

MEMO TO CLIENTS ISSUE 21-003 • April 5, 2021

NEWS IN BRIEF

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USTR Proposes Section 301 duties for Imports from 6 Countries

The Office of the U.S. Trade Representative (USTR) has proposed new Section 301 duties on six countries in response to increases in Digital Service Taxes (DSTs). Each of the six countries, Austria, India, Italy, Spain, Turkey, and United Kingdom has had a separate Federal Register Notice (FRN) issued with 30 duties for different products for each country. The FRN's are for proposed section 301 duties that range up to 25%. The USTR is requesting comments that will be due by April 30, 2021. You can click the links for the FRN for each country below:

<u>Austria</u> – <u>India</u> – <u>Italy</u> – <u>Spain</u> – <u>Turkey</u> – <u>United</u> <u>Kingdom</u>

USTR Tia Addresses China Tariffs

The new U.S. Trade Representative (USTR) Katherine Tia addressed China tariffs in her first interview since taking office. She acknowledged that she has heard from many stakeholders about how the additional tariffs are damaging the economy; however, she is not inclined to remove them without concessions from China.

USTR Suspends Trade Engagement Agreement with Burma

In response to the violence in Burma being inflicted on civilians during the military coup, the office of the U.S. Trade Representative (USTR) has suspended the 2013 Trade and Investment Framework Agreement (TIFA) with Burma. The TIFA is an agreement to cooperate to support economic reforms and investment along with assistance with integration into the global trading system. The USTR said that this suspension will remain in effect until the return of a democratically elected government. The suspension of this agreement does affect regular trade with Burma and there are no additional duties planned to be assessed. The USTR notice can be found by clicking <u>here</u>.

<u>New Data Elements for CBMA Claim</u> <u>Submissions on Entries in ACE</u> <u>Through ABI</u>

U.S. Customs and Border Protection (CBP) is turning on the new program for filing for reduced IRS taxes for wine and spirits as allowed under the Craft Beverage Modernization and Tax Reform Act (CBMA). In the past, all CBMA claims were filed and tracked using a series of spreadsheets that were attached to the entry that was transmitted. As of Tuesday April 6, 2021, CBP's new programs will allow data elements to be input to make the acceptance of the lower rates be complete and more accurate. The data elements will be required to make any claim for reduced IRS taxes on wine and spirits under CBMA.

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By Todd Boice, President

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