

Five Quick Facts About ATA Carnets

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On May 12, 2011, the U.S. Council for International Business announced that Mexico would begin accepting ATA Carnets, the so-called “merchandise passports” now accepted in eighty countries and customs territories. With the expansion of the system to the United States’ second largest export market and recent expansion of the system in Latin America, this is a good time for exporters to recall what benefits ATA Carnets do and do not provide.

1. The ATA Carnet streamlines the process of bringing goods into a participating country for demonstration or as samples for a limited period. It eliminates duties and value-added taxes (VAT), simplifies customs procedures by allowing a temporary exporter to use a single document for all customs transactions and make arrangements in advance, allows for unlimited entries/departures for up to one year, eliminates the need to register the goods with U.S. Customs at the time of departure, and eliminates the need to file an Electronic Export Information form (formerly, the Shipper’s Export Declaration) except for those exports that require an export license.
2. Carnets do not exempt the holders from obtaining any necessary licenses or permits. As a result, any goods that would be subject to an export license still require one.
3. The ATA Carnet can be used for most commercial samples, professional equipment, or goods for exhibitions and fairs. It cannot be used, however, for consumable or disposable goods (such as agricultural products or food), personal items, or giveaways.
4. Companies that need to take goods into a NAFTA country may not need to rely on the ATA Carnet system. NAFTA requires Canada, Mexico, and the United States to grant duty-free temporary admission to certain classes of goods imported from another NAFTA country. The goods need not originate from a NAFTA country to qualify for duty-free temporary admission.
5. There are negative consequences that occur if goods shipped under an ATA Carnet are sold. A penalty may apply, and a claims handling fee charged by the USCIB may also apply. Companies are encouraged by the USCIB to contact local customs offices if a good is sold, so that proper procedures can be followed. Some countries control such sales tightly, and in addition, certain paperwork must be maintained and should be forwarded to the USCIB for proper documentation. For more information on these provisions, the list of countries accepting ATA Carnets, or other information, please see the [website](#).