



# FedEx Regulatory Alerts & Updates

## Regulatory Alert: Miscellaneous Tariff Bill of 2018

September 18, 2018

### BACKGROUND INFORMATION

The Miscellaneous Tariff Bill (MTB) of 2018 (H.R. 4318) was signed into law on September 13, 2018.

This bill amends the Harmonized Tariff Schedule of the United States (US-HTS) to:

1. repeal expired reductions in rates of duty for specified chemicals and other items; and
2. provide for duty suspensions and reductions for specified chemicals and other items up until December 31, 2020

The MTB amends the US-HTS to temporarily modify certain rates of duty of qualifying imported products until December 31, 2020.

The process that created this MTB was laid out by the "American Manufacturing Act of 2016". That legislation provided core criteria for identifying US-HTS duty suspensions and shifted the MTB process to a vetting process administered by the U.S. International Trade Commission (ITC). The ITC transmitted its final results of this vetting process to Congress in August of 2017; those recommendations are the basis of H.R. 4318.

U.S. importers are advised to review the text of the MTB to determine any changes in dutiable status of commodities of interest.

### WHAT HAS CHANGED?

Effective October 13, 2018, there will be a temporary reduction in the duty rates of 1,663 items in the US-HTS.

The specific articles will be identified in Subchapter II of Chapter 99 under heading 9902.01.01.

### Q&A

#### 1. *Are all 1,663 items listed in the MTB duty free?*

The vast majority are listed as FREE in the Column 1 duty rate. However, there are some items that simply have a lesser Column 1 duty rate than before.

**2. Are most of the items listed in the MTB chemicals?**

Chemicals are a large number of the items with reduced or zero duty, but there are numerous other items as well. A short list would include vegetables, automobile parts, certain cookware, certain shoes, certain hats, various athletic articles including golf clubs, glass products, pet care items, various pumps and fans, and personal grooming products.

All 1,663 items are identified by US-HTS number in the House Bill 4318 advisory reference article below.

**3. Do the existing 232 and 301 tariff actions still apply to these MTB items?**

The reductions only affect the Most Favored Nation Column 1 duty rate and not Section 301 or 232 tariffs. The 301 or 232 tariff actions will still apply to eligible products.

**4. When does the MTB duty reduction end?**

On or before December 31, 2020.

**Timeline for Implementation:** September 20, 2018

**Reference:**

H.R. 4318 – Miscellaneous Tariff Bill Act of 2018  
<https://congress.gov/bill/115th-congress/house-bill/4318/text>