

**United States of America**  
**CUSTOMS SERVICE**

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**Customs Broker Licensure Examination**

**DIRECTIONS TO THE COMPETITOR - READ CAREFULLY**

This examination consists of 80 questions. A passing score is 75%. You are to choose the correct answer to each question from among the five alternatives presented (**A, B, C, D, or E**). Then, record your answer on the separate answer sheet by darkening the answer space, which corresponds to the letter of the alternative you chose.

You are responsible for having the following references:

- **Harmonized Tariff Schedule of the United States (2003)** (USITC Publication 3565) (No supplements)
- **Title 19, Code of Federal Regulations** (19 CFR Parts 1 to 199) Revised as of April 1, 2002

The use of any editions or references other than those recommended is at your own risk.

You may use a silent battery-operated calculator.

There is no penalty for guessing. Therefore, it is to your advantage to answer every question, even if you are not sure of the correct answer.

The examination lasts 4 hours. When you finish, give this booklet and your answer sheet to the test administrator.

**DO NOT TURN THIS PAGE UNTIL TOLD TO DO SO BY THE EXAMINER.**



- 1) The Customs office in Portland, OR, is open from 7:00 a.m. to 5:00 p.m. The office hours are from 8:00 a.m. to 4:30 p.m. For the purposes of administering quota, “official office hours” mean which **ONE** of the following?
- A) 7:00 a.m. to 4:30 p.m.
  - B) 7:00 a.m. to 5:00 p.m.
  - C) 8:00 a.m. to 4:30 p.m.
  - D) 8:00 a.m. to 5:00 p.m.
  - E) 8:30 a.m. to 4:30 p.m.
- 2) Which **ONE** of the following is **NOT** an example of an entry or withdrawal made for merchandise transported in bond?
- A) Irish linens, imported into the port of Newark, NJ, and transported to the port of Cleveland, OH, for Customs entry.
  - B) Chinese toys, withdrawn from a Customs warehouse in Seattle, and transported through Blaine, WA, to a buyer in Vancouver, Canada.
  - C) Canadian softwood lumber, imported into the port of Detroit, MI, and transported through Laredo, TX, to a contractor in Nuevo Laredo, Mexico.
  - D) English bone china, imported into the port of Buffalo, NY, lacking country of origin marking and immediately returned to the seller in Toronto, Canada.
  - E) German motors, imported into the port of Philadelphia for assembly into wood lathes, destined to be exported to a buyer in Brazil.
- 3) Foreign materials that do not undergo the required tariff shift when incorporated into a good shall be disregarded in determining the country of origin of the good in which **ONE** of the following circumstances?
- A) Smoked sheets of rubber in primary forms, manufactured in Malaysia and used in the Canadian production of other natural rubber sheets (4001.29), which represents 8% of the value of the natural rubber sheets.
  - B) Milk, produced in Brazil, which contains 55% by weight of milk solids, and used in the Canadian production of a chocolate based milk drink (2202.90), which represents 8% of the value of the chocolate drink.
  - C) Greasy shorn wool, not carded or combed, from Peru, and used in the Mexican production of carded or combed wool (5105), which represents 8% of the value of the carded or combed wool.
  - D) Sugar, produced in Costa Rica and used in the Canadian production of maple syrup (1702.20), which represents 7% of the value of the syrup.
  - E) Milk, produced in England and used in the Mexican production of condensed milk (0402.99), which represents 6% of the value of the condensed milk.

- 4) Which **ONE** of the following is **NOT** true of a licensed Customs broker who is not actively engaged in transacting business as a broker?
- A) He/She need not give immediate written notice of a change in a non-business mailing address.
  - B) He/She must file a written status report with Customs every three years.
  - C) He/She must timely submit a prescribed triennial fee to the director of the port through which the license was delivered to the licensee.
  - D) He/She must state the name and address of his/her employer in his/her written status report.
  - E) He/She must furnish a statement to what extent he/she is actively engaged in transacting business as a broker in a written status report.
- 5) Which **ONE** of the following **PRECLUDES** the filing of one entry summary for merchandise released under multiple entries?
- A) The merchandise is consigned to one consignee.
  - B) The merchandise crosses the border by land on several trucks.
  - C) The merchandise is quota-class merchandise.
  - D) The merchandise is exported from Mexico.
  - E) The merchandise's country of origin is Honduras.
- 6) On January 24, 2003, "Dew-Rite," a corporate Customs licensed brokerage is preparing checks to cover all of the licensing, triennial, and permit fees for the brokerage and staff that will be required by Customs for this calendar year. Dew-Rite has a national permit, 6 district permits, and 6 licensed brokers on staff at various locations. Which **ONE** of the following is the total amount that Dew-Rite should pay Customs?
- A) \$1575
  - B) \$1400
  - C) \$875
  - D) \$750
  - E) \$600

- 7) Flora's Flowers has received a pre-penalty notice from Customs for gross negligence under 19 USC 1592. A petition with the Fines, Penalty and Forfeitures Officer to have the amount of the monetary penalty reduced is filed. Customs decides to further review the circumstances surrounding the violation. Assuming that the level of culpability is sustained at the level of gross negligence and the case record sufficiently establishes their existence, which **ONE** of the following will **NOT** be considered as a factor in mitigation?
- A) Flora's Flowers relied on written advice from an Import Specialist regarding this importation.
  - B) This is only the second time Flora's Flowers has imported merchandise and this is the first time Flora's Flowers filed its own entry/entry summary.
  - C) The Import Specialist knew there were violations in Flora's Flowers first importation, but without justification, failed to inform Flora's Flowers so it could have taken earlier corrective action.
  - D) Flora's Flowers exhibits extraordinary cooperation in assisting Customs with the investigation.
  - E) Flora's Flowers tells Customs that they don't have the money to pay the penalty and submit documentation that supports this claim.
- 8) Wool yarn of Korean origin is sent to Taiwan and used on a circular knitting machine to knit gloves to shape. The articles are then sent to Hong Kong where they are separated piece by piece, the thumb joints are sewn closed, and the cuffs are tacked. The gloves are sent to Macau where they are turned out, brushed, and steamed. The gloves are then sent to China, where the labels are sewn on, the hang-tags are affixed, and quality control inspection is performed. The gloves are then packed and shipped to the United States, where they are correctly entered under HTS subheading 6116.91.0000. Which **ONE** of the following is the correct country of origin of the gloves?
- A) Korea
  - B) Taiwan
  - C) Hong Kong
  - D) Macau
  - E) China

