



## SECTION 232 STEEL AND ALUMINUM TARIFFS CBP CSMS GUIDANCE (March 10, 2025)

Late Friday, March 7, 2025, U.S. Customs and Border Protection issued CSMS #[64348288](#) regarding Aluminum articles and derivative products and CSMS #[64348411](#) on Steel articles and derivative products which provide more detailed guidance on how these Section 232 tariffs will be implemented than was available since our last February 11 [update](#) and February 14 [update](#). The CSMS messages each include a detailed list of HTS provisions and Quick-View Chart, which summarizes the HTS provisions and Proclamations.

- As described below, the effective date for new steel and aluminum derivatives classified outside HTS Chapters 73 and 76 is unclear. We have requested confirmation.
  - For such derivatives, consider using the CBP Reconciliation program to declare “estimated” values.
- Note FTZs are treated differently for Section 232 steel and aluminum.
- All Section 232 steel and aluminum tariff-rate and absolute quotas expire March 11, 2025.
- General Approved Exclusions expire effective March 11, 2025.
- Previously-granted importer-specific product exclusions will expire on their previously determined expiration date or when the excluded product volume is met – whichever occurs first.

The CBP instructions are novel and complicated. Given the HTS complexity, it is critically important that importers micromanage their Customs Brokers when entering goods subject to these duties to ensure accurate and complete filings. For importer and FTZ clients, consider confirming with your software providers that the software supports the HTS and value declarations. Both CSMS messages state that CBP expects “full compliance” reporting data and payment of additional duties and will take enforcement actions for non-compliance.

### A. ALUMINUM 232 DUTIES

Effective March 12, Section 232 25% additional duties will take effect on aluminum articles and derivative aluminum articles from all countries, with the exception of derivative aluminum articles smelt and cast in the U.S. and, likely, non-HTS Chapter 76 derivatives. See 90 Fed. Reg. [9807](#) (Feb. 18, 2025) as amended by 90 Fed. Reg. [11251](#) (March 5, 2025).

Multiple new HTS 9903.85 tariff provisions have been created applying a 25% duty-rate for aluminum products originally subject to Section 232 aluminum tariffs, existing derivative aluminum products subject to Section 232, and new derivative aluminum products classified in HTS Chapter 76 subject to Section 232. New HTSUS subheading 9903.85.09 applies a 0% tariff-rate for derivative aluminum articles processed in another country and smelted and cast in the U.S.

New HTSUS subheading 9903.85.08 was created for new aluminum derivative articles not classified in HTS Chapter 76 subject to Section 232 effective for entries “on or after a date to be certified in the Federal Register by the Secretary of Commerce” applying a 25% duty-rate based upon the value of the aluminum content. The Quick-View chart

indicates “TBD” effective date, but we are seeking further clarification on timing, specifically if the Commerce certification date may have been fulfilled with the above-referenced [Federal Register](#) notices. If so, aluminum derivatives classified outside HTS Chapter 76 might be effective March 12 with the other Section 232 tariffs. The CSMS message provides instructions on reporting the value of the aluminum content for such HTS provisions outside HTS Chapter 76, including that if the value of the aluminum content is unknown, then duty applies to the entire entered value. Clients may consider using CBP Reconciliation program and declaring “estimated” values. If the aluminum content value is less than the entered value, values must be reported on two lines.

### **Russia Aluminum**

200% duties remain in effect on any aluminum products and derivative aluminum products that are produced or cast in Russia, and produced outside of Russia using primary aluminum smelted in Russia. These duties are to be applied on the entire value of the imported goods.

### **Smelt and Cast Reporting Requirements**

Importers must report the primary and secondary countries of smelt and country of most recent cast. The CSMS message provides detailed reporting instructions.

### **Foreign Trade Zone (FTZ)**

Any aluminum articles or derivative aluminum articles subject to the duty admitted into an FTZ may be admitted only under “privileged foreign status.” The smelt and cast reporting requirements also apply to goods admitted into a U.S. FTZ and withdrawn from the FTZ for consumption.

Significantly for FTZs, unlike all other Section 232 notices, the Aluminum Proclamation, [Federal Register](#) notice, and aluminum CSMS message lack any direction applying the Section 232 duties to aluminum and derivative aluminum articles in Privileged Foreign (PF) zone status admitted prior to March 12, 2025 and subject to Customs entry on or after March 12, 2025. This may be the result of an aluminum Proclamation drafting error, which might be subject to an amended Proclamation before March 12 or later, which applies the Section 232 25% tariff-rate in effect at the time of Customs entry to PF aluminum merchandise.

