



CSMS# 18-000752 - UPDATE-Change in Effective Date of Duty Increase of Goods Subject to Section 301 Duties

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BACKGROUND:

On September 21, 2018, the U.S. Trade Representative's Office published a Notice of Modification of Action in the Section 301 investigation providing for the imposition of additional import duties on over 5,700 full and partial eight-digit subheadings of the Harmonized Tariff Schedule of the United States (HTSUS) on goods imported from the People's Republic of China (China). See Federal Register 83 FR 47974. The September 21, 2018 list of products can be found in Annex A to the USTR's September 21, 2018 Notice, and was amended on September 28, 2018 (83 FR 49153).

The rate of additional duties was initially 10 percent. Those additional duties were effective starting on September 24, 2018, and are currently in effect. Under Annex B of the September 21 notice, the rate of additional duty was set to increase to 25 percent on January 1, 2019.

On December 19, 2018, USTR published a Federal Register notice changing the effective date of the duty increase to March 2, 2019. See Federal Register 83 FR 65198, December 19, 2018.

GUIDANCE:

The increase in additional import duties for Chinese goods covered by the September 21, 2018 Federal Register notice, as amended, is now effective on March 2, 2019. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on March 2, 2019, the rate of additional duties on imported articles classified in a subheading covered by the September 21, 2018 Federal Register notice, as amended, will be 25% ad valorem.

The Section 301 duties currently only apply to products of China, and are based on the country of origin, not country of export.