

NAFTA VERIFICATION OF ORIGIN
MEXICO

The North American Free Trade Agreement (NAFTA) provides the opportunity for U.S. textile producers to export goods to Canada and Mexico duty-free. In order to qualify for duty benefits, textiles and textile products must comply with the [rules of origin](#) that specify which textile inputs must come from the NAFTA region. The national customs authorities in each of the NAFTA partners (U.S., Canada, and Mexico) are responsible for ensuring that goods claiming duty preferences meet the NAFTA rules of origin. Mexico and Canada may conduct audits to verify that U.S. exporters are complying with the rules of origin of the Agreement.

Mexico's audits are conducted by the *Servicio de Administracion Tributaria (SAT)* - http://www.sat.gob.mx/verificacion_origen/index_en.html

The following are recommended ways to proceed should your company receive an audit letter from SAT:

1. Usually, SAT will send a letter and a 'NAFTA Verification of Origin Questionnaire' indicating that they are auditing your company to verify that textile shipments to Mexico for a given time period qualify for NAFTA preference treatment. Read the letter closely. If you have any questions, contact SAT immediately. There is usually a contact person listed at the end of the letter. If there is no contact person listed, or you have tried to contact the designated person without success, you should send an email with your question to the contact listed on the SAT site http://www.sat.gob.mx/verificacion_origen/contacts_en.html
2. If you have legal counsel, we recommend that you make them aware of the audit and your proceedings in answering SAT's request.
3. Make your customer(s)/importer(s) in Mexico aware of the fact that your company is being audited under the standard NAFTA verification procedures.
4. Complete the questionnaire and respond within the designated timeframe of **30 calendar days**. If you need more time, request an extension from SAT. In some cases, SAT will grant extensions. Again, if you think that you will need extra time, or have other doubts, contact SAT in advance, as soon as you can.
5. Keep detailed records of all your communication with SAT, including phone calls, email messages, letters etc.