Given the existing unusual aluminum language, FTZ clients may consider filing e214 Status Designation to change the zone status of Non-Privileged Foreign (NPF) aluminum and derivative aluminum articles to Privileged Foreign (PF) zone status. However, this eliminates FTZ duty-inversion benefits and runs a risk if an amended Proclamation is subsequently issued. To be safe, consideration should be given to filing Customs entry of FTZ on-hand inventory of aluminum and derivative aluminum articles prior to March 12. [See](#) generally our February 3 “What’s New” [update](#) on FTZ on-hand inventory options for FTZ warehouse and production operations, including FTZ weekly entry strategy.

## **B. STEEL 232 DUTIES**

Effective March 12, 2025, Section 232 25% import duties will take effect on all imports of steel articles and derivative steel articles from all countries, with the exception of derivative steel articles melt and poured in the U.S. and, likely, non-HTS Chapter 73 derivatives. [See](#) 90 [Fed. Reg.](#) [9817](#) (Feb. 18, 2025) and 90 [Fed. Reg.](#) [11249](#) (March 5, 2025).

Multiple new HTS 9903.81 tariff provisions have been created applying a 25% duty-rate for steel products originally subject to Section 232 steel tariffs, existing derivative steel products subject to Section 232, and new derivative aluminum products classified in HTS Chapter 73 subject to Section 232.

Two new HTSUS subheadings 9903.81.88 and 9903.81.93 have been created to cover iron or steel products and derivative articles admitted into an FTZ under Privileged Foreign (PF) status before March 12, 2025, and entered for consumption on or after March 12, 2025. It is noted that similar HTSs were not created for PF status aluminum and derivative aluminum admitted before March 12 and entered thereafter.

New HTSUS subheading 9903.81.92 applies a 0% tariff-rate for derivative steel articles

processed in another country and melted and poured in the U.S.

New HTSUS subheading 9903.81.91 was created for new steel derivative articles not classified in HTS Chapter 73 subject to Section 232 effective for entries “on or after a date to be certified in the Federal Register by the Secretary of Commerce” applying a 25% duty-rate based upon the value of the steel content. As noted above, the Quick-View chart indicates “TBD” effective date, but we are seeking clarification on the effective date which might be March 12. The CSMS message provides instructions on reporting the value of the steel content for such HTS provisions outside HTS Chapter 73, including that if the value of the steel content is unknown, then duty applies to the entire entered value. If the steel content value is less than the entered value, values must be reported on two lines. Clients may consider using CBP Reconciliation program to declare “estimated” steel content values.

### **Melt and Pour Reporting Requirements**

Importers must report the primary country of melt and pour for steel and derivative steel products. The CSMS message suggests “OTH” may be reported when unknown.

### **Foreign Trade Zone (FTZ)**

Any steel article or derivative steel article, except those eligible for admission under “domestic status” as defined in 19 CFR 146.43, that is subject to the duty imposed by this proclamation and that is admitted into a U.S. FTZ **on or after** 12:01 a.m. eastern daylight time on March 12, 2025, must be admitted and granted as “privileged foreign status” as defined in 19 CFR 146.41, and will be subject upon entry for consumption to any ad valorem rates of duty related to the classification under the applicable HTS subheading.

Any steel article or derivative steel article, except those eligible for admission under “domestic status” as defined in 19 CFR 146.43, that is subject to the duty imposed by this proclamation, and that was admitted into a U.S. FTZ and granted “privileged foreign status” as defined in 19 CFR 146.41, **prior to** 12:01 a.m. eastern daylight time on March 12, 2025, **will likewise be subject upon entry for consumption to any ad valorem rates of duty related to the classification under the applicable HTS subheading added by this proclamation.**

For steel and steel derivative articles admitted into a U.S. foreign trade zone and granted “privileged foreign status” as defined in 19 CFR 146.41, **prior to** 12:01 a.m. eastern daylight time on March 12, 2025, and entered **on or after** 12:01 a.m. eastern daylight time on March 12, 2025, use the HTS classification below corresponding to the type of imported good:

- 9903.81.88: Iron or steel products (including those classified under GAEs).
- 9903.81.93: All iron or steel derivative products, except as noted below:
- 9903.81.91: Iron or steel derivative products classified outside of Chapter 73.
- 9903.81.92: Iron or steel derivative products with a melt and pour of United States.

FTZ clients may consider filing Customs entry of FTZ on-hand inventory of steel and derivative steel articles prior to March 12. See generally our February 3 “What’s New” [update](#) on FTZ on-hand inventory options for FTZ warehouse and production operations, including FTZ weekly entry strategy.

### **SUMMARY**

The nature and complexity of these additional duties is unprecedented. Importers must work carefully with their Customs Brokers and software providers to ensure all entries are filed accurately and completely. CBP has been instructed not to provide mitigation for penalties arising out of these duties, so the cost of errors could be significant.

Contact [Marshall Miller](#), [Brian Murphy](#), [Sean Murray](#), or [David Ostheimer](#) with questions or to be provided the firm’s spreadsheet of affected HTSUS classifications.

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