

Preface to the 30th Edition – Revision 1.1
Guide to the HTS and Statistical Reporting
February 8, 2018

Introduction to the Harmonized Tariff Schedule

The Harmonized Tariff Schedule of the United States, Annotated for Statistical Reporting Purposes (HTS), is published by the U.S. International Trade Commission (Commission) as directed by Congress in section 1207 of the Omnibus Trade and Competitiveness Act of 1988 (Public Law 100-418; 19 U.S.C. 3007) (1988 Act).¹ Pursuant to that Act, this edition of the HTS contains the current legal (enacted or proclaimed) and nonlegal (statistical or reference) provisions specifically designated as such in section 1204(a) of the 1988 Act (102 Stat. 1148).² All goods of commerce imported into the United States are subject to the provisions of the HTS, as well as to regulations of U.S. Customs and Border Protection (Customs) and the many laws that Customs enforces. General notes 1 through 3 explain the structure of the HTS and define terms and symbols used throughout the schedule; general notes 4 through 36 set forth rules for special tariff programs. The Commission publishes annual editions of the HTS, as well as any printed supplements and on-line revisions that may be needed to keep each annual edition current. This edition contains changes since the last printed edition of January 1, 2018, as indicated in the cumulative Change Record to this edition.

Because section 1204(c) of the 1988 Act states that the Commission's publications of the HTS, as updated, are statutory in nature, the HTS represents the authoritative compilation of the tariff treatment applicable to goods in trade, together with nonlegal statistical provisions. Other advisory resources provided by the Commission, such as the online Data Web or the HTS

¹ Section 1207(a) of the 1988 Act provides that "[t]he Commission shall compile and publish, at appropriate intervals, and keep up to date the Harmonized Tariff Schedule and related information in the form of printed copy...." Section 1207(b) of the 1988 Act provides that the published copy of the HTS "shall contain— (1) the then current Harmonized Tariff Schedule; (2) statistical annotations and related statistical information formulated under section 484(f) of the Tariff Act of 1930 (19 U.S.C. 1484(f)); and (3) such other matters as the Commission considers to be necessary or appropriate to carry out the purposes enumerated in the Preamble to the [Harmonized System] Convention." The Commission's Office of Tariff Affairs and Trade Agreements is primarily responsible for the HTS and related matters. Former provisions set forth in 19 U.S.C. 1202 were repealed.

² The legal text of the HTS includes the General Rules of Interpretation (GRIs); Additional U.S. Rules of Interpretation; general notes; chapters 1 through 99 (organized into sections I through XXII); section and chapter notes (including all U.S. notes); headings and subheadings through the 8-digit level (with their numbers, article descriptions, tariff rates, and special tariff programs); Chemical Appendix; Pharmaceutical Appendix; and Intermediate Chemicals for Dyes Appendix. The nonlegal text includes the 10-digit statistical reporting numbers (annotations), notes, annexes, suffixes, and units of quantity; table of contents; footnotes; index; and similar elements.

search tool, can assist in identifying the treatment of goods in trade, but importers are encouraged to rely primarily on the official HTS itself in preparing Customs documents.

Importers bear primary legal responsibility for the classification of imported goods and compliance with Customs rules, while Customs gives authoritative interpretations of the HTS with regard to such goods. Except for those goods listed in the Notice to Exporters, goods being exported from the United States can also be reported under the HTS provisions covering them; the goods listed in that Notice must instead be reported under provisions of Schedule B,³ administered by the United States Census Bureau (Census).

HTS Structure

The HTS contains the internationally agreed structured product nomenclature commonly known as the **Harmonized System** (HS),⁴ whose numbered provisions appear in the schedule as 4-digit *headings* and subordinate 6-digit *subheadings* in chapters 1 through 97.⁵ The narrowest **legal** categories appear as 8-digit U.S. subheadings together with their rates of duty; some HS product categories are not subdivided but end in zeroes, with U.S. duty rates attached to them. Subordinate **statistical** provisions that may appear at the 10-digit level in an 8-digit rate line do not affect the legal classification of goods in trade or their tariff treatment.

The 4- and 6-digit HS provisions incorporated in the HTS are administered by the World Customs Organization (WCO), and their wording, numbering, and coverage are subject to periodic changes (usually implemented every five years, with the latest such changes becoming effective in 2017).⁶ In general, requests for changes in the HS notes or nomenclature should be submitted first to the Commission for appropriate review and potential submission to the WCO and subsequent domestic review, while changes in HTS 8-digit legal provisions or rates of duty must be enacted in most cases.