- 9) A (An) \_\_\_\_\_ serves simultaneously as a customs entry document and as a customs bond. Which **ONE** of the following fills in the blank above?
- A) Carnet
  - B) Customs Form 7512
  - C) Inward cargo manifest
  - D) Bill of lading
  - E) Certificate of Origin
- 10) Which **ONE** of the following choices is **NOT** considered a “related person” under NAFTA?
- A) A father and adopted daughter.
  - B) Cousins.
  - C) Legally recognized partners.
  - D) Two people who are officers in one another’s businesses.
  - E) Employer and employee.
- 11) Suds Imports has 5000 gallons of stale imported beer that they wish to destroy and then claim drawback on the unused beer. Suds files a Customs Form 7553, Notice of Intent to Export, Destroy, or Return Merchandise for Purposes of Drawback, at the port two weeks before the intended destruction of the beer. If Suds is not notified within \_\_\_\_\_ days of Customs decision to witness or not to witness the destruction, Suds can go ahead and destroy the beer without Customs supervision. Which **ONE** of the following choices correctly fills in the blank found directly above?
- A) 7 calendar days
  - B) 7 working days
  - C) 4 calendar days
  - D) 4 working days
  - E) 2 working days

- 12) There has been a theft of merchandise within your bonded warehouse facilities. As the bonded warehouse proprietor, you must notify the port director immediately of the theft and confirm in writing to Customs within \_\_\_\_ (business days) after being brought to the attention of the Port Director, if the theft of merchandise is equal to \_\_\_\_ (percent) or more of the value of the merchandise in an entry or covered by a unique identifier or is subject to duties and taxes in excess of \_\_\_\_ (dollars).

Which **ONE** of the following correctly fills in the blanks found directly above?

- A) 5 business days; 1%; \$100.00
- B) 7 business days; 20%; \$500.00
- C) 10 business days; 10%; \$1000.00
- D) 20 business days; 5%; \$1000.00
- E) 30 business days; 2%; \$100.00

- 13) A shipment of towels made in China is sold to Canoncrest, Inc. of St. Louis, MO. The shipment is exported from China, bound for the U.S., on November 24, 2002. The vessel carrying the goods stops in Indonesia where the goods are loaded onto another vessel that departs Indonesia on November 26, 2002. Shortly after leaving Indonesia, the vessel starts taking on water and docks in Malaysia. While the vessel is being repaired in Malaysia, Canoncrest, Inc. sells the shipment of towels to Keep-it-Kleen of St. Louis, MO. Keep-it-Kleen arranges to have the shipment transferred to an air carrier, which leaves Malaysia on November 29, 2002 and arrives in St. Louis the following day.

Which **ONE** of the following choices is the correct country of exportation and the correct date of exportation for Keep-it-Kleen's shipment of towels?

- A) China; November 24, 2002.
- B) China; November 26, 2002.
- C) China; November 29, 2002.
- D) Indonesia; November 26, 2002.
- E) Malaysia; November 29, 2002.

- 14) Pursuant to the General Notes, which **ONE** of the following is a true statement regarding the importation of records, diagrams, and other data with regard to any business, engineering or exploration operation whether on paper, cards, photographs, blueprints, tapes or other media?
- A) An entry must be filed.
  - B) They are not subject to inspection.
  - C) They are exempt from duty.
  - D) The rate of duty is free.
  - E) They qualify for special tariff treatment under certain trade programs.
- 15) Which **ONE** of the following is/are the correct tariff classification(s) and most advantageous duty rate for fresh, chilled wholly originating Mexican greenhouse grown gherkins, entered on October 2nd?
- A) 0707.00.5010/5.6¢/kg
  - B) 0707.00.5010;9906.07.27/2.2¢/kg
  - C) 0707.00.5010;9906.07.28/Free
  - D) 0711.40.0000/Free
  - E) 0711.40.0000/7.7%
- 16) Which **ONE** of the following is the correct classification for perforated aluminum foil, decorated with a pattern, and backed with plastic?
- A) 7606.11.6000
  - B) 7607.11.3000
  - C) 7607.19.1000
  - D) 7607.20.1000
  - E) 7607.20.5000



- 17) CoverUp Paints and Varnishes Inc. wants to import polyurethane in a primary form to be used in the manufacture of some of their products. Product specifications and test results of the polyurethane that they want to import indicate that the polyurethane, after cross-linking, can be stretched at 20 degrees C to three times its original length, and that after having been stretched to twice its original length and the stress removed, returns within five minutes to less than 150% of its original length. Which **ONE** of the following is the correct classification for the polyurethane described above?
- A) 3208.10.0000
  - B) 3209.10.0000
  - C) 3909.50.1000
  - D) 3909.50.2000
  - E) 3909.50.5000
- 18) Which **ONE** of the following is the correct classification for 100% cotton woven fabric, napped, weighing  $100\text{g/m}^2$ , plain weave, printed, of square construction, with 34 warp ends and filling picks per square centimeter, and an average yarn number of 28?
- A) 5208.41.4000
  - B) 5208.51.4020
  - C) 5208.51.4040
  - D) 5208.51.4090
  - E) 5208.51.6060
- 19) Which **ONE** of the following is the correct classification for a platinum plated, sterling silver set of silverware, which contains a dozen each of forks, knives and spoons?
- A) 7114.11.4500
  - B) 7114.19.0000
  - C) 7114.20.0040
  - D) 8215.10.0000
  - E) 8215.20.0000

- 20) Which **ONE** of the following is the correct classification for canned, pitted, whole, black olives in a saline solution, ready for consumption, in containers holding 2 kg, drained weight?
- A) 0711.20.3800
  - B) 0711.20.4000
  - C) 2005.70.6020
  - D) 2005.70.6030
  - E) 2005.70.9700
- 21) Which **ONE** of the following is the correct classification for men's professional basketball shoes that cover the ankle and are made with outer soles of rubber, uppers of cowhide leather, and are not of welt construction?
- A) 6403.19.2000
  - B) 6403.19.4090
  - C) 6403.51.6030
  - D) 6403.91.3040
  - E) 6403.91.6040
- 22) Good Health, Inc. is contemplating purchasing an accessory from a Swedish manufacturer that is compatible with a mechano-therapy appliance that Good Health manufactures. However, the accessory is not solely dedicated to their product and can be used in other electromedical instruments and appliances. Which **ONE** of the following is the correct classification?
- A) 9018.90.6000
  - B) 9019.10.2090
  - C) 9019.10.4000
  - D) 9033.00.0000
  - E) 9018.90.7580

- 23) Fredy Fromage Co. is importing 10,000 kg of grated gouda cheese (0406.20) from the Netherlands with an FOB value of \$26,400. Fredy Fromage does not have an import license issued by the Secretary of Agriculture at the time of entry and the cheese is entered during the effective period of safeguards based on value. Which **ONE** of the following is the correct amount of duty Fredy Fromage will be required to pay upon importation?
- A) \$700
  - B) \$3,960
  - C) \$18,030
  - D) \$18,430
  - E) \$18,730
- 24) Karin Blueman wants to import women's blouses from China, some of which will be of knit construction and some of woven construction. The fiber content by weight is 70% silk and 30% cashmere for both the knit blouses and woven blouses. Which **ONE** of the following choices is the correct classification for **BOTH** blouses?
- A) 6106.90.1500 and 6206.10.0020
  - B) 6106.90.1500 and 6206.10.0040
  - C) 6106.90.2520 and 6206.10.0020
  - D) 6106.90.2520 and 6206.10.0040
  - E) 6106.90.2550 and 6206.10.0050
- 25) Which **ONE** of the following is the correct classification for miniature carved figurines of amber?
- A) 2530.90.8050
  - B) 7116.20.3500
  - C) 7116.20.5000
  - D) 9602.00.4000
  - E) 9602.00.5000

26) Which **ONE** of the following is the correct classification for sheets of vulcanized noncellular rubber, other than hard rubber, cut into rectangular shapes and printed on the surface with a detailed design, but not further worked. The sheets will be used as floor mats upon importation into the U.S.

