

**SUBPART 225.9—CUSTOMS AND DUTIES**

*(Revised May 10, 2016)*

**225.900-70 Definition.**

“Component,” as used in this subpart, means any item supplied to the Government as part of an end product or of another component.

**225.901 Policy.**

Unless the supplies are entitled to duty-free treatment under a special category in the Harmonized Tariff Schedule of the United States (e.g., the Caribbean Basin Economic Recovery Act or a Free Trade Agreement), or unless the supplies already have entered into the customs territory of the United States and the contractor already has paid the duty, DoD will issue duty-free entry certificates for—

- (1) Qualifying country supplies (end products and components);
- (2) Eligible products (end products but not components) under contracts covered by the World Trade Organization Government Procurement Agreement or a Free Trade Agreement; and
- (3) Other foreign supplies for which the contractor estimates that duty will exceed \$300 per shipment into the customs territory of the United States.

**225.902 Procedures.**

Follow the entry and release procedures at [PGI 225.902](#).

**225.903 Exempted supplies.**

- (b)(i) For an explanation of the term “supplies,” see [PGI 225.903\(b\)\(i\)](#).
- (ii) The duty-free certificate shall be printed, stamped, or typed on the face of, or attached to, Customs Form 7501. A duly designated officer or civilian official of the appropriate department or agency shall execute the certificate in the format provided at [PGI 225.903\(b\)\(ii\)](#).