

Distribution Center Example FTZ Savings: Apparel and Footwear Importer, 650,000 ft building, 2,500 Containers processed each year. High-bay building with racking. No Exports, no manufacturing, \$50 Million in Equipment Value inside building.

FTZ Benefits & Expenses By Type	Year 1	Year 2	Year 3	Year 4	Year 5	5-YEAR TOTAL
FTZ Benefits						
Re-Exports ¹	\$0	\$0	\$0	\$0	\$0	\$0
Reject, scrap, & military sales	8,400	9,240	10,164	11,180	12,298	51,283
One-time benefit ²	---					
Ongoing duty deferral	125,874	138,461	152,308	167,538	184,292	768,473
Property Tax Benefits	624,750	643,493	662,797	682,681	703,162	3,316,883
Merchandise Processing Fee savings	390,460	429,506	472,457	519,702	571,672	2,383,797
Total FTZ Benefits	\$1,149,484	\$1,220,700	\$1,297,725	\$1,381,102	\$1,471,425	\$6,520,436
FTZ-RELATED EXPENSES						
Internal FTZ Operation Expenses	\$135,000	\$139,050	\$143,222	\$147,518	\$151,944	\$716,733
Grantee fees	8,000	8,240	8,487	8,742	9,004	42,473
TOTAL FTZ-RELATED EXPENSES	\$143,000	\$147,290	\$151,709	\$156,260	\$160,948	\$759,206
NET FOREIGN-TRADE ZONE BENEFITS	\$1,006,484	\$1,073,410	\$1,146,017	\$1,224,842	\$1,310,477	\$5,761,230

Totals may vary, due to rounding.

¹Export benefits to Canada and/or Mexico subject to applicable free trade agreements.

Application and activation expense	\$75,000
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² One-time benefit available after 13 weeks	\$2,097,900
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