



Client Advisory

August 30, 2019

Update: Section 301 5% Duty Increase

Dear Valued Customer,

The Office of the United States Trade Representative (USTR) increased the duty rate on all of Section 301 List 4, that is parts A and B, by 5%, from 10% to 15%. Altogether, parts A and B of this list will impact \$300 billion worth of imports from China. **The 15% duty rate will affect List 4A products arriving on or after September 1, and List 4B products arriving on or after December 15.**

Additionally, the USTR *proposed* a 5% duty increase from 25% to 30% for Lists 1, 2, and 3 to impact goods arriving on or after October 1, pending a formal comment period. Per the USTR

announcement, the deadline to submit written comments is September 20.

List	Current Duty Rate	New Duty Rate	Effective Date
1, 2, 3	25%	30%* *proposed	October 1, 2019* *proposed
4A	10%	15%	September 1, 2019
4B	10%	15%	December 15, 2019

For the full scope of this action, please review the USTR publications below:

[USTR Notice of Modification - August 28, 2019](#) (Lists 4A & 4B)

[USTR Request for Comments Concerning Proposed Modification - August 28](#) (Lists 1, 2, & 3)

[USTR Notice of Modification \(List 4A and List 4B\) - August 20, 2019](#) (Lists 4A & 4B)

[List 4A \(Effective September 1, 2019\)](#)

[List 4B \(Effective December 15, 2019\)](#)

OEC Group is committed to keeping our customers informed on current market conditions and will continue to monitor the situation as it develops.

Should you have any questions regarding this update, please contact your OEC Group Brokerage Representative.

Sincerely yours,

OEC Group

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