

identifier by the proprietor to distinguish it from all other inventory categories under FIFO. All of the merchandise in a given inventory category shall be physically placed so as to be segregated from merchandise under other inventory categories or merchandise accounted for under other inventory methods. The unique identifier shall be marked on the merchandise, its container, or the location where it is stored so as to clearly show the inventory category of each article under FIFO procedures. Merchandise covered by a given unique identifier may be stored in multiple locations within the warehouse if the proprietor's inventory control system specifically identifies all locations where merchandise for a specific unique identifier is stored and the quantity in each location. The proprietor must provide, upon request by a Customs officer, a record balance of goods, specifying the quantity in each storage location, covered by any warehouse entry, general order, seizure, or unique identifier so a physical count can be made to verify the accuracy of the record balance.

(iii) *Other alternative inventory methods.* Other alternative inventory systems may be used, if Customs approval is obtained. Importers or proprietors who wish to use an alternative inventory method other than FIFO must apply to Customs Headquarters, Office of Regulations and Rulings, for approval.

(9) *Miscellaneous responsibilities.* The proprietor is responsible for complying with requirements for transport to his warehouse, deposit, manipulation, manufacture, destruction, shortage or overage, inventory control and record-keeping systems, and other requirements as specified in this part.

[T.D. 97-19, 62 FR 15834, Apr. 3, 1997, as amended by T.D. 98-22, 63 FR 11825, Mar. 11, 1998; T.D. 98-56, 63 FR 32944, June 16, 1998]

§ 19.5 [Reserved]

§ 19.6 Deposits, withdrawals, blanket permits to withdraw and sealing requirements.

(a)(1) *Deposit in warehouse.* The port director may authorize the deposit of merchandise in designated bonded warehouses, without physical super-

vision by a Customs officer. Goods for which a warehouse or rewarehouse entry has been accepted, according to the procedures in part 144, subpart B, of this chapter, shall be examined or inspected at the place of unloading, bonded warehouse, or other location as ordered by the port director. When merchandise is deposited in a proprietor's warehouse or is accepted and received for by a proprietor or his agent for transport to the proprietor's warehouse, the proprietor will be responsible for the quantity and condition of merchandise reflected on entry documentation adjusted by (i) any allowance made under part 158, subparts A and B, of this chapter by the port director, and (ii) any discrepancy report made jointly on the appropriate cartage documents as set forth in §125.31 of this chapter by the warehouse proprietor and the bonded carrier or licensed cartman or lighterman delivering the goods to the warehouse, or an independent weigher, gauger, measurer, and signed by an authorized representative of the above within 15 calendar days after deposit. A copy of any joint report of discrepancy shall be made within five business days of agreement and provided to the port director on the appropriate cartage documents as set forth in §125.31 of this chapter. If the proprietor of the bonded warehouse transports the goods to the warehouse, no discrepancy report shall be necessary.

(2) *Allowance after deposit.* After merchandise has been deposited in the warehouse the proprietor's liability may be further modified by any adjustment for duties allowed by the port director for concealed shortages (i.e., §158.5(a)), casualty loss (i.e., part 158, subpart C), destruction (i.e., §158.43), or manipulation (i.e., §19.11, 19 U.S.C. 1562).

(b)(1) *Withdrawal and removal from warehouse.* The port director may authorize the withdrawal and removal of merchandise, without physical supervision or examination by a Customs officer under permit issued under the procedure set forth in §144.39 of this chapter. When a withdrawal or removal is not physically supervised by a Customs officer, the warehouse proprietor will be relieved of responsibility only