

BRIEFINGS

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ACE TRANSITION

- Census [announced](#) in a broadcast message on June 29 that the Automated Commercial Environment (ACE) now supports the "Exporter" account type. AES data will be available through ACE Exporter accounts.

- Customs has issued an Information Notice that describes ACE system roll-outs that are scheduled through July 25, 2015. CSMS [#15-000396](#) (June 25, 2015).

- Customs has [posted](#) presentations on International Trade Data System (ITDS) / Partner Government Agency (PGA) integration from the 2015 Trade Support Network (TSN) conference held June 23-25, 2015.

- In a June 26 [letter](#) to Customs Commissioner Gil Kerlikowske and other government officials, TSN industry members involved in the ACE transition plan stated that Customs should require use of ACE only for capabilities that have been in production at least six months. The Trade Leadership Council (TLC) of the TSN said there is too much risk to proceed with the current ACE / ITDS transition plan.

2015 HTSUS REVISION

- On July 1, the U.S. International Trade Commission (ITC) published [Revision 1](#) to the 2015 Harmonized Tariff Schedule of the United States (HTSUS). Revisions include changes to statistical suffixes and technical corrections, as well as new breakouts for bottless steel shelving, electric car batteries, artificial turf, and wheat.

- The ITC has updated its HTSUS search tool at <http://hts.usitc.gov/>.

2015 SEMINAR SCHEDULE

- September 15 & 16 - HTSUS/ ECCN Classification Seminar
- October 20 & 21 - FTZ 101 & 201
- November 17 & 18 - Import/ Export 101 & 201
- Seminars are offered to Miller & Company clients only. For more details contact [Penny Freeman](#).

UPCOMING WEBINARS

- July 16 - Buying/Selling Agents
- August 20 - Increasing FTZ Savings
- Visit the Miller & Company website for the full 2015 webinar [schedule](#).
- Register for webinars at our [eStore](#) or contact [Victoria Denney](#). Past [webinars](#) are available on our website.

REMOTE LOCATION FILING

Customs has announced a test that expands the entry types and port locations eligible for Remote Location Filing (RLF). Participants will be required to file the invoice data through the Document Image System (DIS), not the Electronic Invoice Program. 80 Fed. Reg. [40079](#) (July 13, 2015).

ITAR PRIOR RESTRAINT

The Directorate of Defense Trade Controls (DDTC) has requested comments by August 3 on its Proposed Rule requiring pre-approval for publication and public speaking involving International Traffic in Arms Regulations (ITAR) controlled technical data. 80 Fed. Reg. [31525](#) (June 3, 2015). Contact Sean Murray for assistance.

IRANIAN SANCTIONS

As a result of the July 14 [agreement](#) between Iran and the "P5 + 1" countries, and contingent upon Congressional approval, International Atomic Energy Agency (IAEA) verification, and other steps, the United States and other countries will begin to remove some sanctions on Iran in phases later this year. There are no immediate changes to existing U.S. sanctions. The only current sanctions relief is the temporary relief that was provided in November 2013 and later extended. Contact Chuck Ballard with questions.

FAST TRACK and TPP

- After their passage by Congress, President Obama [signed](#) the Trade Promotion Authority ("Fast Track") and Trade Adjustment Assistance trade bills into law on June 29. This sets the path for completion of the Trans-Pacific Partnership (TPP).

- A TPP ministerial will be held from July 28-31 in Maui, Hawaii, right after a meeting of chief negotiators on July 24.

GSP UPDATES

- President Obama has signed [H.R. 1295](#), which reinstates the Generalized System of Preferences (GSP) program through December 2017. The Office of the U.S. Trade Representative (USTR) has stated that Customs will issue a [Federal Register](#) notice by the end of July to define the refund process.

- The USTR has [initiated](#) a review of products that may be subject to reinstatement or revocation of eligibility under GSP. Petitions are due July 31. 80 Fed. Reg. [38501](#) (July 6, 2015).

DIS PGA FORMS

Customs has [posted](#) a list of PGA forms that will be required through the Document Image System (DIS) as of November 1, 2015. This post also contains a list of forms that will be available in DIS beginning January 2016.

ACE PILOTS

- The FDA's ACE pilot program is now scheduled to launch on August 19.
- Customs has announced a pilot to test the Export Manifest for Air Cargo in ACE. Testing is expected to begin August 10. 80 Fed. Reg. [39790](#) (July 10, 2015).