- A) 4016.91.0000
- B) 4008.11.5000
- C) 4008.19.8000
- D) 4008.21.0000
- E) 4008.29.4000

27) Which **ONE** of the following is the correct classification for an interchangeable metal flanging die for a metal-stamping press? (Flanging is a type of bending operation). The die is to be used with a metal-stamping press that has been previously imported.

- A) 8462.10.0055
- B) 8466.30.8000
- C) 8466.94.8585
- D) 8207.30.6030
- E) 8207.30.6090

28) Deana Witmire wants to import wine glasses for her winery business. The wine glasses will be made of lead crystal of a lead monoxide (PbO) content by weight of 25% and will have her family crest engraved on them at the time of importation. They are valued at \$55 per dozen. Which **ONE** of the following is the correct classification?

- A) 7013.31.3000
- B) 7013.32.3000
- C) 7013.29.3000
- D) 7013.29.5000
- E) 7013.21.3000

- 29) Nystroms, Inc. imports women's cotton woven blouses from China. They provide the manufacturer with all of the material that is used to produce the blouses. On which **ONE** of the following is Nystroms allowed to make a 9802.00.80 claim?
- A) Rolls of cotton fabric, produced in the United States.
  - B) Rolls of cotton fabric, produced in Korea.
  - C) Shell buttons, produced in the United States.
  - D) Zippers, produced in Canada, and purchased in the United States.
  - E) Dye, produced in the United States, used to screen print the blouses.
- 30) Which **ONE** of the following scenarios would **NOT** qualify as originating under the NAFTA Rules of Origin?
- A) A silver necklace (7113) made in Mexico from silver made in Bolivia.
  - B) Cotton curtains (6303) cut and sewn in Canada from cotton of yarns made in China.
  - C) A silk quilt (9404.90) manufactured in Mexico from polyester fibers made in the U.S and fabric woven in Mexico from silk yarn made in China.
  - D) Shoe heels (6406.20) of plastic manufactured in Mexico from plastic pellets made in Taiwan.
  - E) Tuna (1604) prepared and canned in Mexico from fish caught in Thailand.
- 31) Which **ONE** of the following items is **NOT** part of a National Permit application submitted to Customs Headquarters?
- A) A copy of the district permit.
  - B) The applicant's broker license number.
  - C) The address and telephone number of the office designated for administrative purposes regarding activities conducted under the National Permit.
  - D) The name and broker license number of the individual broker who will exercise responsible supervision and control over activities conducted under the National Permit.
  - E) The office address and telephone number of the person who will exercise responsible supervision and control over activities conducted under the National Permit.

- 32) Jules is a wine wholesaler. In addition to selling select American wines, he imports fine wines from around the world. The Port Director may require Jules to file entry summary documentation, with estimated duties attached, before his imported wine is released, in all but which **ONE** of the following circumstances?
- A) Jules fails repeatedly to file timely entry summary documentation without justification.
  - B) Jules repeatedly delivers entry summary documentation which is incomplete or which contains erroneous information.
  - C) Jules delays settling a claim for liquidated damages issued for failure to deposit estimated duties in a timely manner.
  - D) Jules is habitually delinquent in paying Customs bills.
  - E) Jules has a history of failing to redeliver merchandise recalled by Customs.
- 33) Mostly Metalworks wants to make a claim under HTS subheading 9802.00.60. Which **ONE** of the following is the company **NOT** required to include in their declaration?
- A) The capacity of the signatory.
  - B) Total value of the articles before processing.
  - C) A description of the articles and of the processing.
  - D) Marks and numbers of the articles.
  - E) Full cost or, when no charge is made, the value of the processing.
- 34) Which **ONE** of the following designates merchandise taken into a foreign trade zone for the sole purpose of exportation, destruction (except destruction of distilled spirits, wines and fermented malt liquors) or storage?
- A) Non-privileged foreign status.
  - B) Domestic status.
  - C) Zone-restricted status.
  - D) Privileged foreign status.
  - E) Privileged domestic status.

35) On November 4, 2002, an entry/entry summary for consumption, with estimated duties attached, of cotton sweaters from China is submitted to Customs, Kansas City. On that day, you receive notification from Customs that the threshold for category 345 has been reached. The next day, you are notified by Customs that on November 5, 2002, Headquarters Quota has determined that category 345 has closed for the year; but entry/entry summaries, presented to Customs in proper form on November 4, will be prorated on a 76% basis with a release date effective November 5, 2002. You receive the entry package back from Customs on November 6, 2002. Which **ONE** of the following statements is correct?

- A) You inform the importer that since the quota category has closed for the year, none of the sweaters are allowed into the commerce of the United States during the rest of this year, and they must export this shipment.
- B) An adjusted entry summary for consumption, with estimated duties attached, must be deposited within 5 working days after November 6, 2002 and the importer must take delivery within 15 working days after November 6, 2002.
- C) An adjusted entry summary for consumption, with estimated duties attached, must be deposited within 2 working days after November 5, 2002 and the importer must take delivery of the merchandise within 10 working days after November 5, 2002.
- D) An adjusted entry summary for consumption, with estimated duties attached, must be deposited within 5 working days after November 5, 2002 and the importer must take delivery of the merchandise within 15 working days after November 5, 2002.
- E) An adjusted entry summary for consumption, with estimated duties attached, must be deposited within 5 working days after November 4, 2002 and the importer must take delivery of the merchandise within 15 working days after November 4, 2002.

36) Which **ONE** of the following statements is **NOT** true about importer notations of tariff classification and value when affixed directly on an invoice?

- A) They shall show the computation of all deductions from the total invoice value.
- B) They shall show all additions to the invoice value which have been made to arrive at the aggregate entered value.
- C) They shall show for each article to which it applies, the appropriate subheading of the HTSUSA and the rate of duty.
- D) They shall be made in any ink other than red.
- E) They shall be made in blue or black ink.

