


CSMS #19-000236

Title: UPDATE-Change in Effective Date of Duty Increase of Section 301 (Tranche 3) Duties

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

 Related: [18-000757](#), [18-000621](#), [19-000095](#)

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 49794) 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, the 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.

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 Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on May 10, 2019, and exported to the United States on or after May 10, 2019, the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 | Duty Rate |
|---------------------------|------------|
| 9903.88.03 and 9903.88.04 | 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 exported to the United States before May 10, 2019, the 10 percent duty rate will still apply. CBP is working with USTR on additional guidance on the entry filing requirements for these imports.

In the meantime, for goods entered on or after May 10, 2019, importers can pay the 25 percent duty and file a Post Summary Correction when filing instructions are available for the 10 percent duty. Alternatively, importers can delay filing their entry summary within the standard ten-day entry summary filing period until additional filing instructions are available for the 10 percent duty.

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

FOR FURTHER INFORMATION:

For further information, please refer to the USTR's web site at USTR.gov and the Federal Register for official announcements on this matter.

Questions related to Section 301 entry filing requirements should be emailed to traderemedy@cbp.dhs.gov. Questions from the importing community concerning ACE rejections should be referred to their Client Representative.