



United States Department of State

Washington, D.C. 20520

March 23, 2022

NOTICE

New Policy regarding Bonded Warehouse

Foreign missions are informed of changes to the Department's policy regarding procedures for authorizing foreign missions and their members the privilege of tax- and duty-free purchasing at U.S. Customs and Border Protection (CBP)-approved bonded warehouse facilities in the United States.

The extension of this privilege is managed by the Department's Office of Foreign Missions (OFM). Information concerning OFM's Bonded Warehouse program is available at the Department's website (<https://www.state.gov/bonded-warehouse-program/>)

ELIGIBILITY

Certain foreign missions and their members enjoy tax- and duty-free privileges in accordance with Articles 34, 36, 37.1, and 37.2 of the Vienna Convention on Diplomatic Relations, and Articles 49.1, 50.1, and 50.2 of the Vienna Convention on Consular Relations, as well as other related multilateral and bilateral treaties, agreements, and reciprocity.

OFM's Bonded Warehouse program allows foreign missions and their members to obtain authorization to purchase certain tax- and duty-free merchandise from CBP-approved Bonded Warehouse facilities in the United States.

Requests are required to be of reasonable quantities. OFM reserves the right to impose quantitative restrictions on foreign missions or their members and will enforce reciprocity restrictions when applicable. OFM expects responsible senior officials of all foreign missions to screen requests for reasonableness of quantity and frequency of submission.

LIMITATIONS

To adequately protect the privileges associated with tax- and duty-free purchasing from bonded warehouse facilities in the United States from abuse, OFM will:

- only accept personal requests for approval of purchases from bonded warehouse facilities when such requests are consigned to a principal member of a foreign mission. Such requests cannot be comingled with other orders, including any identified for “store use.”
- not authorize the purchase of tobacco products that are intended for use or distribution at official parties and functions or as gifts.
- will reject requests for which the consignee is a dependent family member.

In accordance with Article 62 of the Vienna Convention on Consular Relations, honorary consular officers are not entitled to receive an exemption from taxes or duties imposed on the types of commodities sold by bonded warehouse vendors in the United States and are therefore not accorded this privilege.

PROCEDURES

Instructions and procedures for making both personal and official purchases through the Bonded Warehouse can be found on OFM’s website (<https://www.state.gov/wp-content/uploads/2021/11/2021-11-22-Bonded-Warehouse-Procedures-Instructions.pdf>). If the mission is eligible for this privilege, the eGov request is completed correctly, and the request is determined to be of a reasonable quantity, OFM will authorize the mission’s request to purchase the associated tax and duty-free merchandise.

There is now an order cancellation button in eGov. The ability to cancel orders in eGov is valid for 30 days from the time the order is approved by OFM.

Questions regarding the Bonded Warehouse program may be referred to OFM-Policy@state.gov.