

Recently, U.S. Customs and Border Protection (CBP) officially updated the ACE CATAIR Error Dictionary and added a new error code:F865

F865 — HTS NOT ALLOWED FOR IMPORTER

Starting from June 2nd, if the HTS code does not match the importer's qualifications, the goods will be directly returned.

On May 18th, CBP released the CSMS #68674937 announcement: The ACE system has added the F865 error code. When the HTS tariff code declared by the importer does not match the registered qualifications, the system will automatically reject and return. The certification environment was launched on May 19th, and the production environment will officially take effect on June 2nd. This means that the interception logic of CBP has been officially upgraded from "backend inspection discovery" to "front-end system interception".

01 What Exactly Is F865 Checking

Over the past year, the most direct experience of US customs clearance practitioners has been that **inspections have become more frequent and stricter**. There have been more 5H code inspections and 9H code checks for people. The re-import rate has soared to 82%, and the additional cost per container often amounts to several thousand US dollars.

The CSMS announcement on May 18th, which seemed "technical" at first glance, actually signified a deeper transformation: **CBP is no longer content with "spotting and intercepting after the fact", but is moving its defense line forward to the declaration stage.**

Previously, the issue of HTS coding not matching the importer's qualifications might not be discovered until the 5H inspection or even the CBP audit. After June 2nd, **the ACE system will immediately perform the verification upon the submission of the**

declaration. If there is a mismatch, it will directly return to F865 and the declaration cannot even be entered into the system.

This is not an additional error code; rather, the compliance screening criteria set by CBP have tightened by one level.



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U.S. Customs and Border Protection
Securing America's Borders

S # 68674937 - Update to ACE CATAIR Error Dictionary: F865 HTS NOT ALLOWED FOR IMPORTER

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U.S. Customs and Border Protection

Cargo Systems Messaging Service

**CSMS # 68674937 - Update to ACE CATAIR Error Dictionary:
F865 HTS NOT ALLOWED FOR IMPORTER**

Please be advised that an updated version of the ACE CATAIR Error Dictionary V46 has been posted under Draft Chapters: Future Capabilities section on CBP.gov. This update includes the following:

- F865: HTS NOT ALLOWED FOR IMPORTER

One or more tariff numbers transmitted in the AE is not eligible for the submitted Importer of Record.

This update is scheduled to deploy in the CERTIFICATION (CERT) environment on May 19, 2026, and deploy to the PRODUCTION (PROD) environment on June 02, 2026.

For any technical questions regarding this update, please contact your assigned Client Representative.

Questions or concerns should be directed to Entry Summary Accounts & Revenue Division (ESAR) at esar@cbp.dhs.gov.

CBP Announcement

02 What exactly is F865 checking?

According to the original text of the CBP announcement, the triggering condition for F865 is:

"HTS NOT ALLOWED FOR IMPORTER" — One or more HTS (Harmonized Tariff Schedule) codes transmitted during the import declaration do not meet the qualification requirements for the submitted importer.

In simple terms: **You used a certain HTS code, but your importer credentials don't allow you to use this code.**

Typical scenarios include:

Scene 1: 232 Error: Encoding does not match IOR

Your product has obtained the Section 232 tariff exclusion exemption, but the IOR bound by the exclusion number does not match the actual importer you have declared. The CBP's FAQ has clearly stated: "IOR MISMATCH" will result in immediate rejection. Previously, it was only

discovered when the PSC made corrections, but now it is blocked at the declaration stage.

Scene 2: The pipe products do not have the corresponding qualifications.

Some products encoded with certain HTS codes require specific government agency approvals (such as the EPA, DOT, FDA, etc.). If the importer fails to register the corresponding qualification information in the ACE system, the declaration of such codes will be directly rejected by the system.

Scene 3: Chapter 99 - Contradiction between Supplementary Code and Main Code

The additional tariffs under Sections 301 and 232 are declared through the 9903 series codes in Chapter 99. If the logical relationship between the base HTS code and the 9903 additional code does not hold (for example, the base code is not on the 301 list but the 301 additional code is reported), the system will also intercept.

03 5H inspection, 9H personnel check, F865 code check:

Three lines of defense form a complete encirclement.

The changes in the US customs clearance process in 2026 are not a single event, but a series of combined measures. When looking at 5H, 9H and F865 together, the regulatory logic of the CBP becomes very clear:

The first line checks what to inspect and when to intercept and what the consequences are. For 5H, it is the authenticity of the declaration of goods upon arrival, followed by document review and storage for 7-30 days. For 9H, it is the validity of the importer's qualifications upon arrival, followed by system locking and inability to pick up the goods. For F865, it is the matching of HTS and IOR upon submission of the declaration, and immediate rejection and inability to declare.