The rates of duty in column 1-general currently apply to all countries *other than North Korea and Cuba*, countries whose goods would be dutiable under column 2 when permitted entry. The rates of duty 1-special column contains the treatment of goods under a variety of

³ See <http://www.census.gov/foreign-trade/schedules/b/>.

⁴ The Harmonized Commodity Description and Coding System is set forth in an annex to the Harmonized System Convention administered by the World Customs Organization (WCO), and became effective for the United States as of January 1, 1989.

⁵ A “heading” is a provision whose article description is not indented, while a “subheading” (6- or 8-digit) has an indented and subordinate description covering a subset of the heading’s product scope.

⁶ These changes are proclaimed in the HTS by the President under section 1206 of the 1988 Act, following a Commission investigation under section 1205 of that Act and the required Congressional lay-over. See sections 1205-1206 of the 1988 Act (19 U.S.C. 3005-3006) and related publications on the Commission’s site under “Modifications to the HTS.”

programs, shown with symbols defined in **general note 3(c)(i)**; a separate general note for each such special program sets out the eligibility rules with which importers should comply.

The HS general rules of interpretation (GRIs) and the additional U.S. rules of interpretation should be applied in sequence to classify goods under the legal provisions of chapters 1 through 97. Though classification is largely uniform among countries using the HS, national differences may exist due to judicial or customs rulings or national legislation, and may also exist with regard to newly developed types of goods. Because the HTS is a hierarchical system of product description, in which goods are classified “from the top down,” *it is not possible to classify all goods in trade by doing an electronic search*. Thus, the potentially applicable 4-digit headings should first be compared to find the most specific heading; then, once a heading is chosen, only that heading’s provisions at the first indentation level in the nomenclature structure should be compared, and that comparison continues at each indentation level until a legal classification in the narrowest, most specific provision is possible. Goods are classified in chapters 1 through 97, although many shipments may be eligible for different duty treatment under U.S. chapters 98 or 99 with proper documentation. It is useful to scan these two chapters to see if any duty provisions apply to a new import shipment. As of the date of this printing, no temporary tariff suspensions or reductions have been enacted.

The nonlegal statistical elements that appear in the HTS are formulated by an interagency committee authorized under section 484(f) of the Tariff Act of 1930 (19 U.S.C. 1484(f)) and chaired by the Commission. Information about the operation of this Committee and procedures for requesting statistical changes in the HTS or in the export schedule, **Schedule B** (administered by the Bureau of Census), are set forth later in this preface. Other nonlegal elements are included for the convenience of the user. For example, footnotes (which may elaborate on a provision or refer to another HTS provision) are merely informational, their presence or absence has no legal effect, and the language contained in footnotes has no effect on the legal text or its interpretation. Compiler’s notes are also added to provide information to users of the HTS, especially where provisions have expired or may not have been updated. A list of legal instruments and nonlegal actions affecting each HTS edition is set forth in the Preface and, together with the change record and chapters 98 and 99, should be consulted to locate any actions that may apply to specific goods. (See changes pertaining to the current edition, below.)

Note that this edition of the HTS does **not** contain complete updates to the rules of origin used to determine product eligibility under all U.S. free trade agreements. Updates to existing rules are negotiated to take into account the changes made in the HS, which are reflected in the HTS and the national schedules of partner countries. A *Compiler’s Note* set forth below the additional U.S. rules of interpretation provides updated information on the status of each agreement’s rules. Customs officials should be consulted when the rules of origin and the numbering and structure of updated headings/subheadings do not align.

Publication of the HTS

As noted earlier, the HTS is physically printed and electronically posted for January 1 of each year in which staged duty reductions or other major legal changes must be reflected.⁷ Online electronic revisions to the printed HTS are posted to the Commission's web site (www.usitc.gov) periodically when the HTS is changed, along with links to the public laws, Presidential proclamations or *Federal Register* notices that make such changes. Large-scale changes affecting many chapters may also be issued mid-year as printed supplements; however, in some years no printed supplements are issued and all changes are reflected in online revisions. Occasionally online revisions require additional modifications, to expand trade relief, clarify prior information or to make corrections. These minor revisions will have a ".1" (or ".2" or ".3" depending on how many minor revisions a revision needs) added to the revision number in the heading of the HTS, as well as an effective date, to distinguish them from prior revisions. The entire HTS is posted for each revision, even if changes are not made in all chapters. Using the preface and change record for a revision can identify the extent of its modifications, but the change records for individual revisions in any year are not cumulative of all changes since the last printed edition or supplement. Each revision's preface lists the documents making legal or statistical changes noted in the change record. The change record in any printed edition or supplement contains all changes since the previous printed document (and thus cumulates all changes from online revisions since that printing), and lists any chapters that have been reposted.

