

December 31st TTB and U.S. Customs Filing and Recordkeeping Changes

December 30, 2016

Effective December 31, 2016, all imports of distilled spirits, wine, beer, and malt beverages, tobacco products, processed tobacco, and cigarette papers and tubes, must be filed through U.S. Customs and Border Protection's Automated Commercial Environment ("ACE"). ACE provides a new electronic platform for the gathering of all import data and documents required by partner government agencies, including the Alcohol and Tobacco Tax and Trade Bureau ("TTB"). These changes will allow importers to submit all required documents through a single window rather than the current practice of sending the current documentary requirements to multiple Federal agencies. Customs uses ACE to sift through the mass of data for specific high-risk issues and; accordingly, maintains a profile on each importer including import volume, countries of origin, and product categories. Depending on risk, an importer may or may not be on Customs' radar.

The new electronic filing will also replace certain reporting requirements with recordkeeping regulations, under which the importer must make certain documents available upon request. Current regulations require that foreign certificates, including certificates of age and origin for distilled spirits and wine, accompany the importation. TTB will instead require the importer to obtain the certificate prior to importation and make it available upon request by Customs or TTB.

In addition, pursuant to ACE implementation, TTB added certain electronic filing requirements, replacing the paper alternative to submitting information. For example, effective December 31st, distilled spirits may be released from Customs custody "to an importer who is **authorized** by a COLA holder to import products covered by the COLA." The importer does not actually have to have a Certificate of Label Approval (COLA). TTB is also considering adding an indicator in the TTB Partner Government Agencies Message Set through which importers would indicate whether they are using a COLA held by another entity and how to further streamline the COLA waiver process considering the new electronic filings.