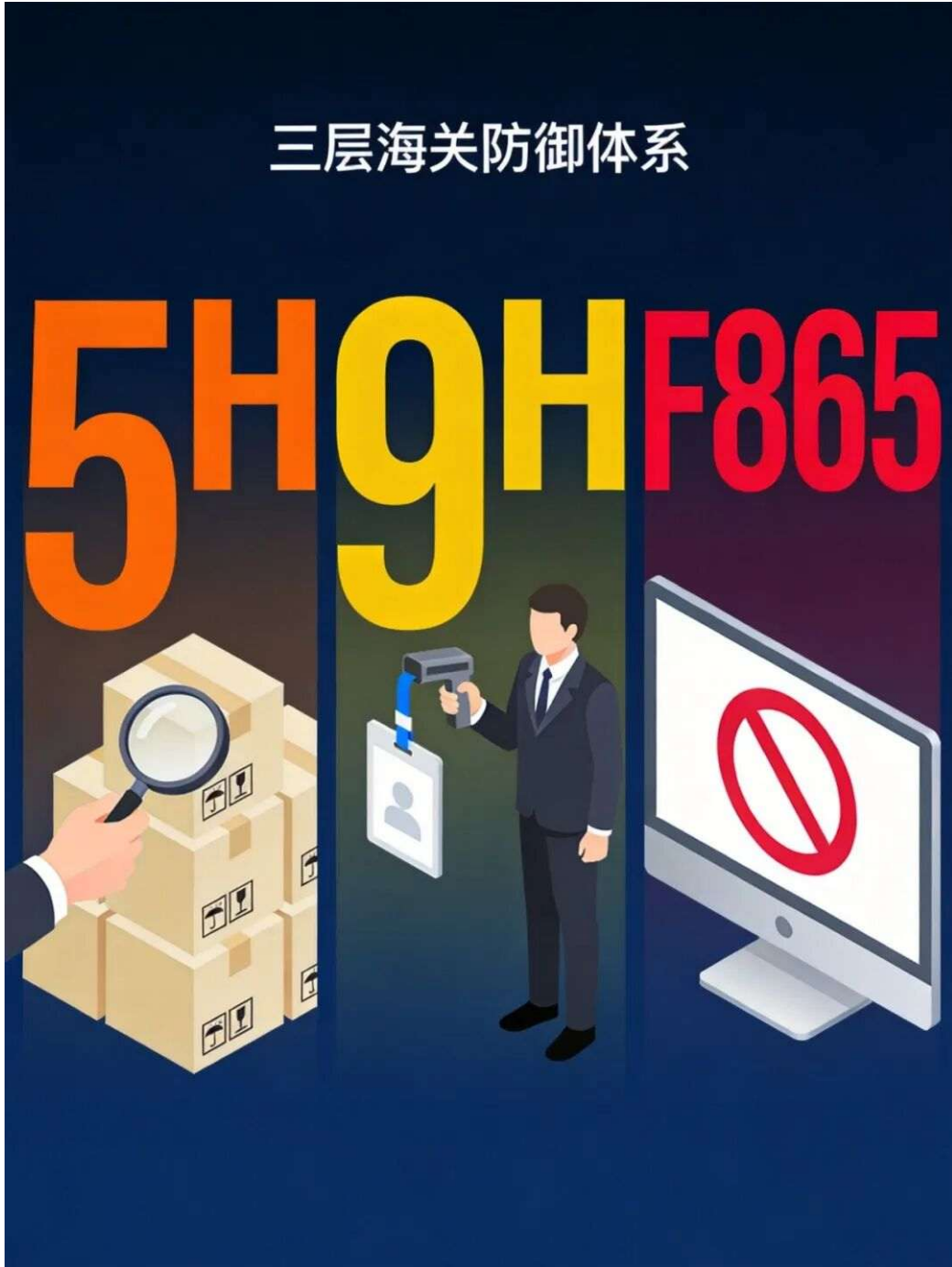
The interception time of the three lines of defense is getting earlier and earlier:

5H — The goods have arrived at the port. After reviewing the documents, we found some issues and have placed them in a holding area for further processing. There is room for remediation, but the cost of time is high.