Changes in the Current Edition

The enumeration below sets forth instruments affecting provisions of the tariff schedule since January 1, 2018, the last printed edition. The principal changes in this edition reflect the following instruments issued and actions taken since January 1, 2018:

- (1) Office of the United States Trade Representative: Technical Corrections to the Harmonized Tariff Schedule of the United States (83 F.R. 5674), effective February 7, 2018;
- (2) Proclamation 9694 of January 23, 2018: To Facilitate Positive Adjustment to Competition From Imports of Large Residential Washers (83 F.R. 3553), effective February 7, 2018, and other dates specified therein;
- (3) Proclamation 9693 of January 23, 2018: To Facilitate Positive Adjustment to Competition From Imports of Certain Crystalline Silicon Photovoltaic Cells (Whether or Not Partially or Fully Assembled Into Other Products) and for Other Purposes (83 F.R. 3541), effective February 7, 2018, and other dates specified therein;

⁷ Only one HTS provision applies to a good on a given day, so the HTS for a new calendar year is not posted until late December. Staged rates for the next year can be found in the Data Web at any time.

- (4) Changes approved by the Committee for Statistical Annotation of Tariff Schedules (formulated pursuant to section 484(f), Tariff Act of 1930, as amended), effective July 1, 2017, January 1, 2018 and February 7, 2018;
- (5) Corrections of nonsubstantive typographical or format errors in prior editions.

The **change record** attached to this edition uses particular terms to inform users of the source and nature of each change. The terms “added” and “deleted” refer to the insertion or removal of 8-digit (legal) tariff rate lines or legal notes; the terms “established” or “discontinued” refer to the insertion or removal of 10-digit (nonlegal) statistical reporting numbers or notes. The term “annotated” refers to the creation of new 10-digit provisions under a previously unsubdivided rate line; the term “restored” refers to the deletion of all annotations under an existing rate line. The word “modified” appears when either legal or statistical language is revised in wording.

Statistical Reporting Under the HTS

The statistical annotations contained in the HTS are used to gather trade data on specified classes of merchandise that are narrower than those indicated in legal provisions. The annotations (including their statistical suffixes and units of quantity) specify particular information that must be supplied on customs entry and withdrawal forms or in electronic filings with respect to imported or exported articles. As noted above, for all products other than those specified in the Notice to Exporters, HTS 10-digit provisions may be used in place of the provisions of Schedule B for reporting exports on the shipper’s export declaration or under the program for electronic reporting of exports. The regulations and procedures of Customs and of Census should also be consulted to ensure that statistical reporting is correct and that all procedural and legal requirements are met.

Note that the legal provisions of the HTS control the tariff classification of merchandise, and that importers are legally responsible for applying all legal provisions of the HTS in doing so. Because classification is “top down,” as discussed earlier, merchandise must be described by the superior 4-, 6-, and/or 8-digit legal provision of the HTS in order to be reported under any

⁸ Sec. 484(f) reads as follows:

“(f) Statistical Enumeration.— The Secretary, the Secretary of Commerce, and the United States International Trade Commission shall establish from time to time for statistical purposes an enumeration of articles in such detail as in their judgment may be necessary, comprehending all merchandise imported into the United States and exported from the United States, and shall seek, in conjunction with statistical programs for domestic production and programs for achieving international harmonization of trade statistics, to establish the comparability thereof with such enumeration of articles. All import entries and export declarations shall include or have attached thereto an accurate statement specifying, in terms of such detailed enumeration, the kinds and quantities of all merchandise imported and

10-digit statistical reporting number. Thus, statistical requests that seek to alter the legal classification of merchandise according to Customs cannot be accommodated.

Interested parties or their representatives may request changes to the statistical annotations of the HTS or Schedule B. Such requests should be made under section 484(f) of the Tariff Act of 1930⁸ and directed to the Committee for Statistical Annotation of Tariff Schedules. Requests should be submitted no later than **March 15** for changes to be effective on the subsequent July 1, and no later than **July 15** for changes to be effective on January 1 of the following year. Parties should specify if the proposed change relates only to the HTS or Schedule B, or to both.

These requests should be submitted to the Committee Chairman at the address below, or by electronic mail **with read receipt** to 484f@usitc.gov.

Chairman
The Committee for Statistical Annotation of Tariff Schedules
United States International Trade Commission
Washington, D.C. 20436

Within 10 days of the receipt of any request, the Committee will acknowledge it (usually by electronic mail and/or by telephone conversation) and will provide any informal feedback that the Committee may wish to supply. If such an acknowledgment is not received, the sender should verify (by e-mail to the address shown above) that the request was in fact received, especially for requests filed within a few days of the deadline, so that each request can be processed.

