



Why All the Requests From Exhibitors for Convention Center Tax ID Numbers?

by Michelle Bruno

International exhibition organizers—those with US-based shows and international exhibitor participants—have reported an uptick in the number of requests from exhibitors and/or their customs brokers for the convention center's federal employer identification number. Here's why.

The request stems from the information required by Customs and Border Protection (CBP) to import foreign goods (displays, equipment, giveaways, etc.) for trade shows. The import entries require, among other data, the federal employer identification numbers (FEIN) for two entities: the importer of record and the ultimate consignee.

The importer of record must be a U.S. company—the exhibitor's representative, US office or, in some cases, the custom broker—and the ultimate consignee must be the proprietor of the convention center or hotel where the trade show is held. It is important to note that there is no liability for duties, taxes or penalties for the ultimate consignee (venue). There is only liability for the importer of record.

Here's the problem: It is difficult to obtain the tax ID number from some venues, many of which are owned by

municipalities. In lieu of obtaining the ID number directly from the convention center or hotel, exhibitors or their broker representatives contact the show organizer for assistance.

The regulations requiring the venue identification numbers aren't new. The reason for the increase in recent requests is unclear. In general, however, the inquiries coming from exhibitors and/or their brokers may stem from a number of factors:

- The exhibitors are new to US exhibitions and unfamiliar with how or where to obtain the ultimate consignee ID numbers.
- There are more new international exhibitors in some shows.
- Some brokers aren't accustomed to handling exhibition shipments. The experienced exhibition brokers keep a master list of venue ID numbers.

In some cases, trade show organizers provide brokers with their own FEIN numbers when they have a relationship with them. A case can be made that the temporary occupation of the venue by the trade show organizer qualifies them as the ultimate consignee. Technically, however, the ultimate consignee (according to Customs regulations) should be the proprietor of the building.

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What the regulations say

The actual regulations were clarified in “Pipeline 01-07,” dated September 25, 2001 from U.S. Customs. The subject of the written update to Customhouse Brokers, Importers and Others Concerned was, “Guidelines for the Identification of the Ultimate Consignee at Time of Entry or Release.” CBP communicated a number of important pieces of information in the communiqué:

“The Ultimate Consignee at the time of entry or release is defined as the **party in the United States** to whom the overseas shipper **sold the imported merchandise**. If at the time of entry or release the imported merchandise has not been sold, the Ultimate Consignee at the time of entry or release is defined as the **party in the United States** to whom the overseas shipper **consigned the imported merchandise**. If the imported merchandise has not been sold or consigned to a U.S. party at the time of entry or release, then the Ultimate Consignee at the time of entry or release is defined as the **proprietor of the U.S. premises** to which the merchandise is to be delivered.

“For formal entries, the appropriate identification number [for the Ultimate Consignee] is defined as an Internal Revenue Service employer identification number [for a company], or a social security number [for an individual].”

“A Customs Broker may not be listed as the Ultimate Consignee unless they own the merchandise or there is no known U.S. buyer and the accompanying documentation shows the broker’s premises as the location to which the merchandise is to be delivered.”

“In instances where an unsold shipment is being delivered to a trade show and the importer of record is foreign, for Customs purposes the Ultimate Consignee is the proprietor of the trade show location.”

What organizers can do to help

International exhibition organizers can help exhibitors with this issue and it is in their best interests to do so. Without a FEIN number for the Ultimate Consignee, the shipments cannot be cleared. Here are a couple of suggestions:

1. Organizers can obtain the appropriate number in the course of contracting and paying for the space rental, and, in most cases already do so as a matter of procedure.
2. Exhibition producers should disclose to the venues that they intend to release the ID number to authorized exhibitors or their brokers when asked.
3. Organizers should provide venues with information from CBP or the show’s official customs broker that explains what the numbers are used for and that there is no liability from Customs associated with using the number for this purpose.

Contacting the venues in advance of the inevitable requests from international exhibitors can help streamline the importation process and decrease delays in getting shipments cleared through Customs in time for the show.



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