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Trump Administration Announces First Group of Product Exclusions for Section 301 List 3

8.7.2019

As noted in an earlier Butzel Long Client Alert on June 21, 2019, the Administration had made available an exclusion process for Section 301 List 3, effective June 30, 2019, and open until September 30, 2019. The Client Alert outlined the new exclusion process and provided more detailed information required including a new submission form.

In an unexpected action barely five weeks into the period, the Administration has announced today in a Federal Register notice, a list of products granted exclusions. Although the list is short and includes only one automotive industry product, it is an encouraging sign that the administration is moving rapidly to process these exclusion requests. In the past, Section 301 tranches 1 and 2, which are now closed for new exclusions requests, there were often criticisms by importers and others that the process to grant exclusions was too slow. Concerns in Congress and threatened legislation to limit the President's tariff authority may have had a positive effect.

Today's Federal Register notice indicated that,

"The product exclusions announced in this notice will apply as of the September 24, 2018, effective date of the \$200 billion action, and will extend for one year after the publication of this notice. U.S. Customs and Border Protection will issue instructions on entry guidance and implementation"

The Federal Register Notice also indicated that,

"The Trade Representative will continue to issue decisions on pending requests on a periodic basis."

The products granted exclusions in today's notice are listed below. To claim the exclusion, in addition to the products regular Harmonized Tariff System (HTS), a new special HTS number

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assigned specifically to this group of excluded products -- HTS 9903.88.13, must be used.

Butzel Long attorneys have been assisting and counseled clients on the Section 301 exclusion process since its inception and are available to answer any questions.

The newly announced list is set out below:

- (1) Container units of plastics, each comprising a tub and lid, therefore, configured or fitted for the conveyance, packing, or dispensing of wet wipes (described in statistical reporting number 3923.10.9000)
- (2) Injection-molded polypropylene plastic caps or lids each weighing not over 24 grams designed for dispensing wet wipes (described in statistical reporting number 3923.50.0000)
- (3) Kayak paddles, double-ended, with shafts of aluminum and blades of fiberglass reinforced nylon (described in statistical reporting number 3926.90.3000)
- (4) High tenacity polyester yarn not over 600 decitex (described in statistical reporting number 5402.20.3010)
- (5) Nonwovens weighing more than 25 g/m² but not more than 70 g/m² in rolls, not impregnated coated or covered (described in statistical reporting number 5603.92.0090)
- (6) Pet cages of steel (described in statistical reporting number 7323.99.9080)
- (7) Carts, not mechanically propelled, each with three or four wheels, of the kind used for household shopping (described in statistical reporting number 8716.80.5090)
- (8) Truck trailer skirt brackets, other than parts of general use of Section XV (described in statistical reporting number 8716.90.5060)
- (9) Inflatable boats, other than kayaks and canoes, with over 20 gauge polyvinyl chloride (PVC), each valued at \$500 or less and weighing not over 52 kg (described in statistical reporting number 8903.10.0060)
- (10) Inflatable kayaks and canoes, with over 20 gauge polyvinyl chloride (PVC), each valued at \$500 or less and weighing not over 22 kg (described in statistical reporting number 8903.10.0060)"

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