

US Section 301 and 232 Duties

Many of our clients have asked us for more information regarding the US Section 301 and 232 tariffs. Below is a brief description of these duties, links to more information, and links to data sheets detailing the affected HTS codes. Updated 05/20/2019

Section 301

The "Section 301" tariffs are additional duties against products from China. These duties were originally implemented in July of 2018 against a list of HTS codes representing \$34 billion worth of goods from China. Over the following several months, the USTR implemented three more sets of duty increases for additional HTS codes. Detailed history and explanation can be found at the US CBP site linked below:

<https://www.cbp.gov/trade/programs-administration/entry-summary/section-301-trade-remedies>

The list of the 4 groups of HTS codes that are affected are detailed by CBP at the link below:

https://www.cbp.gov/sites/default/files/assets/documents/2018-Oct/Section301_HTSUS_Ref-Guide_Oct2-2018.pdf

The following links will open Excel spreadsheets detailing the affected HTS Codes with penalty duties:

<https://syslp.customsinfo.com/Sections/Home/Download/Sec301-99038801.xlsx>

<https://syslp.customsinfo.com/Sections/Home/Download/Sec301-99038802.xlsx>

<https://syslp.customsinfo.com/Sections/Home/Download/Sec301-99038803.xlsx>

<https://syslp.customsinfo.com/Sections/Home/Download/Sec301-99038804.xlsx>

*Any future additions or changes that may be published by the US to these penalties will be updated in the excel files linked here.

(On May 9th 2019, the penalties for the products in 9903.88.03 and 9903.88.04 were raised to 25% from 10%)

Subsequently, the US has also published 5 groups of products that are listed in the "first tranche" under 9903.88.01 that are exempted from the additional duty. The related FR Alerts for those 5 exemption lists are linked below:

9903.88.05: <https://www.govinfo.gov/content/pkg/FR-2018-12-28/pdf/2018-28277.pdf>

9903.88.06: https://ustr.gov/sites/default/files/enforcement/301Investigations/84_FR_11152.pdf

9903.88.07: <https://www.govinfo.gov/content/pkg/FR-2019-04-18/pdf/2019-07758.pdf>

9903.88.08: https://ustr.gov/sites/default/files/enforcement/301Investigations/Notice_of_Product_Exclusions_05.09.19.pdf

When the penalty was raised to 25% from 10%, a special exemption was created for goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on May 10, 2019, and before June 1, 2019, and exported to the United States before May 10, 2019. For these goods the code 9903.88.09 can be used to keep the penalty at the original 10%.

All of the above information on the exemptions can also be validated or seen in the US Tariff in Chapter 99. See the link below:

<https://hts.usitc.gov/view/Chapter%2099?release=2019HTSARev5>

The following links will open Excel spreadsheets detailing the affected HTS Codes that are exempt from the penalty duty rates:

<https://syslp.customsinfo.com/Sections/Home/Download/Sec301-99038805-Exemptions.xlsx>

<https://syslp.customsinfo.com/Sections/Home/Download/Sec301-99038806-Exemptions.xlsx>

<https://syslp.customsinfo.com/Sections/Home/Download/Sec301-99038807-Exemptions.xlsx>

<https://syslp.customsinfo.com/Sections/Home/Download/Sec301-99038808-Exemptions.xlsx>

*Any future additions or changes that may be published by the US to these exemptions will be updated in the excel files linked here.

Section 232

The "Section 232" tariffs are additional duties on steel and aluminum products from all over the world with a few exceptions. These duties initially went into effect in March of 2018 with several subsequent proclamations added over the following months. For more details, please see the US CBP page linked below:

<https://www.cbp.gov/trade/programs-administration/entry-summary/232-tariffs-aluminum-and-steel>

The following link will open an Excel spreadsheet detailing the affected HTS Codes:

<https://syslp.customsinfo.com/Sections/Home/Download/Sec232-SteelAlum.xlsx>

*Any future additions or changes that may be published by the US to codes affected under Section 232 will be updated in the Excel file linked here.

Please note that the US has not published a definitive list of codes affected under the Section 232 tariffs.

Rather, the agencies have simply posted proclamations describing the steel and aluminium products affected under a range of HTS headings. We have therefore compiled a list that adheres as closely as possible to the specifications they have given. For more information, you can also refer to the links below:

- <https://www.cbp.gov/trade/programs-administration/entry-summary/232-tariffs-aluminum-and-steel/faqs>
- <https://www.whitehouse.gov/presidential-actions/presidential-proclamation-adjusting-imports-steel-united-states/>

The Section 232 penalties are listed under HS codes 9903.80.01 and 9903.80.02.

- Goods entered for consumption, or withdrawn from warehouse for consumption before 12:01 a.m. eastern daylight time on May 21, 2019, shall be filed using the 9903.80.02 special provision for 50% ad valorem duty rate for products of iron and steel from Turkey.
- Goods entered for consumption, or withdrawn from warehouse for consumption on or after 12:01 a.m. eastern daylight time on May 21, 2019, shall be filed using the 9903.80.01 special provision for 25% ad valorem duty rate for products of iron and steel from all countries (including Turkey) except Argentina, Australia, Brazil, Canada, Mexico and South Korea.