority reserves the right to remove FTZ status from approved sites under the following conditions:

1. No part of the property has been activated within the time limits set by the FTZ Board (not to exceed five years) from receipt of FTZ Board approval.
2. There is a default in the agreement between the Zone Site Operator/Facility/Site and Grantee or between the Property Owner and Grantee.
3. Property is used for residential purposes, retail sales or any other use or development that is inappropriate for FTZ status.
4. Failure to pay charges or fees associated with FTZ status.

Zone Site Operator/Facility/Site Agreement

All Zone Site Operator/Facility/Sites will be required to sign a Zone Site Operator /Grantee agreement before the site can be activated with Customs. This agreement states that the Grantee does not participate in the day to day operations of the FTZ and this responsibility, therefore, is placed upon the Zone Site Operator/Facility/Site to comply with all rules and regulations.

Landowner Agreement

Landowners will be required to sign a Land Owner/Developer/Grantee agreement before an application is submitted to the FTZ Board. This agreement outlines all responsibilities that the landowner will have to complete in order to maintain FTZ status at the property.

Liability

FTZ site owner and/or Zone Site Operator/Facility/Site agrees to protect, indemnify and hold harmless the SC State Ports Authority, its elected officials, employees and agents from and against any liability, obligation, damage, penalty, claim, cost, charge or expense, including attorneys' fees and costs, whether insured or not, arising out of or incident to its site.

Payments

All payments are due according to the terms of the billing document of the SC State Ports Authority. Failure to pay any fees, charges and expenses to the SC State Ports Authority shall be a basis for termination of appropriate agreement and/or removal of FTZ status

Annual reports

The FTZ Zone Site Operator/Facility/Site or owner must submit to the SC State Ports Authority no later than December 1st of each year an annual report for the fiscal year ending September 30th containing data required by the Board and Customs. All such statements shall be signed by appropriate officials, certifying the

accuracy of the reports. The FTZ Zone Site Operator/Facility/Site or owner shall prepare a narrative and submit photographs as required for the Annual Report to the Board. Land or buildings that have been leased or sold during the year must be described along with naming the new owner or lessee.

Construction

All new construction projects will need to be mentioned in the annual report so that the FTZ Board can be informed of the updated condition and structures within FTZ sites.

Access

Representatives of the SC State Ports Authority, FTZ Board, Customs, and other authorized U.S. government officers, shall have the right to enter the FTZ site for the authorized and lawful purpose of examining same, conferring with FTZ Zone Site Operator/Facility/Site or owner, its agents, invitees, and employees on such premises, inspecting and checking operations, supplies, equipment and merchandise, and determining whether the business is being conducted in accordance with the procedures established for the operation and management of the FTZ site.

Foreign-Trade Zone Privileges

The SC State Ports Authority makes no representations or warranties as to the particular privileges and benefits which may accrue to FTZ site Zone Site Operator/Facility/Site or owner from foreign-trade zone site operations as those privileges and benefits may vary as a result of changes in federal law, determinations of the Board and Customs, and operational decisions of the FTZ Zone Site Operator/Facility/Site. The SC State Ports Authority shall in no way be liable for any costs or losses sustained by FTZ Zone Site Operator/Facility/Site or Landowner as a result of FTZ status.

**FOREIGN-TRADE ZONE BOARD FEE SCHEDULE PER REGULATIONS
2008**

Sec. 400.29 Application fees.

(a) In general. This section sets forth a uniform system of charges in the form of fees to recover some costs incurred by the Foreign-Trade Zones staff of the Department of Commerce in processing the applications listed in paragraph (b) of this section. The legal authority for the fees is 31 U.S.C. 9701, which provides for the collection of user fees by agencies of the Federal Government.

(b) Uniform system of user fee charges. The following graduated fee schedule establishes fees for certain types of applications and requests for authority based on their average processing time. Applications combining requests for more than one type of approval are subject to the fee for each category.

- (1) Additional general-purpose zones (Sec. 400.24; Sec. 400.21(a)(2))..... \$3,200
- (2) Special-purpose subzones (Sec. 400.25):
 - (i) Non-manufacturing/processing or less than three products..... 4,000
 - (ii) Manufacturing/processing--three or more products..... 6,500
- (3) Expansions (Sec. 400.26(b))..... 1,600

(c) Applications submitted to the Board shall include a check drawn on a national or state bank or trust company of the United States or Puerto Rico in the amount called for in paragraph (b) of this section. Uncertified checks must be acceptable for deposit by a Federal Reserve bank or branch.

(d) Applicants shall make their checks payable to the U.S. Department of Commerce ITA. The checks will be deposited by ITA into the Treasury receipts account. If applications are found deficient under Sec. 400.27(b)(1), or withdrawn by applicants prior to formal filing, refunds will be made.