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Department of Commerce Gives U.S. Importers New Procedures for Exemptions to Trump Steel and Aluminum Tariffs

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This week, the U.S. Department of Commerce's Bureau of Industry and Security (BIS) began taking applications from interested parties in the U.S. for exclusions of certain products from steep tariffs imposed on imports of steel and aluminum. The public is allowed to comment on the new product exclusion procedures until May 18, so the Department of Commerce may change some aspects of the procedures later this year.

Beginning March 19, certain individuals and organizations have been allowed to file "exclusion requests" for specific steel and aluminum products. The requirements for BIS to grant an exclusion request include:

- The filer is located within the U.S.
- The filer uses one or more steel or aluminum products listed in President Trump's March 8 proclamations in a "business activity" in the U.S.
- The filer uses the designated form approved by BIS.
- BIS determines that the products the filer wishes to exclude from the tariffs are (1) not produced in the U.S. in a sufficient and reasonably available amount; (2) not produced in the U.S. in a satisfactory quality; or (3) an exclusion is justified by a specific national security consideration.

BIS' interim regulations cover only product-specific exclusions. Exemptions for steel and aluminum imports on a country-by-country basis must be approved by the President, and will be negotiated through diplomatic channels. A business in the U.S. that utilizes any of the steel or aluminum products listed in the President's March 8 proclamations must file its own exclusion request. The fact that the same product has been excluded from the tariffs for another business will not affect imports by a different business.

There is currently no time limit for businesses in the U.S. to file exclusion requests with BIS. However, BIS estimates that each request will require 90 days to process. Each request will be publicly posted for public comment and possible objections by other members of the public. Since the tariffs go into effect on March 23, importers will be paying the new tariff rates on affected steel and aluminum products well before BIS estimates

it will be able to grant their exclusion requests. The possibility of duty refunds for those importers granted exclusion from the tariff is currently being discussed, but is not included in the interim regulations.