"Paperless" Master In-bond Program

Provides the description of the Master In-bond (MIB) program and MIB processing requirements.

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When an Automated Manifest System (AMS) participant submits a bill of lading indicating a conventional MIB, AMS authorizes the movement, transfers control to the In-bond system and closes the automated manifest records. The AMS participant receives no electronic notifications other than the authorization to move the cargo. Under the new "Paperless" MIB procedure, participants receive authorization for the movement, but the bill of lading record remains open in AMS. The CF-7512 document is eliminated for "Paperless" MIB and participants do not receive electronic release notifications until the entry is presented to Customs. Tracking of the movement is within AMS. The link with the In-bond system is discontinued when a bonded movement is under the "Paperless" MIB program.

The procedures for "Paperless" MIBs are incorporated in this publication for Immediate Transportation (I.T.) entries (entry type code 61), Transportation and Exportation (T&E) entries (entry type code 62) and Immediate Exportation (I/E) entries (entry type code 63) movements.

There are several significant changes to both the AMS participant procedures and input record formatting as a result of the "Paperless" MIB program. These changes include:

- The CF-7512 is not used with "Paperless" MIB movements.

- AMS participants will receive status notifications for all bills of lading under "Paperless" MIB procedures when the movement is (a) authorized, (b) arrived at the port of destination, and (c) upon presentation of the entry data.

- AMS participants using the ABI format transmit the "Paperless" MIB number in the paperless in-bond number data element (positions 50-60) of the In-bond (I01) record. Each AMS participant has a unique Customs assigned identifier code contained in the first three positions of the control number. The exact formula for determining the in-bond control number is contained in step 9 of this section. These numbers will be immediately identifiable as "Paperless" MIB control numbers.

- Customs will not open a "Paperless" MIB if the bill of lading is transmitted by a participant as a regular (conventional) bill. If a participant manifests a bill of lading as regular and wishes to change it to a "Paperless" MIB movement, the participant must delete the regular bill of lading and resubmit the bill with the correct information.

- AMS participants are required to perform the arrival at the port of in-bond destination. This is further explained in the Paperless In-bond and Conveyance Arrival (H01) record found in the "Paperless" In-bond and Conveyance Arrival Message chapter of this publication.

- There is an additional mandatory data element for all "Paperless" MIB movements on the In-bond (I01) record as follows:

  Bonded Carrier ID Number. This is the Importer number (IRS number) of the original bonded carrier. AMS participants in effect will be acting as agents for third parties by transmitting in-bond documentation. The carrier must have a

CF-301, Activity Code 2 on file at the local Customs office under that importer number. Approval to participate in the "paperless" (MIB) program must be obtained by the Office of Field Operations. One way the participant can do this, as described in Customs Directive 3240-33 dated January 7, 1988, is to obtain and file with Customs a suitable power of attorney. This data must be supplied to replace information formerly supplied on the CF-7512. Note that embedded hyphens ***must*** be transmitted on the automated manifest along with suffix. This number can be obtained from the party whose bond is being obligated.

- There are other conditional data elements on the Bill of Lading Transaction (B01) record as follows:

  If the participant is in the "Paperless" Master In-bond (MIB) program, the paperless MIB participant data element on the M01 record is *Y*. The master in-bond status indicator on the B01 record is *1*, and the in-bond entry type and in-bond port of destination are required.

- Amendments and/or edits performed for bills of lading transmitted prior to a carrier's participation in the "Paperless" MIB program must contain the same manifest data as the original manifest; that is, the Manifest (M01) record paperless MIB participant data element must not contain a *Y*.

- All "Paperless" MIB control numbers must be formatted. The valid format is:

  VXXNNNNNNNC

  VXX = A unique Customs-assigned alphanumeric code identifying the carrier. It will remain a constant for each carrier. With the expansion of participation in the paperless in-bond program, the double numeric identifiers have been exhausted. Currently, Customs is assigning identifiers with an alpha in the second position and a numeric in the third position.

  NNNNNNN = A 7-position number assigned by the carrier initiating the in-bond movement. It must be unique for a period of five years.

  C = A check digit based upon the preceding ten positions.

  The following formula and example are provided to show how to compute the check digit:

  For example:

  The carrier Customs-assigned unique identifier code is V76 and the carrier has assigned 0324527 as the seven-position sequence.

- Convert all positions containing alphabetic characters to the numeric equivalent prior to computing the check digit. The numeric equivalent for each alphabetic character is:

A=1	J=1	S=2
B=2	K=2	T=3
C=3	L=3	U=4
D=4	M=4	V=5
E=5	N=5	W=6
F=6	O=6	X=7
G=7	P=7	Y=8
H=8	Q=8	Z=9
I=9	R=9	

- Start with the unit's position and multiply every other position by 2. Essentially all odd positions will be multiplied by 2. *Note*: High order zeroes are a significant element in the computation process and must be included in the transaction number. If the result of the multiplication is greater than 9, add 1 to the unit's digit (right-most digit) of the result and disregard the ten's digit.

- Add the results.

  5 + 0 + 4 + 1 + 5 = 15

- Total all even positions starting with the position adjacent to the unit's position.

  2 + 4 + 3 + 6 + 5 = 20

- Add the sums from the preceding two-steps.

  15 + 20 = 35

- Subtract the unit's digit from 10. The result is the check digit.

  10 - 5 = 5

- Normally, the result of the arithmetic will be a single digit. In instances when the unit's digit (in the previous step) equals 0, the check digit will be 0.

  The resulting paperless in-bond control number (from the example) would be:

  V7603245275