

For Our American Customers

Regarding Wine Traveling Across the Border

One liter (33.8 fl. oz.) of alcoholic beverages may be included in your exemption if:

- You are 21 years old.
- It is for your own use or as a gift.
- It does not violate the laws of the state in which you arrive.

Federal regulations allow you to bring back more than one liter of alcoholic beverage for personal use, but, as with extra tobacco, you will have to pay duty and Internal Revenue Service tax.

While Federal regulations do not specify a limit on the amount of alcohol you may bring back for personal use, unusual quantities are liable to raise suspicions that you are importing the alcohol for other purposes, such as for resale. CBP officers are authorized by the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) to make on-the-spot determinations that an importation is for commercial purposes, and may require you to obtain a permit to import the alcohol before releasing it to you. If you intend to bring back a substantial quantity of alcohol for your personal use, you should contact the port through which you will be re-entering the country, and make prior arrangements for entering the alcohol into the United States.

Also, you should be aware that state laws might limit the amount of alcohol you can bring in without a license. If you arrive in a state that has limitations on the amount of alcohol you may bring in without a license, that state law will be enforced by CBP, even though it may be more restrictive than federal regulations. We recommend that you check with the state government before you go abroad about their limitations on quantities allowed for personal importation and additional state taxes that might apply.

In brief, for both alcohol and tobacco, the quantities discussed in this booklet as being eligible for duty-free treatment may be included in your \$800 or \$1,600 exemption, just as any other purchase would be. But unlike other kinds of merchandise, amounts beyond those discussed here as being duty-free are taxed, even if you have not exceeded, or even met, your personal exemption. For example, if your exemption is \$800 and you bring back three liters of wine and nothing else, two of those liters will be dutiable. Federal law prohibits shipping alcoholic beverages by mail within the United States.

Determining Duty

The CBP officer will place the items that have the highest rate of duty under your exemption. Then, after subtracting your exemptions and the value of any duty-free items, a flat rate of duty will be charged on the next \$1,000 worth of merchandise. Any dollar amount beyond this \$1,000 will be dutiable at whatever duty rates apply. The flat rate of duty may only be used for items for your own use or for gifts. As with your exemption, you may use the flat rate provision only once every 30 days. Special flat rates of duty apply to items made and acquired in Canada or Mexico. The flat rate of duty applies to purchases whether the items accompany you or are shipped.

The following is an example of the different rates if you acquire goods valued at \$2,500 from various different places:

Country	Total declared value	Personal exemption (duty-free)	Flat duty rate	Various duty rates
U.S. insular possessions	\$3,500	\$1,600	\$1,000 at 1.5 percent	\$900
Caribbean Basin countries	\$3,500	\$800	\$1,000 at 3 percent	\$1,700
Other countries or locations	\$3,500	\$800	\$1,000 at 3 percent	\$1,700

The flat duty rate will be charged on items that are dutiable but that cannot be included in your personal exemption, even if you have not exceeded the exemption. The best example of this is liquor: if you return from Europe with \$200 worth of items, including two liters of liquor. One liter will be duty-free under your exemption; the other will be dutiable at 3 percent, plus any Internal Revenue Service tax.

Family members who live in the same household and return to the United States together can combine their items to take advantage of a combined flat duty rate, no matter which family member owns a given item. The combined value of merchandise subject to a flat duty rate for a family of four traveling together would be \$4,000.