

Subpart 25.9 - Customs and Duties

Parent topic: [Part 25 - Foreign Acquisition](#)

25.900 Scope of subpart.

This subpart provides policies and procedures for exempting from import duties certain *supplies* purchased under Government contracts.

25.901 Policy.

United States laws impose duties on foreign *supplies* imported into the *customs territory of the United States*. Certain exemptions from these duties are available to Government agencies. Agencies *must* use these exemptions when the anticipated savings to appropriated funds will outweigh the administrative costs associated with processing required documentation.

25.902 Procedures.

For regulations governing importations and duties, see the Customs Regulations issued by the U.S. Customs Service, Department of the Treasury (19 CFR Chapter 1). Except as provided elsewhere in the Customs Regulations (see 19 CFR 10.100), all *shipments* of imported *supplies* purchased under Government contracts are subject to the usual Customs entry and examination requirements. Unless the agency obtains an exemption (see [25.903](#)), those *shipments* are also subject to duty.

25.903 Exempted supplies.

(a) Subchapters VIII and X of Chapter 98 of the Harmonized Tariff Schedule of the *United States* ([19 U.S.C. 1202](#)) list *supplies* for which exemptions from duty *may* be obtained when imported into the *customs territory of the United States* under a Government contract. For certain of these *supplies*, the *contracting* agency *must* certify to the Commissioner of Customs that they are for the purpose stated in the Harmonized Tariff Schedule (see 19 CFR 10.102-104, 10.114, and 10.121 and 15 CFR Part 301 for requirements and formats).

(b) *Supplies* (excluding equipment) for Government-operated vessels or aircraft *may* be withdrawn from any customs-bonded warehouse, from continuous customs custody elsewhere than in a bonded warehouse, or from a foreign-trade zone, free of duty and internal revenue tax as provided in [19 U.S.C. 1309](#) and [1317](#). The *contracting activity* *must* cite this authority on the appropriate customs form when making purchases (see 19 CFR 10.59 - 10.65).