9H — The goods have arrived at the port but have not been unpacked. The system is conducting cross-verification of the IOR qualifications in the background. If any issues are found, the goods will be directly stored in the lockers. There is less room for remedial measures.

F865 — 。 Even before the declaration was submitted, the system began checking the compatibility of the codes and qualifications at the entrance. If there was a mismatch, it would immediately pop back. **Before the goods even left, the problem had already emerged.**

三层海关防御体系



04 F865 Which scenarios are most likely to trigger F865?

Based on the law enforcement trends of CBP since 2026 and the feedback from industry practitioners, the following five scenarios are the high-risk areas for F865:

1. The exclusion number 232 does not match the IOR.

The exclusion number approved by the Ministry of Commerce was bound to a specific importer's EIN. When a different IOR was used for declaration, it was directly rejected. This has occurred frequently during the PSC correction stage - "IOR MISMATCH" - and is now appearing at the declaration stage.

2. The EPA/DOT pipe products do not have the necessary registration.

Products with codes such as 8418 (compressors/air conditioners) and 8708 (automotive parts) require EPA or DOT registration. Importers who fail to associate the corresponding qualifications in the ACE system will be rejected if they use these codes.

3. The 301 supplementary code contradicts the basic code logic

The basic HTS code is not on the 301 list, but the 301 additional tariff code of the 9903.88 series was declared. The system verification revealed a contradiction, and the F865 procedure was immediately initiated.

4. Exceeding authorization through shared encoding under the Bond system

Multiple sellers share the same Bond and IOR, but the product categories of different sellers vary greatly. If a certain seller uses HTS codes that are not covered by the IOR qualification, all the goods under this Bond may encounter problems.

5. Cross-impact of the CPSC eFiling mandatory electronic filing requirement (effective July 8th)

Starting from July 8th, the CPSC will enforce eFiling. Paper CPC/GCC certificates will no longer be accepted. For HTS codes related to children's products and consumer product safety, if the importer fails to complete the eFiling registration, it may also trigger system interceptions such as F865 or similar ones.

05 Five things that must be done by June 2nd

The "benefit" of F865 is that the problems are exposed during the declaration stage, giving you time to correct them - rather than discovering them after the goods have arrived at the port. The following 5 self-check items must be completed by June 2nd:

Verify the compatibility between the HTS classification and the IOR qualification

Check each of the commonly used HTS codes one by one to confirm whether your IOR is eligible for applying that code. Pay special attention to the 232 exclusion code, EPA/DOT pipe product code, and 301 additional code. If unsure, apply for a CBP pre-ruling (Binding Ruling) in advance.

Confirm that the 232 exclusion number is correctly bound to the IOR.

If you are using the Section 232 exclusion exemption, log in to the ACE system to confirm that the EIN bound to the exclusion number is consistent with the current IOR being used for the declaration. If they are not consistent, contact the Department of Commerce for an update (Steel232@bis.doc.gov / Aluminum232@bis.doc.gov).

In the ACE certification environment test, F865 verification was conducted.

Starting from May 19th, the F865 verification function has been launched in the certification environment. Those qualified customs brokers and importers can submit test data in the certification environment to identify potential encoding combinations that may trigger F865 in advance.

Establish a pre-shipment classification review + qualification comparison process

Before shipment, complete the HTS classification pre-review and check each item against the IOR qualification list. If the classification is uncertain, use the USITC website (hts.usitc.gov) to search or consult a professional customs affairs consultant. Don't just "get by with something close enough".

On July 8th, the CPSC eFiling process also needs to be prepared simultaneously.

F865 is just the first hurdle in June. Starting from July 8th, the CPSC will enforce mandatory electronic filing. The HTS codes of children's products and

consumer goods will face another layer of system interception. The two hurdles combined, the compliance pressure continues to escalate.

06 Final Note

From 5H to 9H, and then to F865, the regulatory direction of CBP has remained consistent: **to intercept problems at increasingly earlier stages.**

5H Inspection - Found upon arrival at the port that the handling cost was high but there was still room for improvement;

9H Personnel Check - Locked in the system upon arrival at the port, reducing the remedial space;

F865 Code Check - Directly rejected during the declaration stage, unable to even enter.

For importers and logistics professionals, the "advantage" of F865 is that **problems are identified before shipment, rather than after the goods arrive at the port.** You still have time to correct the classification, update the qualifications, and adjust the codes. But

the prerequisite is that you must conduct your own self-check by June 2nd.

In 2026, the only way for the US line is to **prioritize compliance and eliminate all problems.**