§ 10.62b Aircraft turbine fuel.

(a) General. Unless otherwise provided, aircraft turbine fuel withdrawn from a Customs bonded warehouse for use under section 309, Tariff Act of 1930, as amended (19 U.S.C. 1309), may be commingled with domestic or other aircraft turbine fuel after such withdrawal only if such commingling is approved by the appropriate Customs official for the port where the commingling occurs. The appropriate Customs official may approve such commingling if the fueling system in which the commingling will occur contains adequate physical safeguards to prevent the possible unauthorized entry into the Customs territory of the bonded fuel. Such
§ 10.62b  19 CFR Ch. I (4–1–10 Edition)

Commimgled fuel must be accounted for in the same 24-hour period in which it was commingled and must be—

(1) Exported within that 24-hour period;

(2) Used under section 309 within that 24-hour period; or

(3) Entered or withdrawn for consumption, with duty deposited, as required under the applicable regulations (see part 144 of this chapter).

(b) Duty-free withdrawal from warehouse of aircraft turbine fuel under section 557(a), Tariff Act of 1930, as amended (19 U.S.C. 1557(a)). Turbine fuel intended for use as supplies on aircraft under section 309, Tariff Act of 1930, as amended, and withdrawn from a Customs bonded warehouse shall be entitled to the privileges provided for in section 309 if an amount equal to or exceeding the quantity of such fuel is established, as provided for in paragraph (c) of this section, to have been used on aircraft qualifying for the privileges provided for in section 309 within 30 days after the withdrawal of the fuel from the Customs bonded warehouse.

Withdrawal of aircraft turbine fuel under this paragraph shall be in accordance with the procedures in §§10.59 through 10.64, unless otherwise provided in this section. Withdrawals under this paragraph shall be annotated with the term “Withdrawal under 19 CFR 10.62b(b)”.  

(c) Establishment of use of fuel by qualifying aircraft. (1) The person withdrawing aircraft turbine fuel under paragraph (b) of this section must establish that an aircraft qualifying for the privileges provided for in section 309, Tariff Act of 1930, as amended, used fuel in an amount equal to or exceeding the quantity of the fuel withdrawn that is not entered and upon which duties are not paid by submitting to Customs, at the port where the bonded warehouse entry was filed, within the time provided in paragraph (d) of this section, either—

(i) Records prepared in the normal course of business effecting the transfer to identified (e.g., by aircraft company name, flight number, flight origin and destination, and date of flight) aircraft of fuel in an amount equal to or exceeding the quantity of the fuel withdrawn which is not entered and on which duties are not paid and objective evidence that the aircraft to which the fuel was transferred were actually used in trade qualifying for the privileges provided in section 309, Tariff Act of 1930, as amended; or

(ii) A certification (documentary or electronic) that:

(A) All of the fuel withdrawn was intended for use on aircraft entitled to the privileges provided for in section 309;

(B) Within 30 days of the date of withdrawal from warehouse, an amount of fuel equal to or exceeding the quantity of the fuel withdrawn which is not entered and on which duties are not paid was transferred as supplies to aircraft entitled to the privileges provided for in section 309;

(C) All of the aircraft into which fuel is loaded hereunder were used in a trade provided for in section 309; and

(D) The person making the certification possesses evidence (documentary or electronic) available for Customs inspection at a named place which supports each of the above statements.

(2) Upon request by Customs, the person who submits the certification provided for in paragraph (c)(1) of this section shall promptly provide the evidence required to support the claim for treatment under this section (including the records described in §10.62b(c)(1)(i)) and §§10.62 and 19.6(d) and each of the statements in the certification.

(d) Time for establishment of use of fuel by qualifying aircraft. The person withdrawing aircraft turbine fuel under paragraph (b) of this section shall submit the records or certification provided for in paragraph (c) of this section by the 40th day after the date of withdrawal of the fuel unless the fuel was withdrawn under a blanket withdrawal under paragraph (g) of this section. If the fuel was withdrawn under a blanket withdrawal, the person withdrawing aircraft turbine fuel under this section shall submit the records or certification provided for in paragraph (c) of this section by the 40th day after all of the fuel covered by the blanket permit to withdraw has been withdrawn.

(e) Treatment of turbine fuel withdrawn but not used on qualifying aircraft within 30 days. If turbine fuel is withdrawn
from a Customs bonded warehouse under paragraph (b) of this section but
fuel in an amount less than the quantity withdrawn is established to have
been used within 30 days of the date of withdrawal from warehouse on aircraft
qualifying for the privileges provided for in section 309, Tariff Act of 1930, as
amended, a withdrawal for consumption shall be filed and duties shall be
deposited for the excess of fuel so withdrawn over that used on aircraft so
qualifying. Such withdrawal shall be filed and such duties shall be deposited
by the 40th day after the date of withdrawal of the fuel in accordance with
the procedures in §144.38 of this chapter. Interest shall be payable and de-
posited with such duties, calculated from the date of withdrawal at the rate
of interest established under 26 U.S.C. 6621.

