



Beginning October 11, 2019: opportunity to obtain temporary reduction or suspension of US import duties

International Trade Alert

7 October 2019

By: Richard Newcomb | Martin Schaefermeier | Thomas Reynolds

In time for the 2019 Miscellaneous Tariff Bill (MTB) petition process window to be opened on October 11, 2019, the US International Trade Commission (ITC) has issued a Final Rule amending the procedures to apply for a temporary suspension or reduction of duty rates on certain imported merchandise. MTB petitions can be submitted to the ITC until 5:15 pm EST on December 10, 2019.

The American Manufacturing Competitiveness Act of 2016 most recently re-authorized MTBs. The Act provides for a petition process to obtain temporary suspensions or reductions of Customs duty rates for goods which have no (or potentially insufficient) domestic production in the United States. The ITC is the agency primarily responsible for receiving and processing MTB petitions. For more information on the general MTB requirements and process, please see our client alert from November 1, 2016.

The ITC's recent procedural amendments principally require petitions and comments to include certain information to assist the ITC in evaluating a petition, clarify and provide additional instruction with respect to information to be included in a petition and comments, and revise the requirement regarding the time when a petition may be withdrawn. The new procedures appear more stringent than those applied during the 2016 round of MTB petitions.

The petitions should include to the extent available: (1) Customs rulings issued on the product; and (2) a copy of other Customs documentation indicating where the article is classified in the Harmonized Tariff Schedule of the United States.

In addition, petitions should now include:

- an estimate of total value and dutiable value of the imports for the next five calendar years
- an estimate of the share of total imports represented by the petitioner's imports of the subject article
- the names of domestic producers of the article (if available)
- a certification that the information is complete and correct and
- an acknowledgement that the submitted information is subject to ITC audit and verification.

These and other modifications and amendments can be found at 19 C.F.R. Part 220 and became effective as of September 26, 2019.

If the ITC moves an MTB petition forward and Congress passes a Miscellaneous Tariff Bill, the duty reductions/suspensions would only apply to regular Customs duties. In Cargo Systems Messaging Service #18-000606, US Customs and Border Protection made clear that MTB benefits do not apply to Section 301 tariffs.

DLA Piper attorneys routinely assist with the preparation of MTB petitions and provide guidance regarding the MTB and petition process. Please contact Rick Newcomb, Martin Schaefermeier, or Tom Reynolds for more information.

AUTHORS



Richard Newcomb

Partner

Washington, DC | T: +1 202 799 4000



Martin Schaefermeier

Of Counsel

Washington, DC | T: +1 202 799 4000



Thomas Reynolds

Associate

Washington, DC | T: +1 202 799 4000
