July 27, 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

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 China 301 tariff exclusions and COVID exclusions, which are currently set to expire on September 30, less than 3 months from now. It is critical that USTR announce its plans – ideally a continuation of the existing exclusions – for these exclusions now so that companies can plan accordingly.

Our companies and associations joined together to form Americans for Free Trade in 2018. Our coalition represents every part of the U.S. economy including manufacturers, farmers and agribusinesses, retailers, technology companies, powersports, service suppliers, natural gas and oil companies, renewable energy companies, importers, exporters, and other supply chain stakeholders. Collectively, we employ tens of millions of Americans through our vast supply chains.

In the last five years, American importers, including members of our coalition, have paid more than $183 billion in section 301 tariffs on products imported from China. The product exclusions granted to date have provided limited relief for some companies over this time. However, USTR has yet to announce whether the current exclusions – which expire in less than 90 days – will be extended.

As USTR is fully aware, American businesses make their supply chain and sourcing decisions many months in advance of products arriving here in the U.S. Since the tariffs have been in place, exclusion extensions have been announced routinely at the last-minute – sometimes within mere days of the exclusions being set to expire. Such late announcements create planning issues for companies who made their sourcing decisions months in advance. Providing early extensions will provide certainty for American companies and help maintain their competitiveness – especially those who import products where there is no domestic or other sourcing alternative – as well as ensure continued access to life saving goods. Failure to provide early and timely information undermines the Administration’s state goals of ensuring supply chain resiliency.
Any delay in announcements regarding the exclusions extension or expiration compels American companies to incorporate 25 percent price increases into product lines that may soon be without a Section 301 tariff exclusion. Upward pricing pressure of this kind will continue to exacerbate inflationary pressures on American companies and the U.S. economy. We therefore urge USTR to provide continued relief by promptly renewing all the exclusions which are set to expire in September.

We also renew our request for USTR to create a more robust exclusions process that is open to all products that are covered by the China 301 tariffs. As long as the Section 301 tariffs remain in place, there should be a fair, transparent, and robust exclusions process available so that American businesses can apply for targeted relief. We also call upon USTR to finalize the results of the four-year statutory review of the 301 tariffs. The comment period for the review closed over six months ago. Americans for Free Trade was one of hundreds of groups and companies who commented about the continuing negative impact of the tariffs and the need for a new strategic approach to address China’s unfair trade practices.

American families, workers and businesses continue to face unprecedented and uncertain economic challenges, and we believe the administration should use every available tool to provide economic relief and predictability going forward. Renewing the tariff exclusions that are set to expire in a few months with ample notice, opening up a new and robust exclusions process for all covered products, and completing and announcing the results of the 4-year review will help provide that.

Sincerely,

Accessories Council
ACT | The App Association
Agriculture Transportation Coalition (AgTC)
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 Coatings Association, Inc. (ACA)
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 Associations
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
BSA | The Software Alliance
Building Service Contractors Association International (BSCAI)
Business Alliance for Customs Modernization
California Retailers Association
Can Manufacturers Institute
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)  
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  
Motorcycle Industry Council  
NAPIM (National Association of Printing Ink Manufacturers)  
National Association of Chain Drug Stores (NACDS)  
National Association of Chemical Distributors (NACD)  
National Association of Foreign-Trade Zones (NAFTZ)  
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 Customs Brokers and Freight Forwarders Association of America  
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)
North Carolina Retail Merchants Association
Ohio Council of Retail Merchants
Outdoor Industry Association
Pacific Coast Council of Customs Brokers and
Freight Forwarders Assns. Inc.
Pennsylvania Retailers' Association
PeopleforBikes
Personal Care Products Council
Pet Food Institute
Pet Advocacy Network
Plumbing Manufacturers International
Power Tool Institute (PTI)
PRINTING United Alliance
Promotional Products Association International
Recreational Off-Highway Vehicle Association
Retailers Association of Maine
Retail Council of New York State
Retail Industry Leaders Association
Retailers Association of Massachusetts
RISE (Responsible Industry for a Sound
Environment)
RV Industry Association
San Diego Customs Brokers and Forwarders
Assn.
SEMI
Semiconductor Industry Association (SIA)
Ski & Snowboard Industry Association
Software & Information Industry Association (SIIA)
South Dakota Retailers Association
Specialty Equipment Market Association
Specialty Vehicle Institute of America
Sports & Fitness Industry Association
TechNet
Technology Trade Regulation Alliance (TTRA)
Telecommunications Industry Association (TIA)
Texas Retailers Association
Texas Water Infrastructure Network
The Airforwarders Association
The Fertilizer Institute
The Hardwood Federation
The Vinyl Institute
Toy Association
Travel Goods Association
Truck & Engine Manufacturers Association (EMA)
United States Council for International Business
United States Fashion Industry Association
US Global Value Chain Coalition
US-China Business Council
Virginia Association of Chain Drug Stores
Virginia Retail Federation
Virginia-DC District Export Council (VA-DC DEC)
Washington Retail Association
Water Quality Association
Window and Door Manufacturers Association
World Pet Association, Inc. (WPA)