

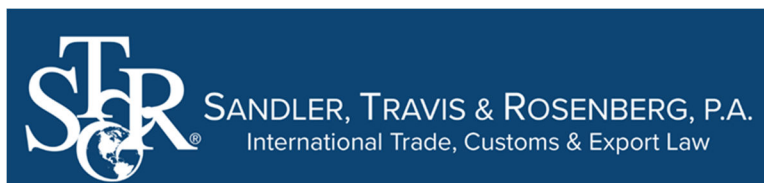
# **ZONE SCHEDULE**

## **The Iowa Foreign Trade Zone Corporation**

Foreign-Trade Zone No. 107  
Des Moines, Iowa

Date Zone Schedule Implemented: September 19, 2024

Drafted in conjunction with, and reviewed by:



## Rules and Policies of FTZ No. 107

Foreign-Trade Zone No. 107 is an Alternative Site Framework (ASF) zone. The Grantee organization is the Iowa Foreign Trade Zone Corporation. It has an ASF Service Area that includes Adair, Adams, Audubon, Boone, Calhoun, Carroll, Cass, Clarke, Dallas, Decatur, Greene, Guthrie, Hamilton, Hardin, Jasper, Lucas, Madison, Mahaska, Marion, Marshall, Monroe, Polk, Poweshiek, Ringgold, Story, Union, Warren, Wayne and Webster Counties, Iowa. Any companies within this ASF Service Area may be approved in thirty (30) days or less by the FTZ Board with concurrence from local Customs and Border Protection. Companies outside of the ASF Service Area should confirm whether Customs will agree to oversee their subzones before filing a Traditional Subzone Application that is outside the ASF Service Area. This Zone Schedule is published in accordance with 15 C.F.R. 400.44.

1. **Sunset limits.** All in ASF approved sites acknowledge they have a three-year sunset period for subzones/usage-driven sites and five years for magnet sites.
2. **Uniform Treatment.** The rates and charges for services within the Zone shall be fair and reasonable, and the Grantee shall afford uniform treatment under like conditions to all users. 15 C.F.R. 400.43.
3. **Public Utility Principle.** Pursuant to Section 14 of the FTZ Act (19 U.S.C. 81n), each zone shall be operated as a public utility, and all rates and charges for all services or privileges within the zone shall be fair and reasonable.
4. **Grantee organization must review draft application.** A company that wishes to be a FTZ operator should submit a draft application request to the Grantee representative. All requests for new subzones or usage-driven sites or magnet sites will be reviewed by the Grantee organization in order to sponsor the application. It will be the obligation of the applicant for the new site to prepare the application and bear all costs associated with the preparation and filing of the application. All entities that request to apply for authority to establish a subzone, usage-driven or within a magnet site must enter into a written agreement with the Grantee governing the proposed operations at the site.
5. **Filing of FTZ Board applications.** All FTZ Board applications sponsored by FTZ No. 107 shall be submitted by the Company to the FTZ Board with an email copy to the Grantee organization representative. The Grantee will provide a Letter of Transmittal or cover letter. All applications require a cover letter except for Production Notifications which can be submitted directly to the FTZ Board with an email copy to the Grantee organization representative. All activation and deactivation requests to Customs and Border Protection by a FTZ Operator of FTZ No. 107 shall require a concurrence letter from the Grantee organization.

6. **Public, health and safety protected.** As stated in 19 U.S.C. 81o(c), the Board may at any time order the exclusion from the zone of any goods or process of treatment that in its judgment is detrimental to the public interest, health, or safety.
7. **All local and state laws apply.** All persons conducting business within FTZ No. 107 and all operations moving merchandise into or out of FTZ No. 107 must strictly conform to the Foreign-Trade Zones Act, Foreign-Trade Zones Board Regulations, CBP Regulations, this Zone Schedule and all other applicable federal, state and local laws, rules, and regulations. This Zone Schedule may be modified, amended or replaced by the Iowa Foreign Trade Zone Corporation at any time if it is determined to be necessary or appropriate to do so. The Iowa Foreign Trade Zone Corporation shall, in its sole discretion, interpret the provisions of this Schedule and determine the applicability of any of its provisions.
8. **Annual Report must be filed on time.** The Iowa Foreign Trade Zone Corporation is responsible for preparing and filing with the FTZ Board an Annual Report summarizing all Zone activity from January 1 through December 31 of each year. The Report shall be filed by March 31 of each year pursuant to current requirements of the Foreign-Trade Zones Board. By February 15th of each year, all Operators shall transmit to the Grantee organization representative, through the Online FTZ Information System (OFIS) account established for each Operator the information required to complete the Foreign-Trade Zones Board Annual Report. This Report is aggregated with other zone reports and provided to Congress each year. Each operator should choose the confidentiality option in its report.

