



# CARGO SERVICES INC.

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## Section 301 (Tranche 3) Duties

### Flow Chart

(05/13/2019)

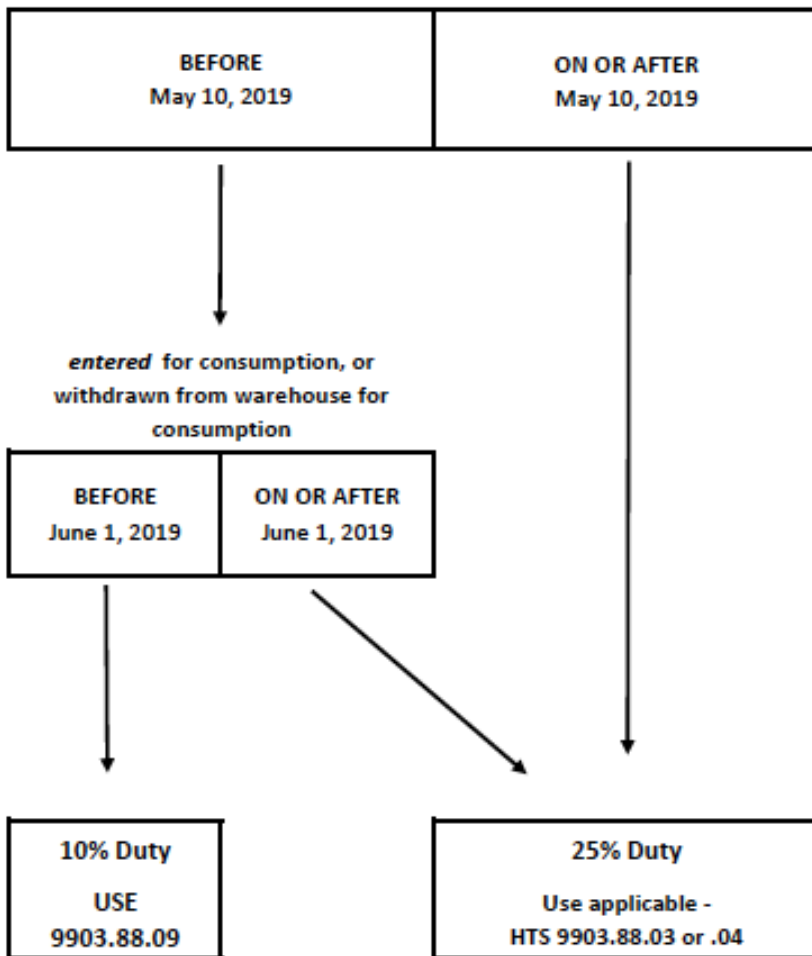
\*May 10th duty increase only affects items under 9903.88.03 and 9903.88.04

\*List 1 - 9903.88.01 and List 2 - 9903.88.02 remain 25%

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

List 3 (9903.88.03 & 9903.88.04) Goods that are entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern daylight time on May 10, 2019,

#### *export date to* the United States



CSMS #19-000238 Title: UPDATE- Section 301 (Tranche 3) Duties as of May 10, 2019

Date: 5/10/2019 7:55:57 AM

To: Automated Broker Interface, ACE Portal Accounts, ACE Reports, New ACE Programming, Partner Government Agencies, Trade Policy Updates, Truck Manifest

Related: 19-000236, 19-000095, 18-000757

**BACKGROUND:**

On August 18, 2017, the Office of the United States Trade Representative (USTR) initiated an investigation under Section 301 of the Trade Act of 1974 into the government of China's acts, policies, and practices related to technology transfer, intellectual property, and innovation. On June 20, 2018, the USTR published a Notice of Action and Request for Public Comment Concerning Proposed Determination of Action Pursuant to Section 301(83 Federal Register (FR) 28710), imposing additional import duties on a list of Chinese products. On August 16, 2018, the USTR published a Notice of Action (83 FR 40823) providing for the imposition of additional import duties on a second list of Chinese Products.

On September 21, 2018, the USTR published a Notice of Modification of Action in the Section 301(83 FR 47974) 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). 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 and the duties were effective starting on September 24, 2018. The duty rate on these imports was originally scheduled to increase to 25 percent, but the increase was subsequently postponed.

On May 9, 2019, USTR published a Notice of Modification of Action (84 FR 20459) in the Section 301 investigation increasing the duty rate to 25 percent on imports from China on the over 5,700 full and partial eight-digit subheadings of the HTSUS listed in Annex A to the USTR's September 21, 2018 Notice, as amended. USTR will also shortly publish a Federal Register Notice announcing the duty rate for such imports exported before May 10, 2019.

**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 May 10, 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 May 10, 2019, and exported to the United States on or after May 10, 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 percent ad valorem.

For subject 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 exported to the United States on or after May 10, 2019, report the following HTS numbers and duty rates:

HTS: 9903.88.03 and 9903.88.04

Duty Rate: 25 percent

For subject 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, report the following HTS number and duty rate:

HTS: 9903.88.09

Duty Rate: 10 percent

The subject imports of China that are entered into the United States on or after June 1, 2019 are subject to the 25 percent rate of additional duty under HTS 9903.88.03 and 9903.88.04.

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