

Regulatory Alert: Proposal for Imposition of Surtax on Certain Aluminum Products of United States Origin Effective September 16, 2020 September 4, 2020

Background information

On August 6, 2020, the United States (U.S.) announced the imposition of Section 232 tariff of 10% on imports of certain aluminum products from Canada, which will take effect on August 16, 2020.

Canada intends to impose surtaxes against imports of aluminum and aluminum-containing products from the U.S., representing a proportionate amount of Canadian aluminum products affected by the U.S. tariffs.

Impact

Canada has proposed a Surtax of 10% ad valorem on import of U.S. origin aluminum raw materials and aluminum products effective September 16, 2020. The list of products identified by their 8-digit HS codes can be viewed <u>here</u>. The Surtax will remain in place for these products until the time the U.S. eliminates the Tariffs on Canadian Aluminum.

Timeline for Implementation:

The proposed date of implementation of the countermeasure surtax is September 16, 2020 and will apply on the subject U.S. origin goods shipped on September 16, 2020 or later. The surtax will not apply to U.S. goods that are in transit to Canada on the day on which these countermeasures come into force.

The Government has also invited written comments from Canadians on the proposed countermeasures. Interested parties may send their comments to email address <u>fin.tariff-tariff.fin@canada.ca</u> stating reasons for their support for, or concern with, the proposed countermeasures, including detailed information substantiating any expected beneficial or adverse impact. The comments should be submitted no later than September 6, 2020.

References:

U.S. Presidential proclamation on adjusting imports of aluminum into the United States <u>https://www.whitehouse.gov/presidential-actions/proclamation-adjusting-imports-aluminum-united-states-080620/</u>

Canada's Notice of intent to impose countermeasures action against the United States in response to tariffs on Canadian aluminum products

https://www.canada.ca/en/department-finance/programs/consultations/2020/noticeintent-impose-countermeasures-action-against-united-states-response-tariffs-canadianaluminum-products.html