

USTR has Finalized the Proposed 301 Duty Increase Announced in May

The Office of the U.S. Trade Representative has released its decisions on its review of 301 tariffs it had announced in a Federal Register Notice (FRN) from May 28. It had postponed this decision from August 1. Most of the proposed modifications remain intact. The advance FRN with all the details and be found at: [https://ustr.gov/sites/default/files/Section%20301%20Modifications%20Determination%20FRN%20\(Sept%2012%2024\)%20\(FINAL\).pdf](https://ustr.gov/sites/default/files/Section%20301%20Modifications%20Determination%20FRN%20(Sept%2012%2024)%20(FINAL).pdf)

It includes 5 Annexes with instructions. Annex A has 382 HTSUS numbers with the increased amounts and the year that the increase will take place. Annex B has 14 temporary exclusions for solar manufacturing equipment. Annex C has the changes to the HTSUS numbers for Chapter 99 and the HTS numbers they apply to. Annex D has the instructions for Ship to Shore cranes ordered before May 14, 2024, and the certification for qualification for entries of the cranes. Annex E is the list of HTSUS numbers of machinery eligible for the exclusion process.

The effective date for 2024 changes will be September 27. Changes to be made in 2026 and 2027 will be effective on January 1 of those years. The machinery exclusion process is expected to be issued soon.

Changes on De minimis Rules are Coming

The Biden Administration has issued executive actions to deal with abuses on the use of de minimis exemption rules in ecommerce. Also known as Section 321, the de minimis exemption allows for release without duty for shipments under \$800.00. A person may receive shipments with an aggregate value of \$800.00 per day. There are over 4 million packages of low value arriving every day and abuses of the system have been found including trademark violations, avoidance of antidumping and countervailing duties, importation of illicit drugs and drug precursors, and shipments made with forced labor. The executive action help ease the load of shipments and help with enforcement to protect the United States safety and will help protect American businesses and workers from unfair competition.

The executive order will call for the exclusion of trade sensitive goods such as wearing apparel and textiles. Goods subject to Section 301, Section 201 and Section 232 trade enforcement actions will also be excluded. The executive orders instruct that those regulations be issued to accomplish these goals. The Biden Administration has issued a fact sheet about the orders and U.S. Customs and Border Protection has published a summary of the goals of the Department of Homeland Security.

Below are links to both documents:

<https://www.whitehouse.gov/briefing-room/statements-releases/2024/09/13/fact-sheet-biden-harris-administration-announces-new-actions-to-protect-american-consumers-workers-and-businesses-by-cracking-down-on-de-minimis-shipments-with-unsafe-unfairly-traded-products>

[DHS Workforce on the Frontlines of Biden-Harris Administration's New Executive Actions to Address Surge in De Minimis Shipments and Protect American Consumers, Workers, and Businesses | U.S. Customs and Border Protection \(cbp.gov\)](#)



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