FedEx Regulatory Alerts & Updates

Regulatory Alert: China Section 301 Exclusions Extended for COVID Medical Care Products

March 9, 2021

BACKGROUND

The U.S. Trade Representative (USTR) initially modified its China Section 301 tariff actions by excluding from additional duties certain medical-care products required to address the COVID-19 outbreak in 2020.

On December 29, 2020, the USTR then extended the exclusions for these China manufactured articles until March 31, 2021 from the Section 301 tariffs.

WHAT HAS CHANGED?

The USTR has extended the Section 301 tariff exclusions on certain imports from China to September 30, 2021 to continue to support the country's efforts to combat COVID-19.

The formal USTR notice is dated March 5, 2021 and is listed in the References section below.

This new extension is effective for goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 am April 1, 2021 and before 11:59 pm EST on September 30, 2021.

Q&A

Q1: How many products are included in this extension action?

A1: The same 99 medical-care and COVID-19 response products that were cited in the original product exclusion action dated December 29, 2020.

Q2: Do the articles retain the same Chapter 99 subheadings?

A2: Yes, the USTR simply changed the end date of the extension action from March 31, 2021 to September 30, 2021. To be clear, the extended exclusions for COVID-19 purposes will still be filed under these four subheadings and U.S. Notes listed in the December 29, 2020 action:

 9903.88.62 - includes 24 articles under U.S. Note 20 (ooo) found in Annex A of the enforcement action

- 9903.88.63 includes 10 articles under U.S. Note 20 (ppp) found in Annex B of the enforcement action
- 9903.88.64 includes 35 articles under U.S. Note 20 (qqq) found in Annex C of the enforcement action
- 9903.88.65 includes 30 articles under U.S. Note 20 (rrr) found in Annex D of the enforcement action

REFERENCES:

USTR March 5, 2021 Notice:

https://ustr.gov/sites/default/files/files/Press/Releases/COVID Extensions FRN March 202 1.pdf

USTR December 29, 2020 Notice:

https://ustr.gov/sites/default/files/enforcement/301Investigations/COVID_Extensions_December_2020.pdf

Regulatory Alerts & Updates January 5, 2021:

https://www.fedex.com/content/dam/fedex/us-unitedstates/International/images/2021/RegAlert 21-041 China 301 Tariff and Miscellaneous Tariff Bill Update.pdf

FedEx Regulatory News

Keep up with the latest alerts, trade-related rules, updates and learning opportunities. <u>Sign up to receive FedEx Regulatory News</u>.