### **Rates/Charges Assessed for FTZ No. 107 By Grantee Organization**

One-Time Application Fee (payable to Grantee organization upon filing of the Application at the FTZ Board) = \$3,000.

One-Time Activation Fee (payable to Grantee organization upon filing of Application for Activation with CBP) = \$1,000.

Annual Fee (payable to Grantee organization upon activation approval from CBP):

- If the number of employees at a zone operation is less than 200 people and the square footage of activated space is less than 100,000 square feet = \$1,500 a year.
- All other companies = \$5,000 a year.

\*Please note that if a Company is located outside the ASF Service Area it is considered a Traditional Subzone an application filing fee of either \$4,000 or \$6,500 will be due to the "Department of Commerce-ITA". An expansion that includes a magnet site has a \$1,600 filing fee.

## Appendix of FTZ Terms

**Alternative Site Framework (ASF)**- An application was filed by the Iowa Foreign Trade Zones Corporation that reorganized the foreign-trade zone by creating a service area in several Counties where subzones, usage-driven sites and magnet sites can be established in thirty (30) days with Grantee and Customs concurrence.

**Board** – This refers to the Foreign-Trade Zones Board in Washington, D. C. created by the Foreign-Trade Zones Act to carry out the provisions thereof. The Foreign-Trade Zones Board consists of the Secretary of the Department of Commerce, who shall be the chairman, and the Secretary of the Treasury.

**Grantee**- This is the first organization in the community to secure a grant for a foreign-trade zone from the Foreign-Trade Zones Board in Washington, D. C. For Foreign-Trade Zone No. 107, the Grantee organization is the Iowa Foreign Trade Zone Corporation. The Grantee serves as a sponsor for companies that wish to apply for FTZ designation.

**OFIS** – This is the Online FTZ Information System that includes information on each foreign-trade zone. It can be accessed through the FTZ Board website. All annual reports are now file electronically through OFIS.

**Subzone** – A special purpose zone established as part of a zone project for a limited purpose that cannot be accommodated within an existing zone site. Foreign merchandise may be admitted to the area without the payment of U.S. Customs duties and taxes or the imposition of U.S. quotas; domestic merchandise is allowed in the area. No U.S. Customs duties, taxes, or quotas apply if the merchandise is exported; U.S. Customs duties, taxes and quotas are applicable if the merchandise is imported into U.S. Customs territory either on the basis of the imported materials or the finished product depending on the zone status designation. For new subzones if a company wishes to have production authority it must request approval of a Production Notification Application which can require four (4) months unless U.S. Customs and Border Protection and the Foreign-Trade Zones Board will support an interim approval.

**Sunset Provision** – Under the ASF, Magnet sites have a rolling five (5) year sunset provision during which at least a portion of the magnet site must be activated, while a subzone or usage-driven site must demonstrate actual zone activity within three (3) years or lose zone status.

**Usage-Driven Site** – means sites designated to meet a specific operator/user's present need for FTZ designation. When applying under ASF, a company may choose to call its site a usage-driven site or a subzone in the application.

**Zone Operator** – The foreign-trade zone may be managed by a firm that oversees one or multiple zone users, or each firm may be its own foreign-trade Zone Operator. The term Zone Operator shall apply to both general-purpose zones and subzones. The zone or subzone may be an organization, corporation, or partnership that operates under the terms of an agreement with the Zone Grantee which is the Iowa Foreign Trade Zone Corporation.

**Zone User** – A person or firm using a zone for storage, handling or processing of merchandise. The Zone Operator may authorize a Zone User to maintain its individual inventory control and recordkeeping systems and procedures manual; however, the Zone Operator will remain responsible to Customs and liable under its bond for supervision, defects in, or failures of the systems unless the Zone User posts its own FTZ Operator's Bond and becomes a Zone Operator.