- 37) Fast Filly Farms sent one of their fastest fillies (horses) from its farm in the U.S. to Finland to race in the Finnish Futurity. Upon returning the filly to the U.S., which **ONE** of the following is **NOT** required to be filed if an exemption from duty is claimed under HTS subheading 9801.00.50 or 9801.00.60?
- A) A certificate of exportation on Customs Form 3311.
  - B) A declaration of the importer on Customs Form 4455 for articles of either domestic or foreign origin.
  - C) Other satisfactory evidence accepted by the Port Director if it is shown to be impracticable to produce the certificate of exportation.
  - D) A bond on Customs Form 301 to secure the production of the certificate of exportation or other evidence upon the Port Director's acceptance.
  - E) A declaration by the importer attesting that the horse was bred in the US.
- 38) Which **ONE** of the following is grounds for suspension or revocation of the privilege of operating a container station?
- A) The privilege of operating the container station was obtained even though there had been a misstatement of an immaterial fact.
  - B) The container station operator has failed to secure his adjacent parking lot with adequate lighting.
  - C) The container station operator fails to furnish a current list of names, addresses, and other information to Customs within 10 calendar days after the date of receipt of a written demand by the port director.
  - D) Due to clerical errors, the container station operator failed to retain merchandise that was designated for examination, four times in the past five weeks.
  - E) The container station operator knowingly hired a convicted felon, previously incarcerated for armed robbery, as a maintenance employee.



- 39) As a licensed Customs broker, Jason Jones of “WeGetItRight” brokerage firm is responsible for all of the items below **EXCEPT** which **ONE** of the following?
- A) He must designate a knowledgeable company employee to be the contact for Customs for brokerwide Customs business and financial recordkeeping requirements.
  - B) He must maintain records in such a manner that they may readily be examined.
  - C) He must ensure that all of the records pertaining to the business of his clients are to be considered confidential and should be maintained as such for one year.
  - D) He must not refuse access to, conceal, remove, or destroy the whole or any part of any record relating to his transactions as a broker which is being sought, or which the broker has reasonable grounds to believe may be sought, by the Treasury Department or any representative of the Treasury Department.
  - E) He must keep current in a correct, orderly, and itemized manner, records of account reflecting all his financial transactions as a broker.
- 40) Silky Smooth Inc. has recorded its trademark “Lovely Lotion” with Customs. An importation of hand softener bearing a mark resembling Silky Smooth’s trademark has been imported. While it is not exactly identical to the recorded mark, it is likely to cause the public to associate the simulated mark with the recorded mark. Which **ONE** of the following actions will be taken by Customs?
- A) Release the importation as it is not exactly identical to the recorded mark.
  - B) Deny entry and subject the importation to detention for 30 days from the date on which it was presented for Customs examination.
  - C) Detain the importation and require Silky Smooth to immediately take steps to register its mark with the U.S. Patent and Trademark Office.
  - D) Deny entry and subject the importation to detention until Silky Smooth, as trademark owner, can be consulted by Customs for authenticity.
  - E) As counterfeit, the importation shall be seized.
- 41) Which **ONE** of the following **CANNOT** be entered under an informal entry?
- A) Ice skates valued at \$1800 and sold to the Detroit Red Wings hockey team.
  - B) Jewelry valued at \$2000 that personally belonged to a U.S. citizen who passed away while on vacation in Rome, Italy.
  - C) Computer mother boards valued at \$5000 that were manufactured in the U.S. and are being returned for repair and reexportation.
  - D) Children’s picture books valued at \$1800 and sold to a retail book store.
  - E) Bicycle tires valued at \$1800 and sold to a retail bike shop.

- 42) A U.S. company headquartered in Dallas, Texas with an Internal Revenue Service importer number 52-876543200 opens a new office in San Antonio, Texas. Since they want to be able to identify Customs transactions that originate from this new office, the company files a Customs Form 5106 using their importer number with a two-digit suffix code for this branch office. Which **ONE** of the following importer numbers for this branch office is **NOT** acceptable?
- A) 52-8765432ZZ
  - B) 52-876543233
  - C) 52-8765432AA
  - D) 52-8765432A2
  - E) 52-8765432SA
- 43) Which **ONE** of the following items is **NOT** required information on a warehouse withdrawal for transportation?
- A) HTS number for the merchandise.
  - B) Quantity of merchandise in the warehouse account prior to withdrawal.
  - C) A statement that the merchandise is or is not admissible for consumption.
  - D) Entry number, date of entry, date of entry summary and port of the original warehouse entry.
  - E) Entered value of the merchandise.
- 44) Based **SOLELY** on the information below, which **ONE** of the following is an example of a situation in which an issuance for liquidated damages would occur?
- A) An incorrect classification on an unliquidated entry that results in the liquidation of the entry with an increased duty bill.
  - B) A temporary importation under bond entry in which the imported merchandise is subsequently sold in the U.S. and is not exported within the bond period.
  - C) Imported merchandise that is abandoned and auctioned off by an independent public liquidator.
  - D) A failure to pay a penalty due for a fraudulent violation under 19 USC 1592.
  - E) A failure to manifest freight at time of arrival into the U.S.

- 45) Which **ONE** of the following would qualify for an exemption provided for under HTS subheading 9802.00.80 upon return to the United States?
- A) Washington milled logs are sent to Honduras and used in the production of packing crates. The packing crates are imported into the United States.
  - B) Leather hydes, made in Montana, are sent to Peru and used in the production of handbags. The handbags are imported into the United States.
  - C) U.S. made plastic sheeting is sent to China and used in the production of plastic ponchos. The ponchos are imported into the United States.
  - D) Cotton fabric, which is woven and cut into components of pants in North Carolina, is sent to Burma and sewn into pants. The pants are imported into the United States.
  - E) Newsprint ink, made in Atlanta, is sent to England to be used in the production of printed newspapers. The newspapers are imported into the United States.
- 46) Which **ONE** of the following statements pertaining to the receipt of a pre-penalty notice for the assessment of a monetary penalty against a broker is correct?
- A) 30 business days from the date of the mailing of the notice is given to the broker to submit a response to the allegation or complaint.
  - B) 30 business days from the date of the mailing of the notice is given to the broker to pay the monetary penalty or make arrangements for its payment.
  - C) 30 calendar days from the date of the mailing of the notice is given to the broker to submit a response to the allegation or complaint.
  - D) 60 calendar days from the date of the mailing of the notice is given to the broker to pay the monetary penalty or make arrangements for its payment.
  - E) 60 calendar days from the date of the decision is given to the broker to pay the monetary penalty or make arrangements for its payment.
- 47) Which **ONE** of the following importations is **NOT** required to be marked with the country of origin?
- A) Antique furniture over 100 years old.
  - B) Reusable French cosmetic bags that will be filled with sample-size toiletries then given away to customers who make a purchase at a department store.
  - C) Sets of Chinese luggage that will be awarded to “the employees of the month”.
  - D) Souvenir Italian coffee mugs that will be given to attendees of a travel seminar.
  - E) Screws imported in retail boxes that contain 100 each.