(f) Liquidated damages. Failure to ac-
count for turbine fuel withdrawn under
paragraphs (b) through (h) of this sec-
tion shall result in liquidated damages
against the person withdrawing the
turbine fuel, as provided for under
§113.62 of this chapter. Such failure to
account for turbine fuel includes:

(1) The failure to timely file the
withdrawal for consumption and pay-
ment of duty, with interest, on the
quantity of fuel so withdrawn in excess
of the quantity of fuel established to
have been used on qualifying aircraft
within 30 days of withdrawal, as pro-
vided for in paragraph (e) of this sec-
tion;

(2) The failure to timely file the evi-
dence or certification establishing such
use of the fuel which is not entered and
on which duties are not paid, as pro-
vided for in paragraph (c) of this sec-
tion; or

(3) The failure to promptly provide
the evidence required to support the
claim for treatment under paragraph
(b) of this section, upon request by Cus-
toms, as provided for in paragraph
(c)(2) of this section.

(g) Blanket withdrawals. Blanket
withdrawals, as provided for in §§10.62
and 19.6(d), may be used for with-
drawals from warehouse under section
557(a), Tariff Act of 1930, as amended,
and paragraphs (b) through (h) of this
section, under the procedures provided
in §§10.62 and 19.6(d) except that—

(1) Application by the withdrawer for
a blanket permit to withdraw shall be
on the warehouse entry, or on the
warehouse entry/entry summary when
used as an entry, annotated with the
words “Some or all of the merchandise
will be withdrawn under blanket per-
mit per §§10.62, 10.62b, and 19.6(d).”;

(2) Turbine fuel withdrawn under a
blanket permit as authorized in this
paragraph may be delivered at a port
other than the port of withdrawal;

(3) Customs acceptance of a properly
completed application for a blanket
permit to withdraw, on the warehouse
entry or warehouse entry/entry summary,
will constitute approval of the
blanket permit to withdraw;

(4) A copy of the approved blanket
permit to withdraw will be delivered to
the warehouse proprietor, whereupon
fuel may be withdrawn under the terms
of the blanket permit;

(5) The withdrawal document to be
placed in the proprietor’s permit file
folder (see §19.6(d)(2)) will be a com-
mercially acceptable document of re-
ceipt (such as a “withdrawal ticket”) issu-
e by the warehouse proprietor, identi-
fied with a unique alpha-numeric
code and containing the following in-
formation:

(i) Identity of withdrawer;

(ii) Identity of warehouse and tank
from which fuel is withdrawn;

(iii) Date of withdrawal;

(iv) Type of merchandise withdrawn;

and

(v) Quantity of merchandise with-
drawn.

(6) The date of withdrawal, for pur-
poses of calculating the 30-day period
in which fuel must be used on quali-
fying aircraft under this section, shall
be the date on which physical removal
of the fuel from the warehouse com-
mences;

(7) The blanket permit summary pre-
pared by the proprietor as provided for
in §19.6(d)(4) shall be prepared when all
of the fuel covered by the blanket per-
mit has been withdrawn and shall ac-
count for all merchandise withdrawn
under the blanket permit, as required
by §19.6(d)(4), by stating, in summary
form, the unique alpha-numeric codes
and information required in paragraph
(g)(5) of this section, as well as the
§ 10.63 Landing of supplies and stores from receiving vessel in the United States.

Supplies or stores laden on a vessel duty and tax free under section 309, Tariff Act of 1930, as amended, may be landed under Customs supervision under proper permit, the same as if they had been laden in a foreign country. See §4.39 of this chapter. Except when transfer to another vessel entitled to the free withdrawal privilege is permitted under the original withdrawal under section 309, Tariff Act of 1930, as amended, the landed articles shall be treated as an importation from a foreign country.

§ 10.64 Crediting or cancellation of bonds.

(a) Except as stated below, a bond on Customs Form 301, containing the bond conditions set forth in §113.62 of this chapter may be credited or canceled in respect of such articles upon the vessel’s departure from the port of lading in a class of trade or business entitling the articles to exemption from duty and tax under the statute. The withdrawer shall cause the merchandise to be delivered to the lading vessel, and shall provide such evidence of lading as required by the port director within 30 days after lading, except as provided in this section. If the vessel is not operated by the United States and proceeds in ballast from the port where the articles are laden to another port to lade passengers or cargo for carriage in a class of trade specified in section 309, Tariff Act of 1930, as amended, the bond may be credited or canceled upon the filing with the director of the port of withdrawal within 3 months after the date of withdrawal of a proper declaration as prescribed below. The declaration shall be executed by one of the following who has knowledge of the facts:

1. Operations manager or port captain for the vessel on which the articles are laden but not a representative of the supplier.
2. The master or other officer of the vessel on which the articles are laden.

The declaration shall be in substantially the following form:

I, —————————————————————
(Operations manager, port captain, master, or other officer) of the vessel
llllll
declare that I have knowledge of the facts set forth herein, and that upon the lading of the articles described below covered by withdrawal No. ________ filed at
(Name of port), the vessel then proceeded in ballast to
(Name of port) to lade cargo or passengers; that the vessel was suitable for service in the class of trade checked below with fittings, outfit, and equipment for such trade already installed when it so departed in ballast; and that upon arrival it proceeded to engage in the carriage of cargo or passengers in such trade, except as stated below:

(If no exception, note “None”)

1. Foreign Trade.
2. Trade between Atlantic and Pacific ports of the United States, when such trade is not prohibited by coastwise laws.
3. Trade between the United States and any of its possessions, when such trade is not prohibited by coastwise laws.
4. Trade between Alaska or Hawaii and any other part of the United States, when