



CHINA SECTION 301 LIST 1 PRODUCT EXCLUSION EXTENSIONS MARCH 19, 2020

The U.S. Trade Representative (USTR) has announced extensions of China Section 301 List 1 product exclusions set to expire on March 25, 2020 and the process for requesting extensions for China Section 301 List 1 product exclusions set to expire on June 4, 2020. As companies have been provided only a thirty (30) day period to request extensions and USTR decisions on those requests have not been made until seven (7) to ten (10) days before the expiration of product exclusions, the USTR extension process is now defined by quick deadlines. **As approximately 83% of the current China Section 301 List 1, 2, 3, and 4A product exclusions are set to expire on or before September 20, 2020, clients should be carefully monitoring the status of these product exclusions and making efforts to preserve the exclusions.** Contact [Ryan Thornton](#) for a comprehensive list of all product exclusions set to expire.

Product Exclusion Extensions Granted

On March 19, 2020, the USTR announced the extension of eleven (11) China Section 301 List 1 product exclusions granted on March 25, 2019 and set to expire on March 25, 2020. 85 [Fed. Reg. 15849](#) (Mar. 19, 2020). These exclusions cover two (2) entire 10-digit HTS provisions and nine (9) product-specific descriptions and will expire on March 25, 2021. The exclusions cover certain linear acting cylinders, brakes, breast pumps, water filtration machinery, water purifiers, wine filters, rubber tracks, automated data processing storage units, AC electric motors, and inoculator sets.

The remaining [twenty-two \(22\)](#) China Section 301 List 1 product exclusions that were granted on March 25, 2019 are set to expire on March 25, 2020 unless further extensions are announced. These product exclusions cover certain pumps, impellers, rotors, check valves, salad spinners, transformers, etc. Clients may still utilize these product exclusions for merchandise entered before the March 25, 2020 expiration date. For merchandise held in FTZs in Non-Privileged Foreign (NPF) status for production, based upon past Customs practice, no further action is necessary. For merchandise held in FTZs in NPF status for distribution, we suggest that clients should consider immediately filing a Customs entry with a Non-Processing Stipulation to claim the product exclusion, which is the safest option. Another option is to change the zone status to Privileged Foreign (PF) to attempt to take advantage of the existing product exclusion, but there may be issues with this approach. Contact [Marshall Miller](#) with questions.

New List 1 Product Exclusion Extension Opportunity

The USTR also [announced](#) the process for requesting extensions for China Section 301 List 1 product exclusions set to expire on June 4, 2020. Requests for extensions may only be submitted for a short thirty (30) day period beginning on April 1, 2020 and ending on April 30, 2020. The eighty-four (84) product exclusions in this group include certain push-button switches, speed drive controllers, pumps, heat exchangers, garage door openers, conveyor belt assemblies, electric motors, printed circuit assemblies, etc.

Whether or not a company requested a product exclusion, China Section 301 product exclusions are available for all merchandise meeting the description in the product exclusion. Therefore, a company may request extension of a product exclusion even if it did not request the initial exclusion. Companies and other interested parties may file comments in support or opposition to extending an exclusion. The extension process uses forms that are different from the initial List 1 product exclusion request. Required information includes whether merchandise is available in the U.S., the quantity of merchandise sourced from China or domestic sources, and the economic harm to U.S. companies from these increased duties.

Clients using an exclusion for List 1 products set to expire on June 4, 2020 are encouraged to request an extension by April 30 to preserve the exclusion. Please contact [Marshall Miller](#), [Brian Murphy](#), [Sean Murray](#), or [Ryan Thornton](#) with questions or for assistance in filing exclusion extension requests. Contact [Ryan Thornton for our proprietary China Section 301 product exclusion spreadsheet](#).

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