

U.S. Customs Update: What Importers Should Know About Bond Sufficiency and Importer Records

Recent U.S. Customs Changes and Considerations for Canadian Importers

As customs enforcement, tariff policies, and importer validation requirements continue to evolve, businesses importing goods into the United States should consider reviewing their customs compliance information and customs bond requirements.

Several recent U.S. Customs and Border Protection (CBP) initiatives are expected to increase scrutiny of importer records and may affect how importers maintain their ability to clear goods through U.S. Customs. While many of these changes will be managed through your customs broker and direct communication with CBP, importers should be aware of the potential operational impacts.

Review of Importer of Record (IOR) Information

CBP is expected to conduct reviews of importer information maintained through CBP Form 5106 and related importer records.

Importers should ensure that their information is accurate, current, and complete, including:

- Legal business name
- Mailing address
- Contact information
- Importer registration details
- Other information maintained with CBP

Businesses that have not imported recently, have outdated information on file, or have incomplete importer records may wish to consult with their customs broker regarding the status of their Importer of Record (IOR) information.

If importer records become inactive or require revalidation, customs clearance activities could be delayed until records are updated directly with CBP.



Increased Enforcement and Additional Importer Requirements

Canadian businesses importing into the United States may experience increased compliance requirements and additional scrutiny under evolving CBP enforcement initiatives.

Your customs broker is best positioned to provide guidance regarding specific CBP requirements and any compliance obligations that may apply to your organization.

Customs Bond Sufficiency Remains Critical

One of the most significant operational considerations for importers is the impact that increasing duties, taxes, and tariffs can have on customs bond utilization.

As tariffs increase, an importer's bond capacity may be consumed more quickly than anticipated. This can result in a customs bond becoming insufficient to support ongoing importing activity.

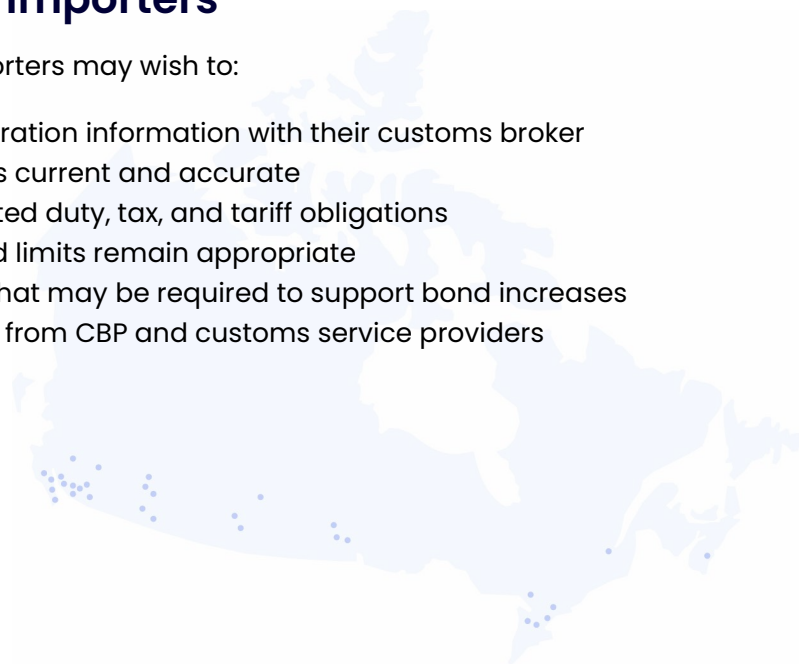
Importers should proactively monitor their importing activity, anticipated duties and taxes, and future shipment volumes to determine whether existing bond limits remain adequate.

Waiting until an insufficiency notice is issued may significantly reduce the time available to arrange an increase.

Recommended Actions for Importers

To help minimize potential disruptions, importers may wish to:

- Review importer records and CBP registration information with their customs broker
- Confirm business contact information is current and accurate
- Monitor importing activity and anticipated duty, tax, and tariff obligations
- Evaluate whether current customs bond limits remain appropriate
- Maintain current financial information that may be required to support bond increases
- Pay close attention to communications from CBP and customs service providers



How Axis Insurance Can Help

While customs compliance matters, importer registrations, and Importer of Record issues are administered directly by CBP and your customs broker, Axis Insurance can assist with customs bond-related requirements.

If changing tariff environments, increased import activity, or customs bond insufficiency concerns indicate that a higher bond limit may be required, our team can help facilitate the bond increase process and discuss available options.

We encourage clients to reach out as early as possible if they believe additional bond capacity may be needed, as proactive planning can help reduce the potential for operational disruption.

For guidance regarding importer registration, CBP compliance requirements, or customs clearance issues, clients should work directly with their customs broker and/or CBP.

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