- 48) Which **ONE** of the following statements pertaining to “time of entry” is **NOT** correct?
- A) “Time of entry” can be when an appropriate Customs officer authorizes the release of merchandise on filed entry documents.
  - B) “Time of entry” is when the entry summary is filed in proper form with estimated duties under immediate delivery procedures.
  - C) “Time of entry” for warehouse withdrawal for consumption is the date the original warehouse entry was filed.
  - D) “Time of entry” for quota merchandise is when the entry summary is presented in proper form, if the entry/entry summary information and a valid scheduled statement date have successfully been received by Customs via Automated Broker Interface, without the estimated duties attached.
  - E) “Time of entry” for an A.T.A. carnet is when the specified form is executed in proper form and filed, together with any related documents required, and estimated duties, if any, have been deposited.
- 49) On September 4, 2002, Wrap-it-Up Inc. orders 10,000 rolls of designer paper from Positano Papers of Italy at a cost of 25,000 Euros. The terms of sale are FOB Rome. This amount includes a 1000 Euros license fee that Wrap-it-Up is required to pay for the special designs as a condition of sale. The paper is exported by ship from Italy on October 1, 2002. The ship docks in France to pick up additional cargo, leaving France on October, 5, 2002. The ship arrives in New York on November 1, 2002 and the paper is transported in bond to Detroit. It arrives in Detroit on November 5, 2002, and entry is made on November 7, 2002. The exchange rate for Euros to U.S. dollars is as follows:

9/4/02 - .98  
10/1/02 - .99  
10/5/02 - .97  
11/1/02 - .96  
11/7/02 – 1.01

Which **ONE** of the following is the correct appraised value?

- A) \$25,740
- B) \$23,760
- C) \$24,750
- D) \$24,250
- E) \$24,000

**50)** Psychedelic Arts Remembered, of Aspen, Colorado, provides special ink and graphic design prints to Premier Printers Ltd., Vancouver, Canada, for the purpose of producing a multi-colored poster for Psychedelic Arts' account. The graphic design prints are produced by Psychedelic Arts in its Aspen studio. Both the prints and ink are supplied by Psychedelic Arts to Premier free of charge and at no future obligation. Psychedelic Arts also provides Premier with a complementary ski vacation package for four to garner a discount on future business transactions. To cover Premier's cost of setting up the lithographic process, Psychedelic Arts pays a down payment of US \$2,000 to Premier. Which **ONE** of the following choices constitutes an "assist(s)" for appraisal under the transaction value method?

- A) The design prints.
- B) The special ink.
- C) Both the design prints and special ink.
- D) The complimentary ski vacation package for four.
- E) The US \$2000 down payment.

**51)** Your client, Top Notch Sales Inc., of Portland, Maine, has imported a shipment of mechanical toys from Svenson Company of Oslo, Norway. These toys are produced and sold only by Svenson from its Norwegian plant. For various reasons, the imported merchandise cannot be appraised under the transaction value, transaction value of identical or similar merchandise, deductive value, or computed value methods. Which **ONE** of the following values can legally be used to arrive at an appraised value for the instant shipment?

- A) The current wholesale selling price in the United States of identical toys manufactured in Fairbanks, Alaska.
- B) The ex-factory selling price of similar toys from Svenson to a distributor in nearby New Brunswick, Canada.
- C) The invoiced value to Top Notch, plus a 20% adjustment to ensure that sufficient duty is paid.
- D) The price at which Svenson's mechanical toys have been selling for in Norway within the past 30 days.
- E) The deductive value of similar toys produced by an unrelated manufacturer in Bergen, Norway, imported into the United States and resold 120 days after the Top Notch importation.

52) Golden Arm Ltd., of Indonesia, is a manufacturer of wooden boxes. Sometimes Golden Arm sells these items to importers in the U.S., and at other times exports them to the U.S. on a consignment basis. The instant shipment of 200 units is consigned to Harry's Retail Hobby Shop in San Diego, CA. Although Harry's will likely retain a 30% commission on whatever price it can sell the boxes for, Golden Arm has provided an estimated value of US\$20 each. Customs has now questioned the value via a CF28, Request for Information, and you, as Harry's agent, have obtained the following information from both Golden Arm and Harry's:

Harry's Hobby Shop – All 200 units have been promptly sold as follows:

<u>Qty</u>	<u>Per Unit Sales Price (US\$)</u>
100	\$35
60	\$30
40	\$28

Golden Arm Ltd. – Record of arms-length, ex-factory sales of identical wooden boxes to other U.S. retailers at, or about the same time as, the instant shipment:

<u>Qty</u>	<u>Per Unit Sales Price (US\$)</u>
100	\$36
200	\$34
1000	\$20
1000	\$20
200	\$30
400	\$28
1000	\$20

Based upon the above responses to the Request for Information, at which **ONE** of the following total values will the instant shipment be appraised?

- A) US \$4000
- B) US \$6000
- C) US \$6200
- D) US \$6400
- E) US \$6420

- 53)** A German company sold a shipment of sulphur dioxide to its related subsidiary in Pennsylvania twenty days ago at an invoice price of US \$55 per short ton. In response to a CF28 Request for Information, the U.S. importer, a manufacturer, furnished documentary proof that its parent sold a comparable amount of identical merchandise to an unrelated manufacturer in Ohio four days earlier at a price of US \$57 per short ton, and an identical product to an unrelated German manufacturer at a price of \$56 per short ton when converted to US dollars.

Unbeknownst to you, Customs has information from a second German exporter of sulphur dioxide on file. According to this information, the second German exporter sold identical sulphur dioxide to unrelated U.S. manufacturers at prices ranging from \$54 to \$60 per short ton at the time of the related party transaction.

Based upon the related party sales price of the instant shipment under appraisement and the array of transaction values obtained by Customs, your client will receive which **ONE** of the following from Customs?

- A)** A Courtesy Notice of Liquidation, liquidating the instant entry at US \$55 per short ton, as invoiced and entered.
- B)** A CF29, liquidating the instant entry instead at US \$57 per short ton.
- C)** A CF29, liquidating the instant entry instead at US \$56 per short ton.
- D)** A CF29, liquidating the instant entry instead at US \$60 per short ton.
- E)** A CF28, requesting information regarding amounts paid for commissions, costs associated with international transportation, insurance, profit, and general expenses incurred in connection with sales of imported merchandise of the same class or kind.

- 54) A foreign manufacturer transfers a shipment of merchandise to its wholly-owned U.S. subsidiary. There is no sale involved and the deductive value method is being used as the basis of appraisal. The imported merchandise is further processed by the importer and is not sold before the close of the 90<sup>th</sup> day after the date of importation. The further processed merchandise is, however, being sold before the 180<sup>th</sup> day after the date of importation. The imported merchandise is appraised at the unit price of the imported merchandise after further processing that is sold in the greatest aggregate quantity before the 180<sup>th</sup> day after the date of such importation, minus the further processing costs and other authorized deductions. This method of appraisal under deductive value is permitted because of which **ONE** of the following conditions?
- A) All other methods of appraisal have been exhausted.
  - B) Although the transaction value method is acceptable, the importer has elected this method of appraisal in lieu thereof.
  - C) The final condition of the merchandise cannot be readily determined at the time of importation.
  - D) The importer has elected this method of appraisal at the time of filing the entry summary and there is sufficient information regarding the costs of further processing.
  - E) The importer has elected this method of appraisal because the provision was not used within the past 90-day period.
- 55) Which **ONE** of the following is **NOT** excepted from the country of origin marking requirements?
- A) Articles imported for use by the importer and not intended for sale in their imported or any other form.
  - B) Theatrical effects.
  - C) Tuning pins.
  - D) Wood railroad ties.
  - E) Plastic bags containing hairnets.
- 56) Which **ONE** of the following is **NOT** a true statement concerning requirements that must be met when filing a protest?
- A) A single protest may be filed with respect to only one entry.
  - B) The importer number shall be included on the protest.
  - C) The exclusion of merchandise from entry or delivery under any provision of Customs law is a valid reason for filing a protest.
  - D) The number and date of the entry shall be included on the protest.
  - E) The reliquidation of an entry is a matter that may be protested.



