

aircraft or vehicle must be included in one entry. The exception carved out for split shipments is simply one of several exceptions to this general rule, and applies only to a limited number of entries. The general rule itself has not been changed as the result of the enactment of 19 U.S.C. 1484(j).

*Definition of Split Shipment—Proposed § 141.57(b)*

*Comment:* Customs should broaden the types of split shipments which are eligible for single entry treatment. It is advocated, for example, that the proposed rule cover shipments that are split at the port of arrival for transportation separately to the port where entry is to be made. It is stated that this situation can result when merchandise which arrives in the United States on a single conveyance is split at the port of arrival into separate portions because an insufficient number of vehicles are available at the time of arrival to simultaneously transport the entire shipment to the port where entry is made.

*Customs Response:* Customs disagrees. The purpose of 19 U.S.C. 1484(j)(2) is to furnish a mechanism by which one entry may be filed for a shipment that is split by the original carrier to which the shipment was delivered at the foreign port for transportation to the United States. To expand coverage under the law to shipments that are split after importation into the United States would exceed the purview of the statute.

*Comment:* It is a distortion of the intent of the statute to define a split shipment as being a shipment which is delivered to and accepted by the carrier as a single shipment under one bill of lading. It is contended that the definition of a split shipment to this effect fails to take into account situations in which the importer delivers goods to the carrier as a single shipment, but the carrier then informs the importer that the shipment must be carried on several conveyances due to insufficient cargo space remaining on currently available ships. Under the proposed rule, such a shipment would not qualify as a split shipment because it would not have been accepted by the carrier as a single shipment.

*Customs Response:* Customs does not believe that the definition of a split shipment under § 141.57(b) distorts the intent of the statute. Rather, it is Customs' view that the purpose of 19 U.S.C. 1484(j)(2) is to offer relief to importers whose shipments have been split by the carrier after the carrier has accepted the shipment with the

importer's understanding that the shipment would be transported on a single conveyance. Under those circumstances, the importer would have a realistic expectation that the shipment would arrive at one time and that the importer would thus be able to file one entry. However, as described in the comment, the importer would already know prior to concluding shipping arrangements with the carrier that the shipment would be transported on different conveyances and would arrive in the United States at different times.

*Comment:* The proposed requirement that all portions of a split shipment arrive within 10 calendar days of the date of arrival of the first portion does not square with modern shipping realities. The 10 calendar day arrival time should be extended to 30 or 90 days, in order to more accurately reflect the Congressional intent that split shipments can occur over a period of time. In the alternative, if the portions of a split shipment are to be limited to arriving within 10 calendar days of one another, Customs should change 10 calendar days to 10 business days.

*Customs Response:* Customs believes that the overwhelming majority of split shipment transactions which may occur may be easily accommodated within the 10 calendar day period as originally proposed. Furthermore, the use of a 10 calendar day arrival window affords an importer sufficient time to file an entry summary within 10 working days from the time the first portion of the split shipment is released, given that a 10 working day period will always be longer than a 10 calendar day period.

*Comment:* A question is raised as to whether there is a limit to the number of portions into which a carrier may split a master shipment.

*Customs Response:* There is no limit to the number of portions into which a carrier may split a shipment.

*Comment:* The proposed requirement that all conveyances carrying a split shipment initially arrive at the same port of importation in the United States should be eliminated because routing merchandise from one United States port to another is a standard business practice exercised by carriers.

*Customs Response:* Customs agrees. Accordingly, proposed § 141.57(b)(3) is revised in this final rule by eliminating the requirement that all portions of a split shipment arrive at the same port of importation in the United States. Instead, all portions of the split shipment must timely arrive at the same port of entry in the United States, as listed on the original bill of lading. Any portion of a split shipment that arrives at a different port must be transported

in-bond to the port of destination where entry will be made; and such in-bond transportation to the port of destination must occur before the transported merchandise may be released by Customs. In conformance with this requirement, proposed §§ 141.57(d)(1), (d)(2), (e), (i), (j)(1), and 142.21(g) are appropriately changed in this final rule.

*Notice to Customs That Shipment Has Been Split—Proposed § 141.57(c)*

*Comment:* It is asked how the importer would know whether the carrier has informed Customs of a split shipment.

*Customs Response:* Under § 141.57(c), it is expressly the responsibility of the importer, not the carrier, to notify Customs that the importer's shipment has been split by the carrier. To this end, the adequacy of communication between the importer and the carrier is a private matter between those parties.

*Comment:* Proposed § 141.57(c) should be revised to simply require that the importer notify Customs of a split shipment prior to the filing of the entry summary, in recognition that the importer's knowledge of the circumstances may be limited or nonexistent.

*Customs Response:* Customs disagrees. Section 141.57(c) requires that notification be given as soon as the importer becomes aware that the shipment has been split, but that in all cases such notification must be made before the entry summary is filed. This requirement is specifically designed to give an importer maximum flexibility in informing Customs of the intention to file a single entry for a split shipment, in recognition of the fact that an importer may learn of a split shipment at different times.

*Comment:* Further details are requested concerning the form of the notification. It is asked whether an electronic message (e-mail) would be sufficient.

*Customs Response:* Section 141.57(c) requires that such notification be given to Customs in writing. To this end, Customs would prefer that the notice be written on the front of Customs Form (CF) 3461 or that notice be submitted in the form of a letter if an electronic CF 3461 is filed. The letter could also be faxed to the applicable port.

Customs is currently incapable of accepting e-mail at all ports. Provision for electronic notification will be made in the Automated Commercial Environment (ACE) system.

*Comment:* Under the current systems for handling split shipments employed at Los Angeles International Airport and at John F. Kennedy Airport in New