





An FTZ is an area within the United States, in or near a U.S. Customs port of entry, where foreign and domestic merchandise is considered outside of U.S. Customs territory. Certain types of merchandise can be imported into an FTZ without going through formal Customs entry procedures or paying import duties.

Even better: Customs duties and excise taxes are due only when the products are transferred out of the FTZ for U.S. consumption. If your merchandise never officially enters the U.S. then you don't pay duties or taxes on those items.

## Are You in the Zone?

Operating a site within FTZ #86 provides crucial savings and operational advantages to give you an edge in the global marketplace.

With an FTZ designation, U.S. Customs duties and excise taxes can be:

- Deferred until products leave the Zone for sale in the U.S.
- Eliminated for products that enter the Zone and are re-exported to foreign markets.
- Reduced if the duty rate on a finished product assembled in the Zone is less than that of foreign inputs.

#### Merchandise in the FTZ can be:

- Inventoried indefinitely, without paying duties until it leaves the site.
- Transported between FTZ sites without paying customs duties.
- Manipulated or destroyed on-site.

The savings add up. FTZ #86 helps cut through the red tape that otherwise adds to your cost of doing business in domestic and international markets. And operating in the Zone can reduce administrative and inventory costs.

## FTZ #86 is Your Competitive Advantage

Manufacturers, retailers and logistics companies have been enjoying the perks of FTZ #86 since 1983. Our FTZ offers several benefits including:



#### An expedited approval process

Our Alternative Site Framework status cuts down on time and paperwork required to apply for an FTZ site designation. Approval can be granted within 30 days.



#### Lower lease rates

Market rates for industrial and warehouse space near Port of Tacoma facilities are less than most major port markets in the region.



#### Convenient location

FTZ #86 is close to the ports of Tacoma and Seattle, and overlaps the Kent Valley, which boasts the second largest concentration of warehouse and distribution centers on the U.S. West Coast.



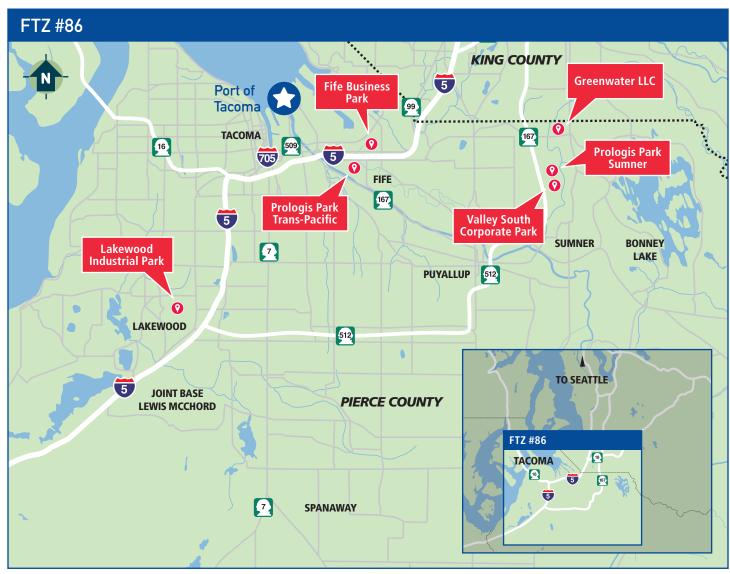
#### Customer focus

Knowledgeable and experienced port staff are ready to answer questions and help you navigate the FTZ application process.



#### **Options for** every company

You can designate your own site within FTZ #86, locate at one of the preexisting magnet sites within the Zone, or tap into our network of logistics companies that already have an FTZ designation.



# The Port of Tacoma: Your Strategic Partner

As a major gateway to Asia, we combine our strategic location with a focus on efficiency, reliability and customer service. In addition to being one of the nation's top 10 container ports, we are also a major center for bulk, breakbulk and automobiles.

And we've got room to grow. We have more than 2,700 acres of land available for shipping terminals, logistics and manufacturing activities. Our on-dock intermodal facilities, connections to two transcontinental railroads and easy access to Interstate 5 and major state highways make Tacoma an ideal location for warehouse, distribution and transload operations.

#### Our customers benefit from:



#### Big ship facilities

The Port of Tacoma features six deep-water container terminals (-51 ft. MLLW). Sailing times to Asia are one day shorter than from California ports.



#### Multiple ocean connections

14 international container carriers call at over 50 ports in Asia, Europe, Central and South America and Oceania.



#### Efficient rail service

Take advantage of our early fifth morning service via BNSF and UP railroads to key destinations in the Midwest and Ohio Valley. UP provides fast and convenient domestic service via the near-dock TacSim transfer facility. And short-haul rail service between Tacoma and Portland adds flexibility and service options.



#### Affordable real estate

We have over 2,700 acres of developed and undeveloped, industrial-zoned sites available for water-dependent and non-water dependent uses. Our lease rates are less than the regional average for prime property near Port facilities. And of course, we're home to FTZ #86, which accelerates the savings of businesses that locate here.



#### Access to logistics services

More than 20 transload and cross-dock facilities operate near Port terminals, most with rail-access. We are located within 20 minutes of the Kent Valley, the second highest concentration of warehouse and distribution centers on the U.S. West Coast.



#### A history of community support

The citizens of Pierce County and stakeholders have long supported the Port and our efforts to attract new business.

### For more information on FTZ #86, please contact.

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