



NEWS IN BRIEF

China Cuts Tariff Rates for Over 700 HTS Numbers

As a part of the negotiation with China to resolving the Section 301 additional duties and to open its domestic market with more international opportunities, China has reduced the duty rates on over 700 HTS numbers. These reductions went into effect on January 1, 2019. China has published a [list of the HTS numbers affected](#) and, though the language is in Chinese, the HTS numbers and the duty rate changes are easily identified.

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CBP Requiring AED on All Postal Shipments from China

U.S. Customs and Border Protection (CBP) is requiring advance electronic data on all mail shipments from China, Hong Kong and Macau as of January 1, 2019. Carriers, both air and ocean, will confirm with China Postal officials that the advance data has been filed before loading the mail on their conveyance. The Synthetics Trafficking and Overdose Prevention (STOP) Act, signed into law in October of 2018, requires Advance Electronic Data (AED) on all postal shipments from China in 2019 and from the rest of the world by 2020. Early enforcement will begin by not penalizing carriers for having mail this does not have 100% AED, but will move to full enforcement shortly.

CBP issued a Cargo Systems Messaging Service (CSMS) message on the action that can be found on [CBP's website](#).

ITC Furloughed, No Updates to HTSUS

The United States International Trade Commission (ITC) maintains the Harmonized Tariff Schedules of the United States (HTSUS). Many persons that classify products for import no longer need the hard copy version of the HTSUS when the ITC version on its website is so easy to pull up. The ITC posts changes as soon as they are available.

Under the government shutdown, the ITC is one of the agencies that is completely furloughed. The HTSUS that is currently on the ITC website is the 2015 with multiple revisions that bring it up to 2018. It can be viewed at the [ITC's website](#). The HTSUS has not been updated for the 2019 changes and will not be updated until the shutdown is over.

Section 301 Exclusions Cannot be Applied to Entries or Refunds Yet!

Last week we sent out a special memo about the Office of the United States Trade Representative's (USTR) approved exclusions from list one of the Section 301 China Tariffs. While the exclusions are in effect, the filing of entries citing the exclusion and not paying the 25% additional duty cannot be done.

The changes to the affected HTS numbers must be programmed in ACE for the entries to be accepted. Unfortunately, this announcement came out after the start of the government shutdown and the programmers that handle the HTSUS in ACE have been furloughed. This means that filing of entries under the approved exclusions will not be allowed until after the shutdown is over. CBP will not be able to accept Post Summary Corrections either, since the correction requires retransmission even after the shutdown is over. CBP has said it will take up to 10 days after the programmers are back to finish the programming. However, the exclusions are retroactive to the first day that the 25% additional duty was required and refunds can still be requested when the programming is completed.

The USTR is still reviewing request for exclusions from list two and has not published instructions for requests of exclusion from list three.

By **Todd Boice**, President

will be working. This includes U.S. Customs and Border Protection (CBP) officers that process passengers and cargo, man Radiation Portal Monitors (RPM's), and other important commercial services.

Christmas Eve and the Government

This year, Christmas will fall on a Tuesday. U.S. Customs and Border Protection (CBP) employees are usually allowed to go home very early on Christmas Eve. The expense of opening up all systems on the Monday after a weekend before Christmas and then closing down so early has usually outweighed the value of opening for just the half day. Traditionally, many past Presidents have closed the Monday before Christmas and declared a national holiday. Do not be surprised by a last-minute announcement if the government is not shutdown on December 21.



By **Todd Boice**, President