



CFA provides information about our industry's vulnerable business issues. The current issue's importance sends a clear "Protect Yourself" message and is part of CFA's continuing effort to assist our members.



MAY 2019

"PROTECT YOURSELF"



News:

Chinese-Origin Merchandise subject to Increased Tariffs!

Tariff Increase Tied to Date of Export for China 301 List 3: Exclusion Process To Be Issued

May 8, 2019: U.S. Trade Representative ("USTR") issued a Notice confirming that Chinese-origin merchandise listed on Section 301, Tranche 3, will be subject to an increased additional tariff rate of 25% ad valorem.

Importantly, the change will take effect with respect to goods:

- a) Entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01AM Eastern Daylight Time on May 10, 2019, **and**
- b) **Exported to the U.S. on or after May 10, 2019.**

Since September 24, 2018, these goods have been subject to an additional duty rate of 10%. In addition to the duty increase, the USTR will establish an **exclusion process** by which interested persons may request that products listed on Tranche 3 be excluded from the additional duties.

The USTR will publish a separate notice describing the exclusion process, including the procedures for submitting exclusion requests, and an opportunity for interested persons to submit oppositions to exclusion requests.

Companies interested in participating in the exclusion process, and exploring additional strategic responses to Section 301 duties, should contact our office and speak with one of our attorneys.

<https://www.gdlsk.com/update-china-301-list-3-tariff-increase-tied-to-date-of-export-exclusion-process-to-be-issued/>

For more information contact:

GRUNFELD DESIDERIO LEBOWITZ SILVERMAN & KLESTADT LLP | www.GDLSK.com

Richard Wortman, Partner | 213.624.1970 | rwortman@gdlsk.com

California Fashion Association

444 South Flower Street, Los Angeles, California 90071 | Tel: 213 688 6288 | Fax: 213 688 6290

email: info@calfashion.org | Website: www.californiafashionassociation.org