

# PUBLICATION

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## New Opportunities in Cuba for U.S. Travel and Medical Companies – Cigars but not Commerce

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After President Obama's announcement that his Administration will pursue a policy aimed at improving U.S.-Cuba diplomatic relations and ultimately eliminating the economic embargo on Cuba, the U.S. Treasury and Commerce Departments took the first step towards lowering barriers to trade with Cuba by amending existing sanctions regulations. The changes to the Cuban Assets Control Regulations (31 C.F.R. §515) and Export Administration Regulations (15 C.F.R. §§730-774) went into effect on January 16, 2015 and include a number of amendments that open up doors for trade and investment in Cuba, particularly for U.S. companies in the travel and medical industries. Below is a list of dos and don'ts for transactions involving Cuba and Cuban nationals to help your company determine how to take advantage of these recent developments responsibly and effectively. Whether Congress acts to inhibit or roll back these foreign policy changes remains a question at this time.

### Now Permitted:

- U.S. companies can export and sell certain communications devices, related services, building materials, equipment, tools for use by the private sector to construct or renovate privately-owned buildings and tools and equipment for private agricultural activity under new license exception SCP (Support for the Cuban People). License exception CCD (Consumer Communication Devices) has been expanded to include certain personal computers, mobile phones and consumer software.
- With proper agency approval, U.S. companies can potentially export items related to environmental protection. This includes energy efficient items.
- Airlines and travel agents can engage in transactions incident to approved travel to Cuba without a specific license from the Treasury's Office of Foreign Assets Control.
- Certain U.S. persons can travel to Cuba without a specific license. This change applies to individuals who would have been authorized to travel to Cuba under one of the 12 preexisting categories, including journalistic activity; professional research; educational activities; religious activities; public performances; and athletic and other competitions.
- U.S. travelers can spend an unlimited amount on expenses incident to travel to Cuba and can also use credit and debit cards while in Cuba.
- U.S. travelers can take \$10,000 of family remittances with them to Cuba.
- U.S. travelers can bring \$400 of goods back to the U.S. from Cuba. This includes up to \$100 of tobacco or alcohol products. Note: Cigar smokers can't order Cuban cigars or liquor online just yet. You must be a traveler authorized to visit Cuba and adhere to the \$100 per visit limitation.

- Insurers can provide health, travel and life insurance to U.S. travelers and third-country nationals who travel to Cuba.

**Still Not Permitted:**

- U.S. persons still cannot export or import items to or from Cuba for commercial purposes absent an applicable license or license exception.
- U.S. persons still cannot transact with Cuban entities absent an applicable license or license exception.

If you have any questions or want to discuss how this could impact your business, contact an author of this alert. [Click here](#) to learn more about the Firm's Global Business Team.