- 57) The Cleveland Lock Co. has placed an order from an unrelated padlock vendor, Fleur de Lis Locks Ltd., of Montreal, Canada. Fleur de Lis Locks has agreed to sell the locks at US \$5.10 each, FOB Montreal. Fleur de Lis Locks, however, contracts the order to Sécurité Ltee, a producer of locks also located in Montreal. Sécurité sells the product arms length to Fleur de Lis Locks at US \$3.75 each, F.O.B., and ships the locks direct to Cleveland Lock Co. The record shows that Fleur de Lis provided, at no charge to Sécurité, certain Canadian-made retail packaging bearing Cleveland Lock's name and mark. The value of the packaging is US \$0.20 each.

After being informed by Sécurité Ltee that the lock includes a total of \$1.75 each in non-originating materials, exporter Fleur de Lis Locks completes a NAFTA Certificate of Origin for the benefit of its customer.

The instant locks are classified as HTS 8301.10.

The specific NAFTA rules of origin that apply to goods of this classification are Rules GN12(t)83.1(A) and GN12(t)83.1(B). They read:

- (A) **A change to subheadings 8301.10 through 8301.50 from any other chapter; or**
- (B) **A change to subheadings 8301.10 through 8301.50 from subheading 8301.60, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:**
  - (1) **60 percent where the transaction value method is used, or**
  - (2) **50 percent where the net cost method is used.**

Based **SOLELY** upon the information provided above, which **ONE** of the following statements is correct?

- A) The lock qualifies as originating under both the transaction value method and net cost methods.
- B) The lock qualifies as originating under the transaction value method, at a regional value content of 65.69 percent.
- C) The lock fails to qualify as originating under the transaction value method, at a regional value content of 53.33 percent.
- D) The lock fails to qualify as originating under the transaction value method, at a regional value content of 55.70 percent.
- E) The lock qualifies as originating under the net cost method, at a regional value content of 55.70 percent.

- 58) For a Customhouse broker to conduct customs business on behalf of a client, a power of attorney (POA) is executed. Which **ONE** of the following statements pertaining to power of attorney is **NOT** correct?
- A) POA can be executed for a single transaction.
  - B) POA can be port specific.
  - C) POA must be maintained by Customs.
  - D) POA issued by partnerships shall not exceed 2 years from the date of execution.
  - E) POA issued by parties other than partnerships may be granted for an unlimited period.
- 59) Which **ONE** of the following statements is correct regarding extension of time for liquidation from the one-year statutory period for liquidation?
- A) A total of 6 one-year extensions for a consumption entry may be granted.
  - B) A total of 5 one-year extensions for a consumption entry may be granted.
  - C) A total of 4 one-year extensions for a consumption entry may be granted.
  - D) A total of 3 one-year extensions for a consumption entry may be granted.
  - E) There is no limit to the number of additional one-year extensions allowed.
- 60) Mandatory seizure of merchandise that has been introduced into the U.S. is warranted for which **ONE** of the following?
- A) Merchandise marked intentionally in violation of 19 USC 1304.
  - B) A stolen vehicle.
  - C) Merchandise for which the importer has received written notices that previous importations of identical merchandise from the same supplier were found to have been in violation of 19 USC 1304.
  - D) Absolute quota merchandise bearing a counterfeit visa.
  - E) Merchandise in violation of copyright laws.

- 61) A Canadian truckload of sugar, which is subject to a tariff rate quota, arrives late at night at Port Huron, Michigan on December 29, 2002. An Immediate Transportation entry is filed and accepted by Customs on December 30, 2002. The sugar is then transported to Chicago under bond and arrives within the port limits on January 2, 2003. On January 3, 2003, the carrier surrenders the Immediate Transportation in-bond document to U. S. Customs in Chicago and makes arrangements with the Customs broker to file an entry summary. On January 4, 2003, the Customs broker files an entry summary for consumption in proper form with estimated duties. Which **ONE** of the following is the date of entry for this shipment?
- A) December 29, 2002
  - B) December 30, 2002
  - C) January 2, 2003
  - D) January 3, 2003
  - E) January 4, 2003
- 62) Which **ONE** of the following is information that is **NOT** required at the time of submission of a protest?
- A) A declaration of whether the entry is the subject of drawback or has been referenced on specified certificates to allow the entry to become the subject of drawback.
  - B) A specific description of the merchandise affected by the protest.
  - C) The arrival notice of the merchandise affected by the protest.
  - D) The date of liquidation of the entry.
  - E) The number and date of the entry.
- 63) The liquidation of an entry covering merchandise subject to the Federal Food, Drug, and Cosmetic Act, the Federal Insecticide, Fungicide, and Rodenticide Act, or the Federal Hazardous Substances Act, may be suspended for which **ONE** of the following periods of time?
- A) Maximum of 30 calendar days.
  - B) Maximum of 60 calendar days.
  - C) Maximum of 120 calendar days.
  - D) Maximum of 180 calendar days.
  - E) Until it is determined whether the admission of the merchandise into the United States is permitted by law.

- 64) A shipment of officially marked Canadian sea-otter skins arrives at the port of Detroit, with freight documents indicating that they are to be transported to Los Angeles and then forwarded to Australia. Accompanying the shipment is a certificate attesting that the skins were taken by aboriginal Inuits under the authority of the Canadian Government and a declaration of the shipper identifying the skins by marks and numbers as those covered by the official certificate. Which **ONE** of the following represents the proper course of action for Customs to take?
- A) Detention of the goods as restricted merchandise and order their return to the country of exportation.
  - B) Release the sea-otter skins under bond.
  - C) Seizure of the goods as prohibited merchandise.
  - D) Require that a consumption entry be filed.
  - E) Release the goods provided a consumption entry is filed once a Department of Commerce license is obtained.
- 65) Which **ONE** of the following statements concerning penalties under section 592, Tariff Act of 1930, as amended, is **NOT** correct?
- A) The maximum penalty without prior disclosure for fraudulent violations is the transaction value of the merchandise.
  - B) The maximum penalty without prior disclosure for grossly negligent violations is the lesser of the domestic value of the merchandise or four times the loss of duties, taxes and fees.
  - C) The maximum penalty without prior disclosure for negligent violations is the lesser of the domestic value of the merchandise or two times the loss of duties, taxes and fees.
  - D) The maximum penalty with prior disclosure for fraudulent violations is one times the loss of duties, taxes and fees.
  - E) The maximum penalty with prior disclosure for fraudulent violations, if there is no loss of duties, taxes and fees, is 10 percent of the dutiable value of the merchandise.