EXPORT CONTROL REFORM

The Bureau of Industry and Security (BIS) and DDTTC have:

- Published Proposed Rules to move certain toxicological, chemical, and biological agents and associated equipment to the Commerce Control List (CCL) and to move some parts and components related to directed energy weapons to the CCL. Comments are due by August 17. 80 Fed. Reg. [34562](#) (June 17, 2015); 80 Fed. Reg. [34572](#) (June 17, 2015).
- Announced a temporary change to clarify that certain intelligence and analytical software remains in USML Category XI. 80 Fed. Reg. [37974](#) (July 2, 2015).
- Corrected the Export Administration Regulations (EAR) relating to the movement of certain spacecraft-related items to the CCL. 80 Fed. Reg. [39950](#) (July 13, 2015).

HTSUS - MOBILE PHONE KITS

Customs has proposed changes to the classification of mobile phone components imported in bulk in separate boxes for kitting purposes currently classified in HTSUS 8517.12.0050 (0%). The proposed classifications would place the batteries in HTSUS 8507.60.0020 with a 3.4% duty rate. Comments are due by July 31. 49 Customs B. and Dec. [120](#) (July 1, 2015).

I'M A LITTLE TEAPOT

Customs Headquarters has affirmed a prior NY ruling that an original silver teapot made by a renowned German Bauhaus designer is properly classified in Heading 7114 as articles of silversmiths' wares and not in Heading 9703 as original sculptures due to its utilitarian nature. HQ [H234009](#) (Apr. 15, 2015).

AD/CVD LIQUIDATIONS

The Court of Appeals for the Federal Circuit has decided that an importer of AD/CVD merchandise was required to Protest liquidations by Customs even though they were contrary to Commerce instructions. The case is a reminder to monitor the liquidation of all entries. [Carbon Activated Corp. v. U.S.](#), CAFC Slip Op. [2015-1112](#) (June 26, 2015).

EXPORTER AID

Exporters can now request assistance from U.S. Customs with classification and valuation issues involving foreign customs services. Contact Sean Murray or Brian Murphy with questions. 80 Fed. Reg. [34924](#) (June 18, 2015).

CBP/FDA VIOLATIONS

A Canadian company recently pled [guilty](#) in U.S. District Court in Vermont to importing cattle feed that contained antibiotic levels higher than allowed by the FDA and making false statements to Customs by providing false documentation. The government is seeking an \$80,000 fine and a year's probation.

HTS CLASSIFICATION

Reminding that the Explanatory Notes (ENs) are sometimes necessary to properly classify merchandise and not all "parts of" are classified in Chapter 84, the U.S. Court of International Trade has ruled that filled glass bulbs used as parts of fire sprinklers and water heaters are glass articles in Heading 7020 rather than machinery parts in Chapter 84. [Tyco Fire Products L.P. v. U.S.](#), CIT Slip Op. [15-74](#) (July 10, 2015).

MEDICAL DEVICE ORIGIN

Customs has issued a Final Rule stating that, despite components of Chinese origin, the country of origin for a wound therapy system is the UK. 80 Fed. Reg. [38718](#) (July 7, 2015).

OFAC LISTS

The Office of Foreign Assets Control has [combined](#) the Foreign Sanction Evaders List (FSE), Sectoral Sanctions Identifications List (SSI), and Palestinian Legislative Council List (NS-PLC) into a Consolidated Sanctions List.

MADE IN USA BEER SUIT

Anheuser-Busch has [reached](#) a preliminary settlement to a class-action lawsuit that alleged the brewer misled customers into believing U.S.-brewed Beck's beer was brewed in Germany. Beck's beer production moved to the U.S. in 2012.

FURTHER WORKING

Customs has ruled that descaling a steel slab in a foreign-trade zone is not considered "further working," so the slabs are classified in Heading 7218. HQ [H250634](#) (May 4, 2015).

ALUMINUM EXTRUSIONS

The CIT has rejected the Department of Commerce's interpretation of the "finished goods kit" scope exclusion to the antidumping and countervailing orders on Chinese aluminum extrusions, ruling that kits are not disqualified by including fasteners or "extraneous materials" or by being entirely extruded aluminum parts. [Meridian Products, LLC v. U.S.](#), CIT Slip Op. [15-67](#) (June 23, 2015).

FOREIGN-TRADE ZONES BOARD ACTIVITY AS OF 7/15/15		
	APPROVED	CURRENTLY AUTHORIZED
ZONES	288	270
SUBZONES	733	579
PENDING		
ZONES		5
SUBZONES		14
MISCELLANEOUS		40

The material contained herein is not to be construed as legal advice or opinion. More information may be obtained by contacting any attorney within the firm.
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