



FIRST SALE RULE

U.S. Senators Bill Cassidy (R-LA) and Sheldon Whitehouse (D-RI) have introduced a [bill](#) that would eliminate the Customs "First Sale Rule." The bill, the Last Sale Valuation Act of 2026, proposes to redefine the term "sold for exportation to the United States" in transactions involving multiple sales as the price actually paid or payable by the U.S. buyer in the final sale that introduces the merchandise into the U.S. The bill has just been introduced and has not been passed by either house of Congress or signed into law, but has received support from Presidential trade advisor Peter Navarro. Contact [Marshall Miller](#), [Brian Murphy](#), or [Sean Murray](#) with questions.

TAIWAN DEAL

On February 12, the U.S. Trade Representative (USTR) [announced](#) the signing of a [trade deal](#) between the U.S. and Taiwan. The U.S. will reduce its IEEPA Reciprocal Tariffs, so that the total combined Reciprocal and MFN tariff rate is 15% unless the MFN rate exceeds 15%. The Section 232 duties applied to Taiwanese auto parts, timber, lumber, and wood derivative products will total no more than 15% and the U.S. will apply zero percent (0%) Reciprocal Tariffs to generic pharmaceuticals, their ingredients, aircraft parts, and unavailable natural resources. Taiwan has agreed to make new, direct investments of \$250 billion into U.S. semiconductor, energy, and artificial intelligence production and innovation and \$250 billion to support the U.S. semiconductor production supply chain. The agreement will not enter into force until both parties have implemented the necessary internal procedures.

COUNTRY TRADE DEALS

- The U.S. has entered into trade agreements with [El Salvador](#) (Jan. 29), [Guatemala](#) (Jan. 30), and [Bangladesh](#) (Feb. 9). IEEPA Reciprocal Tariffs are eliminated on only certain products of El Salvador and Guatemala that qualify for preferential treatment under the Central American Free Trade Agreement (CAFTA) and products that cannot be grown, mined, or

2026 FIRM SEMINARS

We will be offering the following Spring training seminars in-person at our Kansas City office:

FTZ 101 – March 10
FTZ 201 – March 11

Import/Export 101 – April 7
Import/Export 201 – April 8

See our [website](#) for more detailed information. Please contact [Shari Rees](#) with questions. Seminars are offered to Miller & Company clients only.

REFUNDS VIA ACE

Effective February 6, CBP will only issue refunds via Automated Clearing House (ACH), with limited exceptions. CBP has issued guidance outlining the ACE Portal updates and the ACH Refund enrollment process. Filers are encouraged to review the authorized notify parties in the ACE Portal and, if changes are necessary, use CBP Form 4811 or the ACE Portal in the Importer sub-account. Contact [Brenda Zeller](#) for assistance. CSMS [#67644085](#) (Feb. 6, 2026); CSMS [#67648307](#) (Feb. 6, 2026).

FDA FTZ CODE

The U.S. Food and Drug Administration (FDA) has issued a reminder that the Affirmation of Compliance (A of C) code "FTZ" is not valid. Effective February 21, the code will be removed from the ACE PGA Appendix. CSMS [#67510839](#) (Jan. 26, 2026).

INDIA TARIFFS

President Trump has issued Executive Order (EO) 14384, which eliminated the 25% IEEPA tariffs on products of India, effective February 7. The EO indicates India has committed to stop importing Russian oil and represented that it will purchase U.S. energy products and expand defense cooperation over the next 10 years. The U.S. and India have also issued a [Joint Statement](#) indicating they have reached a framework for an Interim Agreement under which India would eliminate or reduce tariffs on certain U.S. goods and the U.S. would reduce the India Reciprocal Tariff

232 METAL CONTENT

- A [Complaint](#) has been filed in the U.S. Court of International Trade (CIT) that challenges the U.S. Customs and Border Protection (CBP) liquidation of screw and fastener entries pursuant to guidance in a CBP Base Metal Center of Excellence and Expertise (CEE) internal memo that allegedly calculates the metal content differently than the CBP CSMS message, FAQ guidance, and rulings on valuing Section 232 metal content. The lack of clear, workable guidance from CBP continues to create issues and risks for all importers attempting to minimize duty liability as permitted by the terms of EO 10896. Contact [Brian Murphy](#) or [Sean Murray](#) with questions. [Express Fasteners, Ltd. v. U.S.](#), CIT Case No. 26-852 (filed Jan. 27, 2026).

- COAC, the Commercial Customs Operations Advisory Committee, has issued [recommendations](#) to CBP for improving clarity, predictability, and operational efficiency in the administration of Section 232 tariffs.