66) According to the Customs record keeping regulations and based **SOLELY** on the information contained in each choice listed directly below, which **ONE** of the following parties does **NOT** have to maintain records and render them available to Customs for examination?

- A) A Florida company that orders and receives tropical fruit grown in and shipped directly from Puerto Rico.
- B) A Canadian U.S. bonded carrier who ships tin plate from Ontario, Canada to Newark, NJ for export to Brazil on a Transportation and Exportation entry.
- C) A toy company in Los Angeles which places a toy order with and supplies a mold to Kwang Ho Industries in Hong Kong, China, for use in manufacturing plastic toy furniture that will be shipped back to the toy company.
- D) A Customs broker who handles only the import and export business of a large photographic company headquartered in Rochester, NY.
- E) A chemical company in Baton Rouge, LA which files drawback claims on certain chemicals when the chemicals are exported from the United States.

67) You have been asked to prepare Customs bonds for the following parties:

**Webster's Computer**, an unincorporated division of Sam Webster Group  
**Allen's Cooking Service**, a limited liability partnership (LLP) with Green-ware's  
**Green-ware's**, LLP with Allen's Cooking Service  
**Alan Greene**, individual  
**Sam Webster Group**, corporation

Based on the facts above, which **ONE** of the following statements is **NOT** correct?

- A) Sam Webster Group and Webster's Computer cannot be listed as co-principals on the same bond.
- B) Allen's Cooking Service, LLP and Green-ware's, LLP can be co-principals on the same bond.
- C) Green-ware's, LLP and Alan Greene cannot be listed as co-principals on the same bond.
- D) Sam Webster Group and Webster's Computer can be listed as co-principals on the same bond.
- E) Alan Greene and Allen's Cooking Service, LLP cannot be listed as co-principals on the same bond.

- 68) Plastic resin originating in France was imported from France into the United States and a duty of \$4000 was paid to U.S. Customs. This resin was used in the United States to produce molded plastic containers, which qualified for NAFTA tariff preference when exported to Mexico. Upon importation into Mexico, an entry was filed and there was a payment of duty to the Mexican Government. The U.S. manufacturer has now filed a direct identification manufacturing drawback claim with U.S. Customs, furnishing appropriate documentation of the payment of duty of the equivalent of US \$1500 by the Mexican importer in Mexico. The claimant is entitled to an amount of \$\_\_\_\_\_ in duty drawback and the country of \_\_\_\_\_ will provide the refund.

Which **ONE** of the following choices correctly fills in the blanks found directly above?

- A) \$1485; U.S.
  - B) \$2475; U.S
  - C) \$3960; U.S
  - D) \$1485; Mexico
  - E) \$3960; Mexico
- 69) One of your clients requests your advice as a Customs broker about a recorded trademark that they recently purchased. They would like to have the Customs recordation reflect their ownership. Which **ONE** of the following is **NOT** required?
- A) Compliance with the recordation application procedure as outlined in section 133.2 of the Customs Regulations.
  - B) A description of any time limit on the rights of ownership transferred.
  - C) Submission of a status copy of the certificate of registration, certified by the U.S. Patent and Trademark Office, showing title to be presently in the name of the new owner.
  - D) Payment of a \$80 fee.
  - E) Providing a sample of the trademarked product to be used as a training aid for Customs employees and to aid in the enforcement of the trademark.

70) Which **ONE** of the following statements is **NOT** true regarding examinations of Line Release (also known as BRASS) transactions?

- A) Merchandise imported under Line Release generally may be released without further Customs processing.
- B) Merchandise imported under Line Release shall be subject only to a limited examination.
- C) Customs may choose to inspect any Line Release shipment.
- D) Examinations of merchandise imported under Line Release may be specifically ordered.
- E) Examinations of merchandise imported under Line Release may be the result of random selection.

71) Which **ONE** of the following parties may be compensated by a Customs broker for having had brokerage business referred to them under certain conditions?

- A) An employee of the U.S. Customs Service.
- B) A warehouse distributor who does not have a broker's license.
- C) A Foreign Trade Zone operator.
- D) A freight forwarder who does not have a broker's license.
- E) An owner of a Centralized Examination Station.

72) Your client has received a Notice of Pre-penalty from Customs, citing him with a violation of 19 U.S.C. 1593A. In the notice, it is stated that he, the importer, has falsely sought, induced, or affected, the payment of a drawback claim through an act of material omission done with actual knowledge of, or wanton disregard for, the relevant facts and with indifference to, or disregard for his obligations under the statute.

He is being cited for which **ONE** of the following degrees of culpability?

- A) An "inexcusable clerical error"
- B) Negligent inaction
- C) Negligence
- D) Gross negligence
- E) Fraud

- 73) To transfer the right to withdraw merchandise from a warehouse, appropriate endorsement on the withdrawal form by the person primarily liable for payment of duties before the transfer is completed is required. Which **ONE** of the following statements is **NOT** correct with regard to the endorsement?
- A) Endorsement shall be made on a Customs Form 7501 for a duty paid warehouse withdrawal for consumption.
  - B) Endorsement shall be made on a Customs Form 7512 for transportation and exportation.
  - C) Endorsement may be made with the name of the transferee left blank.
  - D) The transferee may endorse and retransfer the right to withdraw to a new transferee.
  - E) Endorsement shall be made on a Customs Form 7523 for unconditionally free merchandise.
- 74) The Port Director in Buffalo, NY, notices that the Acme Steel Company has numerous Customs bills that are substantially past due. Moreover, the Port Director notices that Acme's continuous Activity Code 1 bond liability coverage is now inadequate to protect the revenue of the United States. On March 3, 2003, the Buffalo Port Director informs Acme in writing that its immediate delivery privileges are suspended and that a new bond with increased liability is required. Acme uses immediate delivery releases because their clients do not carry any inventory and it relies on Acme to deliver just in time shipments. Acme calls you on the phone and asks what they must do to have their immediate delivery privileges reinstated. Which **ONE** of the following choices must Acme Steel do to have their immediate delivery privileges reinstated?
- A) File a new CF 301 Activity Code 1 bond with an increase in liability within 10 working days from the date of the suspension notice.
  - B) Have current shipments released under immediate delivery in the broker's name and under the broker's bond.
  - C) File protests on the increased duty bills and the underlying entries (if appropriate).
  - D) Pay the delinquent Customs bills within 10 working days from the date of the suspension notice.
  - E) Apply for line release processing to take the place of immediate delivery release.



- 75) Provided the person is not excused from the penalty pursuant to Customs regulations, the willful failure of a person to maintain, store, or retrieve a demanded record(s) will be subject to a penalty, for each release of merchandise, not to exceed \_\_\_\_\_, or an amount equal to \_\_\_\_\_ of the appraised value of the merchandise, whichever amount is less.

Which **ONE** of the following answers correctly completes both blanks found directly above?

