

FOREIGN TRADE ZONE

Northwest Iowa Developers region of O'Brien, Lyon, Osceola, Sioux, and Plymouth & Cherokee Counties is a Foreign Trade Zone. This Economic Development organization received a grant of authority from the U.S. Foreign-Trade Zones Board under the U.S. Customs and Border Protection. This is the fourth foreign-trade zone established in Iowa and the first in a rural area of the state. Designation as a foreign-trade zone is expected to help attract investment and boost trade in the Region.

A foreign-trade zone is a designated location in the United States where companies can use special procedures that help encourage U.S. activity and value added - in competition with foreign alternatives - by allowing delayed or reduced duty payments on foreign merchandise, as well as other savings.

Foreign Trade Zones benefit the **public** by:

- facilitating and expediting international trade
- providing special customs procedures as a public service to help firms conduct international trade-related operations in competition with foreign plants
- encouraging and facilitating exports
- helping attract offshore activity
- encouraging retention of domestic activity
- assisting state and local economic development efforts
- helping create employment opportunities.

Foreign Trade Zones benefit the **users** by:

- eliminating duties on re-exports
- eliminating quota charges on re-exports
- deferring customs duties and federal excise taxes
- offering companies access to streamlined customs procedures
- offering exemption of foreign goods and domestic goods from state and local inventory taxes
- and other benefits

If you have questions about the Foreign Trade Zone designation or how your business can benefit, contact Dan Janssen (866) 384-2665 or janssendan708@gmail.com.