

**Supporting Statement
Commercial Invoice
1651-0090**

A. Justification

- 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.**

The collection of the commercial invoice is necessary for conducting adequate examination of merchandise and determination of the duties due on imported merchandise as required by 19 CFR 141.81, 141.82, 141.83, 141.84, 141.85, and 141.86 and by 19 U.S.C. 1481 and 1484.

The information on the commercial invoice is obtained from the foreign shipper and provided to CBP by the importer.

To facilitate trade, CBP did not develop a specific form for this information collection. Importers are allowed to use their existing invoices to comply with these regulations.

This collection of information applies to the importing and trade community who are familiar with import procedures and with the CBP regulations.

- 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection .**

The information is used to ascertain the proper tariff classification and valuation of imported merchandise, as required by the Tariff Act of 1930. The absence of this information would delay the collection of appropriate duties on imports. Invoice information is also essential for CBP to make targeting determinations for anti-terrorist enforcement.

- 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden .**

Electronic invoices may be submitted in Automated Invoice Interface (All), a manual input process outlined in the Customs and Trade Automated Interface Requirements (CATAIR) instruction manual which can be found at http://www.cbp.gov/xp/cgov/trade/automated/automated_systems/abi/catair/user_requirements.xml, or via the Electronic Data Interchange for Administration, Commerce and Transport (EDIFACT). Approximately 4 percent of commercial invoices are submitted electronically.

- 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

This information is not duplicated in any other place or any other form.

- 5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

This information collection does not significantly impact small businesses or small entities because it uses a document that already exists.

- 6. Describe consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently.**

This information is different for each shipment of imported merchandise and, therefore, must be made available at CBP request. This collection is necessary to ensure proper collections of revenue and to make proper determinations on the admissibility of cargo.

- 7. Explain any special circumstances that would cause an information collection to be conducted in a manner:**

This information is collected in a manner consistent with the guidelines of 5 CFR 1320.5(d)(2).

- 8. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and**

hour burden.

Public comments were solicited through two Federal Register notices published on September 21, 2010 (Volume 75, Page 57480) on which one comment was received, and on November 24, 2010 (Volume 75, Page 71717) on which no comments have been received.

CBP received comments from the American Association of Exporters and Importers (AAEI). AAEI makes the following points in their letter:

They recommend that CBP publish suggested guidelines for product descriptions on commercial invoices. In addition, they believe that CBP's failure to complete the Automated Commercial Environment (ACE) has hindered efforts to minimize the burden on the trade community in that there is no automated means to submit commercial invoices.

CBP's response to AAEI's first point is that CBP invoice requirements are specifically provided for in 19 CFR 141.86. These regulations contain the general requirements for invoice content, and additional invoice requirements for certain products are provided for in 19 CFR 141.89. CBP does not believe that providing additional suggested guidelines would be beneficial. The importer is responsible for providing complete and accurate descriptions of the merchandise being imported, sufficient for examination, classification, and appraisal purposes. There are numerous informed compliance publications and importing into the United States publications available on the CBP.gov website that provide classification and value guidance for imported merchandise; these should enable the importer to determine what details are necessary for a sufficient invoice description.

In response to AAEI's comment regarding automation, CBP does have automated means by which to receive invoice information. Although ACE currently does not have invoice imaging capabilities, the Electronic Invoicing Program/Remote Location Filing (EIP/RLF) enables an importer or filer to transmit an electronic invoice. CBP also has the ability to electronically request an invoice via ACE, and the importer may respond by providing an electronic image of the invoice using the ACE portal.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

There is no offer of a monetary or material value for this information collection.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

There is no PII associated with this information collection.

- 11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

There are no questions of a sensitive nature.

- 12. Provide estimates of the hour burden of the collection of information.**

INFORMATION COLLECTION	TOTAL ANNUAL BURDEN HOURS	NO. OF RESPONDENTS	NO. OF RESPONSES PER RESPONDENT	TOTAL RESPONSES	TIME PER RESPONSE
Commercial Invoice	744,000	38,500	1,208	46,500,000	1 minute (.016 hours)

CBP requests submission of approximately 10 percent of commercial invoices. Therefore, an estimated 4,650,000 of the total responses are submitted to CBP. The rest are kept in the importer's files.

Public Cost

The estimated cost to the respondents is \$14,880,000. This is based on the estimated burden hours (744,000) multiplied (x) the estimated hourly rate (\$20.00).

- 13. Provide an estimate of the total annual cost burden to respondents or record keepers resulting from the collection of information.**

There are no record keeping, capital, start-up or maintenance costs associated with this information collection.

- 14. Provide estimates of annualized cost to the Federal Government. Also provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information.**

The estimated annual cost to the Federal Government associated with the

review of these records is **\$31,248,000**. This is based on the number of responses (4,650,000) that are to be reviewed (x) the time to review and process each response (10 minutes or 0.16 hours) = 744,000 hours (x) the average hourly rate (\$42.00) = \$31,248,000.

15. Explain the reasons for any program changes or adjustments reported in Items 12 or 13.

No substantive changes were made to this collection of information; however, public the burden hours were increased as a result of increasing the time per response from 10 seconds to one minute based on more accurate estimates.

16. For collection of information whose results will be published, outline plans for tabulation, and publication.

This information collection will not be published for statistical purposes.

17. If seeking approval to not display the expiration date, explain the reasons that displaying the expiration date would be inappropriate.

There is no form involved with this information collection, so it would not be appropriate to display the expiration date.

18. "Certification for Paperwork Reduction Act Submissions."

CBP does not request an exception to the certification of this information collection.

B. Collection of Information Employing Statistical Methods

No statistical methods were employed.