December 11, 2023

The Honorable Katherine Tai
United States Trade Representative
600 Seventeenth Street, N.W.
Washington, D.C. 20508

RE: Extension of Section 301 China Tariffs Exclusions and Four-Year Review

Dear Ambassador Tai:

On behalf of the undersigned members of Americans for Free Trade, we are writing to request that USTR provide an immediate extension for the limited tariff exclusions and COVID exclusions from the section 301 tariffs on products from China. The exclusions are currently set to expire on December 31, just 20 days from now. The pattern of making last-minute announcements regarding the tariff exclusions exacerbates uncertainty for U.S. companies who need to make business decisions months in advance. Absent an immediate announcement of the outcome in the four-year tariff review, we urge USTR to extend the expiring exclusions now.

In the last five years, American importers, including members of our coalition, have paid more than $198 billion in section 301 tariffs on products imported from China. The product exclusions granted to date have provided limited but important relief for some U.S. companies – relief that continues to be needed. Repeatedly announcing exclusion determinations at the last minute, now the fourth time for the current exclusions in place, creates challenges for companies who are planning for orders months in advance and need the predictability in order to make contracts. Predictability and advance notice are even more important for those companies who import products where there is no domestic or other sourcing alternative.

In USTR’s September 11th Federal Register notice extending the exclusions until the end of the year, the agency noted that the extension was provided “[t]o provide a transition period for the expiring exclusions and to allow for further consideration under the four-year review.” In other words, it was anticipated that USTR would conclude its four-year review of the tariffs and announce next steps – to include a determination regarding the exclusions – by the end of 2023. Since USTR has yet to issue the results of the four-year review and it is unclear when it will do so, we urge USTR to announce a determination on the exclusions now before they expire in a few weeks.

We also urge USTR to conclude the four-year review expeditiously and announce the outcomes before the end of the year. The broader stakeholder comment period has been closed for almost a year now. Americans for Free Trade and the hundreds of organizations who
commented about the continuing negative impact of the tariffs need to know the results to ensure they have certainly and predictability in their supply chains. In concluding this review, we strongly urge USTR to avoid increasing tariff rates or subjecting additional products to tariffs. New and higher tariffs would claw back the progress the United States has made in combating inflation and create more dislocation, inefficiencies, and potentially job loss across the economy. Finally, as part of the review’s outcome, we renew our request for USTR to create a more robust exclusions process that is open to all products covered by the China 301 tariffs.

As economic uncertainty continues, the administration must use every available tool to provide economic relief and predictability going forward to ensure American businesses can compete globally. Immediately renewing the tariff exclusions that are set to expire in a few weeks, opening up a new and robust exclusions process for all covered products, and announcing the results of the four-year review are important steps towards providing the economic certainty U.S. businesses need.

Sincerely,

Accessories Council
ACT | The App Association
Agriculture Transportation Coalition (AgTC)
Alliance for Chemical Distribution (ACD)
ALMA, International (Association of Loudspeaker Manufacturing and Acoustics)
American Apparel & Footwear Association (AAFA)
American Association of Exporters and Importers (AAEI)
American Association of Port Authorities
American Bakers Association
American Bridal & Prom Industry Association (ABPIA)
American Chemistry Council
American Clean Power Association
American Down and Feather Council
American Fly Fishing Trade Association
American Home Furnishings Alliance
American Lighting Association
American Petroleum Institute
American Pyrotechnics Association
American Rental Association
American Seed Trade Association
American Specialty Toy Retailing Association
American Trucking Association
Arizona Technology Council
Arkansas Grocers and Retail Merchants Association
Association For Creative Industries
Association for PRINT Technologies
Association of American Publishers
Association of Equipment Manufacturers (AEM)
Association of Home Appliance Manufacturers
Auto Care Association
Beer Institute
Building Service Contractors Association
International (BSCAI)
Business Alliance for Customs Modernization
California Retailers Association
Can Manufacturers Institute
CAWA - Representing the Automotive Parts Industry
Chemical Industry Council of Delaware (CICD)
Coalition of New England Companies for Trade (CONECT)
Coalition of Services Industries (CSI)
Colorado Retail Council
Columbia River Customs Brokers and Forwarders Assn.
Computer & Communications Industry Association (CCIA)
Consumer Brands Association
Consumer Technology Association
Council of Fashion Designers of America (CFDA)
CropLife America
Customs Brokers & Freight Forwarders Assn. of Washington State
Customs Brokers & Freight Forwarders of Northern California
Electronic Transactions Association
Energy Workforce & Technology Council
Experiential Designers and Producers Association
Exhibitions & Conferences Alliance
Fashion Accessories Shippers Association (FASA)
Fashion Jewelry & Accessories Trade Association
Flexible Packaging Association
Florida Ports Council
Florida Retail Federation
Footwear Distributors and Retailers of America (FDRA)
Fragrance Creators Association
Game Manufacturers Association
Gemini Shippers Association
Georgia Retailers
Global Business Alliance
Global Chamber®
Global Cold Chain Alliance
Greeting Card Association
Halloween & Costume Association (HCA)
Home Fashion Products Association
Home Furnishings Association
Household and Commercial Products Association
Housing Affordability Coalition
Idaho Retailers Association
Illinois Retail Merchants Association
Independent Office Products & Furniture Dealers Association (IOPFDA)
Indiana Retail Council
Information Technology Industry Council (ITI)
International Bottled Water Association (IBWA)
International Foodservice Distributors Association
International Housewares Association
International Warehouse and Logistics Association
International Wood Products Association
ISSA - The Worldwide Cleaning Industry Association
Jeweler's Vigilance Committee
Juice Products Association (JPA)
Juvenile Products Manufacturers Association
Leather and Hide Council of America
Licensing Industry Merchandisers' Association
Los Angeles Customs Brokers and Freight Forwarders Assn.
Louisiana Retailers Association
Maine Grocers & Food Producers Association
Maine Lobster Dealers’ Association
Maritime Exchange for the Delaware River and Bay
Maryland Retailers Association
MEMA, The Vehicle Suppliers Association
Michigan Chemistry Council
Michigan Retailers Association
Minnesota Retailers Association
Missouri Retailers Association
Motorcycle Industry Council
NAPIM (National Association of Printing Ink Manufacturers)
National Association of Chain Drug Stores (NACDS)
National Association of Foreign-Trade Zones (NAFTZ)
National Association of Home Builders
National Association of Home Builders
National Association of Music Merchants
National Association of Trailer Manufacturers (NATM)
National Confectioners Association
National Council of Chain Restaurants
National Electrical Manufacturers Association (NEMA)
National Fisheries Institute
National Foreign Trade Council
National Grocers Association
National Industrial Transportation League (NITL)
National Lumber and Building Material Dealers Association
National Marine Manufacturers Association
National Pork Producers Council
National Restaurant Association
National Retail Federation
National Ski & Snowboard Retailers Association
National Sporting Goods Association
Natural Products Association
New Jersey Retail Merchants Association
North American Association of Food Equipment Manufacturers (NAFEM)
North American Association of Uniform Manufacturers and Distributors (NAUMD)