

MEMO TO CLIENTS ISSUE 19-010 • July 10, 2019

NEWS IN BRIEF

2019 Trade Symposium: Dinner with Carmichael

Will you be in attendance at this year's <u>U.S. Customs and Border Protection</u> <u>Trade Symposium</u> in Chicago? If so, Carmichael International Service is hosting a dinner for clients and we're hoping you can join us!

Daniel Meylor, Manager, Customs Administration; Danielle Brown, Director, Key Account Management; and Todd Boice, President, will be in attendance and would love to see you there.

If you are interested in joining Carmichael for dinner or if you would like more information about the dinner, please contact Danielle Brown (<u>danielleb@carmnet.com</u>). We look forward to hearing from you!

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Proposed Section 301 Tranche 4 Still on Hold

At the start of new negotiations with China, President Trump stated that he would not request the Office of the United States Trade Representative (USTR) to start any new Section 301 duties while China and the United States continue their negotiations. Since then there has been no formal announcement from either President Trump or from the USTR, but we do expect the Tranche 4 list to be withheld while the negotiations continue.

We will watch closely for any new notices.

USTR Publishes Additional List of Proposed HTS Numbers for EU Retaliatory Duties

The Office of the United States Trade Representative (USTR) has issued a Federal Register Notice (FRN) announcing the proposed list of additional products which would be subject to additional duties for goods made in the European Union (EU). These additional duties are in connection with the enforcement of the World Trade Organization (WTO) decision in favor of the United States in its disputes with the EU over subsidies provided for civil aircraft. The proposed additional duties could be up to 100% of the entered value of the goods.

The FRN contains a proposed list of 89 additional items to be included to the original list which was published on April 12, 2019. The USTR is requesting comments on this proposed list and issues instructions on how to submit comments in the FRN. There will also be a hearing on August 5 regarding the new list. Applications to participate in the hearing must be filed by July 24.

The new FRN issued on Friday can be found on the <u>U.S. Government Publishing Office's website</u>. The FRN with the original list from April 12 can be found on the <u>USTR website</u>.

USTR Announces Sixth Set of Tranche 1 Exclusions

The Office of the United States Trade Representative (USTR) has issued a Federal Register Notice (FRN) to announce additional exclusions to the first list (Tranche 1) of Section 301 duties assessed on China goods. This new set of exclusions does not have any blanket HTS numbers. It lists very specific goods that fall under some HTS numbers.

The FRN with this list can be found on the <u>U.S.</u> <u>Government Publishing Office's website</u>.

PierPASS Fees Will be Increased

The West Coast Marine Terminal Operators Agreement (WCMTOA) has announced a new increase to the Traffic Mitigation Fees (TMF) charged at the Ports of Los Angeles and Long Beach. Beginning August 1, the new TMF go up from \$31.52 to \$32.12 for each TEU (twenty-foot equivalent unit) and up from \$63.04 to \$64.24 for each FEU (forty-foot equivalent unit) or any other size container. According to PierPASS this adjustment matches the 1.9% increase in Longshoreman wages and assessment rates that went go into effect on June 29.

The PierPASS TMF is assessed to help offset the cost of operation for extended gate hours on most nights and on Saturdays. The TMF is charged to containers moving off and on the terminals in the two ports. The TMF is not charged to containers moving by rail on the Alameda Corridor or for empty containers, empty chassis, or bobtails.

More information about PierPASS and the increased fees can be found on the <u>PierPASS</u> website.

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By Todd Boice, President

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