

**International Customs Services, Inc.**  
**Duty Drawback Definitions**

Term	Definition
Abstract	Summary of actual production records of the manufacturer.
Commercially Interchangeable	Same kind and quality merchandise. Customs shall evaluate critical properties of substituted merchandise.
Designation	A manufacturer or producer may designate any eligible imported merchandise for drawback purposes.
Destruction	Complete destruction of articles or merchandise to the extent that they have no commercial value.
Direct Identification	Identification of imported merchandise by serial number or approved inventory method.
Drawback	The refund or remission, in whole or part, of customs duty, free or internal revenue tax which was imposed on imported merchandise at time of importation, and the refund of internal revenue taxes paid on domestic alcohol.
Drawback Claim	Drawback entry and related documents required by regulation which together constitute the request for drawback payment.
Drawback Entry	The transfer of data containing a description of, and other required information concerning, the import and exported or destroyed article on which drawback is claimed.
Drawback Product	A finished or partially finished product manufactured in the United States.
Exportation	The severance of goods from the mass of goods belonging to this country, with the intention of uniting them with a mass of goods belonging to some foreign country. Or Goods admitted into a foreign trade zone under zone-restricted status or are laden upon qualifying aircraft or vessel.
Exporter	That person who, as the principal party in interest in the exportation transaction, has the power and responsibility for determining and controlling the sending of the items out of the United States.
Fungible Merchandise or Articles	Merchandise or articles which are identical and interchangeable in all situations.
General Manufacturing Drawback	Designed to simplify drawback for certain common manufacturing operations. (See 19 CFR Part 190 Appendix A). (For Agents, Burlap or other Textile Material, Component Parts, Flaxseed, Fur Skins, Orange Juice, Petroleum, Piece Goods, Raw Sugar, Steel, Sugar, Woven Piece Goods)
Manufacturer or Production	A process, including but not limited to, an assembly, by which merchandise is made into a new and different article having a distinctive "name, character, or use; or is mad fit for a particular use even though it does not meet new and different article definition.
Possession	Physical or operational control of the merchandise, including ownership which in bailment, in leased facilities, in transit to, or in any other manner under the operational control of the party claiming drawback.
Records	Include, but are not limited to, statements, declarations, and documents and electronically generated or machine-readable data.
Records Retention	Records must be kept for 3 years from the date of liquidation or a longer period if required by law.
Relative Value	The value of a product divided buy the total value of all products which are necessarily manufactured or produced concurrently in the same operation. Relative value is based on market value, or other value approved by CBP, of each such product determined as of the time it is first separated in the manufacturing or production process. Market value is generally measured by the selling price, not including t=any packaging, transportation or identifiable costs, which accrue after the product itself is processed.
Schedule	A document filed with Customs showing the quantity of imported or substituted merchandise used in or appearing in each article exported or destroyed for drawback.
Specific Manufacturing Drawback	A letter of approval issued by Customs Headquarters in response to an application by a manufacturer or producer for a ruling on a specific manufacturing or production operation for drawback. Subject to provisions of Title 19 CFR Part 177.
Substituted Merchandise	<ol style="list-style-type: none"> <li>1. (Manufacturing Drawback) Same kind and quality as the imported designated merchandise. Must be capable of being used interchangeably in the manufacture or production of the exported or destroyed articles.</li> <li>2. (Unused Drawback) Substituted merchandise must be commercially interchangeable with the imported merchandise.</li> <li>3. (Petroleum derivatives) Same kind and quality as the qualified article for which it is substituted.</li> </ol>