

ALERT

USTR Maintains Section 301 Duties on China and Moves to New Phase of Reviews

September 6, 2022

On September 2, 2022, the Office of the U.S. Trade Representative (USTR) announced its intention to conduct the second phase of a review of the necessity of tariffs imposed on certain Chinese-origin goods pursuant to Section 301 of the Trade Act of 1974.

Beginning on July 6, 2018, USTR imposed additional Section 301 tariffs ranging from 7.5% - 25% on four successive rounds of goods from China. The tariffs currently apply to approximately \$375 billion in annual imports of Chinese merchandise. The Section 301 statute requires such tariffs to terminate on their four-year anniversary unless requests for continuation of the tariffs are made by domestic companies that benefit from the tariffs. When USTR receives requests for continuation of Section 301 tariffs, the statute directs it to maintain the tariffs while conducting a larger review of their necessity.

Earlier this year, in the lead-up to the four-year anniversary of the Section 301 tariffs, USTR announced an opportunity for domestic industries and companies that benefit from the tariffs to request their continuation. USTR's September 2 announcement confirms that the agency received multiple continuation requests and that the agency will leave all the current tariffs in effect while it conducts a larger review of their necessity. USTR will make a separate announcement setting forth the process for the larger review but has confirmed that it will accept written submissions from interested parties regarding issues including the effectiveness of the tariffs, other actions beyond tariffs that the United States could consider, and the effect of the tariffs on the U.S. economy.

Authors

Timothy C. Brightbill
Partner
202.719.3138
tbrightbill@wiley.law
Maureen E. Thorson
Partner
202.719.7272
mthorson@wiley.law

Practice Areas

International Trade

Separately, USTR has also begun contacting domestic industries/companies that filed requests for continuation, to advise them of the agency's intention to make those requests public. While USTR's original comment solicitation advised commenters not to include confidential data in their submissions, the agency has not yet made the comments publicly available. Once the comments are made public through the agency's comment-docketing system, interested parties will be able to determine which domestic industries and companies requested the continuation of the tariffs, the basis for the requests, and whether the requests were specific to particular goods.

Wiley has a robust International Trade practice and extensive experience helping clients navigate issues surrounding the Section 301 tariffs. For more information about these issues, please contact the attorneys listed in the alert.