
USTR's Section 301 Tariff List Targets Multiple Chinese Industries

By Lara A. Austrins, Thomas J. O'Donnell, R. Kevin Williams, Mark R. Ludwikowski / Apr 05, 2018

On April 4, 2018, the Office of the U.S. Trade Representative (USTR) proposed 25% tariffs on a multitude of imported goods from China. The covered products span 1,300 separate tariff classification lines. The proposed tariffs are in addition to any import duties and fees already in place. This means that a product on the 301 list, and also covered by the recent Section 232 global tariffs on steel and aluminum, could be subject to 50% or 35% duties, respectively. According to the USTR, the proposed list targets products that benefit from China's allegedly unfair industrial plan while minimizing the impact on the U.S. economy.

The proposed tariffs are in response to the findings by the USTR in its Section 301 investigation on Chinese unfair trade practices related to its intellectual property policies. The list was prepared by several U.S. government agencies and identifies goods that allegedly benefit from Chinese industrial policies while sparing products that would cause disruption to the U.S. economy and consumers. The value of the listed products is estimated to cover \$50 billion in annual trade value for calendar year 2018.

Product List

The tariffs cover a wide range of goods falling within the categories identified below. They include both finished goods and parts.

Chemicals

Pharmaceuticals

Medical

Dental

Rubber

Steel

Aluminum

Mechanical machinery

Electrical machinery

Railway or Tramway

Motor vehicles (Golf carts, motorcycles)

Aerospace

Vessels

Optical elements

Cinematography

Measuring devices

Weapons

Seats for aircraft and motor vehicles

A complete list of the products identified by eight digit tariff classification can be found [here](#).

Key Dates

These are proposed tariffs. Interested parties have an opportunity to comment on the appropriateness of including or removing particular products on the list based on the following schedule:

April 23, 2018: Due date for requests to appear at public hearing;

May 11, 2018: Due date for submission of written comments;

May 15, 2018: Public hearing at the International Trade Commission in Washington, DC;

May 22, 2018: Due date for post-hearing rebuttal comments.

Comments must be submitted electronically through the Federal eRulemaking Portal, which can be found [here](#). Additional details on submitting comments or attending the public hearing can be found in Section F and G in USTR's notice [here](#).

USTR requests comments with respect to any aspect of the proposed action including:

- The specific products to be subject to increased duties, including whether products listed in the Annex should be retained or removed, or whether products not currently on the list should be added.
- The level of the increase, if any, in the rate of duty.
- The appropriate aggregate level of trade to be covered by additional duties.

In addition, USTR requests that commenters address specifically whether imposing increased duties on a particular product would be practicable or effective to obtain the elimination of China's policies and whether the additional duties on a particular product would cause disproportionate economic harm to U.S. interests, including small-or medium-size businesses and consumers.

If you have any questions regarding this action and its potential implications, please contact Mark Ludwikowski (202.640.6680), Kevin Williams (312.985.5907), Tom O'Donnell (312.985.5570) or Lara Austrins (312.985.5571), members of Clark Hill's International Trade Practice Group.