Each request filed with the Committee should indicate precisely the nature of each desired change. The exact proposed language of any category to be inserted or modified (including the article description and any relevant units of quantity) along with detailed reasons for the request should be submitted. Similarly, the current 10-digit number for each provision that is proposed for deletion should be supplied together with supporting reasons (such as changes in trade patterns, levels or technology or in the industry's record-keeping standards and data requirements). Confidential business information should **not** be submitted to the Committee regardless of the format used to initiate the request.

For requests relating to imported products, the requestor should provide the names of importers and foreign manufacturers (when known) that are associated with the articles in question and should indicate the countries from which the articles are being imported. Comparable information about exporters and domestic manufacturers should be supplied for a request pertaining only to exports.

exported and the value of the total quantity of each kind of article.”

A proposed statistical category under which three (3) or fewer importers or exporters would likely report shipments generally will **not** be approved, in order to avoid the disclosure of confidential business information. The statistical reporting categories in the HTS and in Schedule B are adopted for a five- year period rather than an indefinite one, as set forth in the guidelines for Committee review set forth below, so that the need for continued use can be verified. Because of the nonlegal status of statistical provisions under section 1204 of the 1988 Act, and the Committee can modify them or their coverage as needed, both users and Customs face difficulty over time if statistical provisions are enacted or referenced in proposed tariff legislation or other legal instruments in a manner that attempts to define the customs treatment of goods in trade.

Questions regarding the drafting or treatment of such requests or any other questions regarding these provisions should be addressed to the Committee, by mail to the Committee Chairman, by telephone at (202) 205-2592, or by email to 484f@usitc.gov. Information regarding Schedule B provisions only can be obtained from Census officials at <http://www.census.gov/foreign-trade/schedules/b/>.

Guidelines for 484(f) Committee review

The Committee has adopted the following guidelines on the effective period, renewal, deletion, and reinstatement of all statistical provisions, effective as of July 1, 2016:

1. *Initial effective period.*—With respect to any new statistical provision of the HTS or Schedule B (whether for a statistical note or statistical reporting number(s)) for which any request is submitted in any year, commencing as of January 1, 2016, and as to which the Committee grants the request in whole or in part, with or without modifications, the effective period of such action shall be for an initial period of five (5) years starting on the date on which the provisions so approved are inserted in the HTS or in Schedule B, unless the requestor specifies that an effective period of fewer than five (5) years is being sought.

2. *Renewal requests.*

A. *First renewal request.*—If the original requestor (or a successor party in interest) of a provision described in the preceding paragraph desires that the provision(s) so implemented should continue in effect for a second five-year period, that person or party must file a renewal request stating that the provision(s) approved or other action taken by the Committee should be retained in effect for such second period. Such a renewal request should be filed by the date that is not later than five (5) years after the date on which the Committee granted the original request in whole or in part, with or without modifications. The request may seek further modifications in the covered provisions for Committee consideration. Such a renewal request will normally be granted, subject to the criteria then in effect for new statistical reporting numbers, unless zero trade has been reported under any such statistical reporting number during the five (5) years following implementation.

B. *Further renewal requests.*—Additional renewal requests must be filed for any such

provision to continue in effect for a third five-year period or for any succeeding period, to be filed by the date that is not later than five years from the date on which the Committee granted the immediately prior request for renewal. The requester may request renewal of any statistical category for a shorter period of time (i.e., for a set period of fewer than five years as specified in such a request). Any such renewal request will normally be granted, subject to the criteria then in effect for new statistical reporting numbers, unless zero trade has been reported under any such statistical reporting number during the five (5) years following implementation.

3. Deletion and potential reinstatement of zero-trade categories.

A. Sunset of zero-trade categories.—If no trade has been reported under any statistical reporting number of the HTS or Schedule B that was—

(1) in a request covered by the paragraph entitled “Initial effective period?” above, or

(2) not originally requested by a government agency and first appeared in the HTS or in Schedule B on or after July 1, 2016, regardless of when such statistical reporting number was requested,

during any period of five (5) successive years, the Committee will delete that provision from the HTS or Schedule B at its next regular meeting, effective on the following January 1.

B. Requests for reinstatement.—The Committee will nonetheless receive requests at any time for reinstatement of any provision so deleted, and any such request will be placed on the agenda for the next regular meeting. Subject to the Committee’s criteria for new statistical reporting numbers in effect on the date of such a subsequent request, any reinstatement approved by the Committee shall take effect on the date specified by the Committee, without retroactive effect.