- A) \$10,000; 40 percent
  - B) \$10,000; 75 percent
  - C) \$100,000; 40 percent
  - D) \$100,000; 75 percent
  - E) \$30,000; 10 percent
- 76) Which **ONE** of the following is **NOT** required to be stated in the letter of intent a prospective participant in the Automated Broker Interface (ABI) is to send to the port director closest to his principal office for permission to use ABI?
- A) Entry filer code and average monthly volume.
  - B) Total operating cost, including the cost of computer hardware, data entry staff, and software for the upcoming year.
  - C) Description of the computer hardware, communications, and entry processing system to be used.
  - D) Name of the participant's principal management and contact person regarding the computer system.
  - E) Software vendor's name and contact person.
- 77) Which **ONE** of the following has the authority to cancel a liquidated damage case without payment of a mitigated or cancellation amount when he or she definitely determines that the act or omission forming the basis of the claim did not occur?
- A) The Fines, Penalties, and Forfeitures Officer in the port where the liquidated damage case was issued.
  - B) The Entry Specialist who initiated the liquidated damage case.
  - C) The supervisor of the Entry Specialist who initiated the liquidated damage case.
  - D) The Assistant Port Director in the port where the liquidated damage case was issued.
  - E) The designated Customs Liquidator in the port where the liquidated damage case was issued.

- 78) Pursuant to the Customs Regulations, shipments entered or withdrawn for consumption by a U.S. Government department or agency, or its authorized representative, may be made without depositing the estimated duties, or estimated taxes, or both, if which **ONE** of the following conditions exist?
- A) The shipment is destined directly to the Government department or agency's premise or installation.
  - B) A statement of the Government department or agency's intended use of the imported merchandise is furnished.
  - C) The Government department or agency has furnished a stipulation in lieu of the bond.
  - D) Customs has provided the Government department or agency an express written waiver of the requirement to deposit estimated duties, or estimated taxes, or both.
  - E) The shipment is accompanied by a Congressional Order for the waiver of the deposit of estimated duties, estimated taxes, or both.
- 79) Which **ONE** of the following statements concerning voluntary reliquidation is **NOT** correct?
- A) The port director must reliquidate on his own initiative within 90 days from the date notice of the original liquidation is given.
  - B) The port director may, on his own initiative, reliquidate an entry only to correct errors that do not amount to an error in the construction of law.
  - C) The port director may reliquidate an entry, on his own initiative, to correct classification errors if within the time specified.
  - D) The port director, on his own initiative, may reliquidate an entry without a protest having been filed if within the time specified.
  - E) The port directory may, on his own initiative, reliquidate an entry to correct errors made by Customs, if the reliquidation occurs within the required time.

80) When there has been a valid prior disclosure filed and the violation of Section 592 was a result of negligence, the penalty is in the amount of the interest on any loss of duties, taxes and fees, based on a computation from the date of \_\_\_\_\_ to the date of the disclosure.

Which **ONE** of the following correctly fills in the blank found directly above?

- A) discovery
- B) importation
- C) entry
- D) entry summary
- E) liquidation



**Answer Key  
April 2003**

1. E 19 CFR 132.3
2. E 19 CFR 18.10
3. B 19 CFR 102.13
4. D 19 CFR 111.30(a),(d)(1)&(2)
5. C 19 CFR 142.17
6. A 19 CFR 111.96(c),(d); 111.30(d)
7. B 19 CFR 171 App B (G)(4)
8. B 19 CFR 102.21(c)(2)
9. A 19 CFR 113.4(b)
10. B 19 CFR 181, App, Rules of Origin Regulations, Part 1 Section 2
11. D 19 CFR 191.37; 191.71(a)
12. A 19.12(d)(3)
13. E General Statistical Note 1(b)
14. C General Note 19
15. B HTS Chapter 7 & 99
16. D HTS Chapter 76, Note 1(d)
17. C Chapter 39, Additional U.S. Note 1
18. C HTS Chapter 52, Statistical Note 1(b)(i)
19. A Chapter 71, Note 4(a); Section XV, Note 1(e)
20. C HTS Chapter 20, eo nominee
21. E HTS Chapter 64, Additional Note 2
22. D HTS Chapter 90, Note 2
23. E HTS Chapter 4, Additional US Note 2; Chapter 99
24. A HTS Section XI, Statistical Note (2)(b); Chapter 51, Note 1(b)
25. E HTS Chapter 96, Note 2(b)
26. D HTS Chapter 40, Note 9
27. D HTS Section XVI, Note 1(o)
28. E HTS Chapter 70, eo nominee
29. C 19 CFR 10.14
30. B 19 CFR 181, App; HTS Note 12
31. A 19 CFR 111.19(f)
32. E 19 CFR 142.13
33. B 19 CFR 10.9
34. C 19 CFR 146.44
35. D 19 CFR 132.13(a)(1)(iii)(A)&(B)
36. D 19 CFR 141.90(b),(c),(d)
37. E 19 CFR 10.66(a),(b)
38. D 19 CFR 19.48(a)
39. C 19 CFR 111.21(a),(c); 111.24; 111.25; 111.26
40. B 19 CFR 133.22(a),(b); 133.25(a)
41. E 19 CFR 143.21(a),(g),(k)(1)
42. A 19 CFR 24.5(d)
43. A 19 CFR 144.32; 144.36

44. B 19 CFR 172.1(a)
45. D 19 CFR 10.14
46. C 19 CFR 111.92(a)
47. A 19 CFR 134.32(i); 134.1(d)(4); 134.33
48. C 19 CFR 141.68
49. C 19 CFR 152.1; 152.103;159.32
50. B 19 CFR 152.102(a)
51. E 19 CFR 152.107(c)
52. B 19 CFR 152.104(a),(d)
53. A 19 CFR 152.103(j)(2)
54. D 19 CFR 152.105(c)(3)
55. E 19 CFR 134.32(f); 134.22(e)(1); 134.33
56. A 19 CFR 174.13(b)
57. D 19 CFR 181, App; Part III, Section 6(2)& Schedule II, Section 4
58. C 19 CFR 141.46; 141.31; 141.44; 141.34
59. D 19 CFR 159.12(e)
60. B 19 CFR 162.23(a)(1)
61. E 19 CFR 141.68; 141.69
62. C 19 CFR 174.13
63. E 19 CFR 159.55(a); 12.1
64. B 19 CFR 18.21; 12.61(a)
65. A 19 CFR 162.73(a),(b)
66. A 19 CFR 163.2
67. D 19 CFR 113.32; 113.33; 113.34
68. A 19 CFR 181.44(a),(c)
69. E 19 CFR 133.5
70. B 19 CFR 142.47(a)
71. D 19 CFR 111.36(c)
72. C 19 CFR 171, App D(A)&App D(B)(1)
73. E 19 CFR 144.22, 144.23, 144.26
74. D 19 CFR 142.25; 142.26
75. D 19 CFR 163.6(b)
76. B 19 CFR 143.2
77. A 19 CFR 172.11(b)
78. C 19 CFR 141.102(d)
79. B 19 CFR 173.3
80. E 19 CFR 162.73(b)(2)