

# USTR Releases Final Section 301 Modifications in Four-Year Review

September 13, 2024

On September 13, 2024, the Office of the U.S. Trade Representative (USTR) released the text of a *Federal Register* notice explaining the final modifications that will be made as a result of the statutory four-year review of tariffs imposed on Chinese products pursuant to Section 301 of the Trade Act of 1974. The agency's final modifications reflect certain changes adopted in light of the more than 1,100 comments received on its preliminary proposed modifications, which were issued in May.

Overall, the agency has made few changes to the preliminary proposal. Specifically, no changes have been made with respect to the scope, amount, or timing of additional tariffs to be imposed on electric vehicles, lithium-ion batteries, parts for rechargeable lead-acid batteries, natural graphite, steel and aluminum, semiconductors, or ship-to-shore gantry cranes. However, as further detailed below, the agency will alter its original proposal as to certain medical products, critical minerals, solar cells, a forthcoming exclusion process regarding manufacturing equipment, and exclusions for solar manufacturing goods. The agency's notice also confirms that the effective date for those tariff increases that are scheduled to go into effect this year will be September 27, 2024.

- **Medical Products.**
  - USTR originally proposed for duties on certain textile face masks and respirators to increase to 25% this year. That change will go into effect with an additional increase to 50% in 2026. USTR also adjusted the tariff codes covered to reflect changes in the tariff nomenclature/numbering, and to increase coverage to include disposable face masks.

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## Practice Areas

Customs Law and Compliance  
International Trade  
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- USTR originally proposed to increase the duties on medical/surgical gloves to 25% in 2026. It will now increase those duties to 50% in 2025, with a further increase to 100% in 2026.
- USTR originally proposed to increase the duties on syringes and needles to 50% this year; the increase will now be to 100% with the same timing. That said, there will be an exclusion specific to enteral syringes, valid through January 1, 2026.
- **Critical Minerals.** USTR will publish a separate notice soliciting comments on a proposal to increase tariffs on three tariff codes covering tungsten that were not included in its original May 2024 proposal.
- **Solar Cells.** USTR will publish a separate notice soliciting comments on a proposal to increase tariffs on two tariff codes that pertain to pure silicon and chemical elements doped for use in electronics.
- **Machinery Exclusion Process.** The scope of the forthcoming exclusion process will be expanded to cover five additional tariff codes pertaining to filtering/purifying equipment, industrial robots, and printing machinery.
- **Solar Manufacturing Equipment Exclusions:** Five of the originally proposed 19 exclusions will not go into effect. These five exclusions pertain to equipment for manufacturing solar modules. The 15 remaining proposals relating to wafer/cell manufacturing equipment will go into effect. The exclusions will be retroactive to January 1 of this year, and will be in effect through May 31, 2025.

Wiley has robust International Trade, Trade Policy, and Customs practices with extensive experience helping clients navigate Section 301 and broader trade issues. For more information about the implications of these Section 301 modifications, please contact one of the listed attorneys.