- A broad coalition of U.S. industry groups have sent a [joint letter](#) to the Commerce Department urging a more transparent, consultative, and predictable Section 232 process. The letter highlights issues such as short comment windows, unclear product inclusion criteria, and increased compliance burdens.

CANADA TARIFFS

On February 11, the House of Representatives passed a [Joint Resolution](#) to terminate the national emergency declared by President Trump, under which he imposed the 25% IEEPA-based tariffs on Canadian goods. The resolution is considered mostly symbolic. If passed by the Senate, it would go to the President to sign or veto.

TARIFFS ON IRAN ENABLERS

President Trump issued EO 14382 on February 6. It [authorizes](#) additional tariffs on goods imported into the U.S. that are products of any country that directly or indirectly purchases, imports, or otherwise acquires any goods or services from Iran. The Secretary of State, Secretary of Commerce, and U.S. Trade Representative are

naturally present in the U.S. in sufficient quantities. Reciprocal Tariffs are eliminated on Bangladesh origin products in Annex III to EO 14346 (Sept. 5, 2025). El Salvador, Guatemala, and Bangladesh all agree to remove non-tariff barriers by accepting U.S. standards for agricultural and industrial goods, including automobiles, medical devices, and pharmaceuticals. These trade agreements also include commitments to uphold labor and environmental standards and to avoid barriers to services and digital trade.

- On February 12, President Trump [announced](#) a framework trade agreement with North Macedonia that eliminates IEEPA Reciprocal Tariffs on some products on the Annex III list to EO 14346. North Macedonia will eliminate Customs duties on all U.S. industrial and agricultural goods. This agreement also includes commitments to uphold labor and environmental standards and to avoid barriers to services and digital trade.

OFAC VENEZUELA

The Office of Foreign Assets Control (OFAC) has issued four new amended General Licenses (GL) and ten new Frequently Asked Questions ([FAQs](#)). GL [46A](#) authorizes certain activities involving Venezuelan oil, GL [47](#) authorizes the sale of U.S.-origin diluents, GL [48](#) authorizes the supply of certain items and services, and GL [30B](#) authorizes certain transactions necessary for port and airport operations. Contact [Sean Murray](#), [James Hurst](#), or [Chuck Ballard](#) with questions.

DRONE EXPORTS

Effective January 20, the Bureau of Industry and Security (BIS) eased the export licensing for commercial drones that have an effective range of one hour or less. The new rules allow the export of these drones, often called Unmanned Aerial Vehicles (UAVs), to Wassenaar Countries (A:1 Group countries) without a license. Other “friendly countries” in Country Group A:5 can receive these drones using License Exception STA. 91 [Fed. Reg. 2461](#) (Jan. 21, 2026).

AES HTSUS UPDATE

On February 5, Census [announced](#) that it had updated the list of Harmonized Tariff Schedule (HTS) numbers that cannot be used in the Automated Export System (AES). A 30-day grace period began on January 31, after which AES transactions with invalid HTS numbers will receive a Fatal Error message.

CUSTOMS BONDS

CBP has issued a Proposed Rule requiring most customs bonds to be transmitted electronically. The

rate to 18%, remove tariffs on certain aircraft and parts, impose a preferential tariff rate quota for auto parts, and provide relief for generic pharmaceuticals. 91 [Fed. Reg. 6501](#) (Feb. 11, 2026); CSMS [#67702087](#) (Feb. 9, 2026).

FORCED LABOR PORTAL

CBP launched a new Forced Labor Portal on January 21. This is a single location for importers to submit information on imports detained or excluded for Withhold Release Order/Finding admissibility reviews, Uyghur Forced Labor Prevention Act (UFLPA) applicability reviews, UFLPA exception requests, and Countering America's Adversaries Through Sanctions Act (CAATSA) exception requests. CSMS [#67466320](#) (Jan. 21, 2026); CSMS [#67538179](#) (Jan. 28, 2026).

MEXICAN COFFEE WRO

On January 29, CBP issued a Withhold Release Order (WRO) against coffee exported by Finca Monte Grande, alleging that coffee is being harvested using forced labor. CSMS [#67544333](#) (Jan. 29, 2026).

ORGANIC FILERS

Effective February 13, the tariff flag code changed for 21 HTSUS classifications in Chapters 2 through 35. Organic shipments arriving without a valid National Organics Program Import Certificate are subject to reexport, donation, or destruction. CSMS [#67645994](#) (Feb. 6, 2026).

ACE DUTY CALCULATIONS

CBP is implementing ACE enhancements on February 17 that will validate filer-provided duty amounts on entry lines with up to 32 HTS codes. CSMS [#67747060](#) (Feb. 13, 2026).

CLOSING HMF LOOPHOLE

On January 21, two Federal Maritime Commission (FMC) Commissioners, Max Vekich (D) and Chairman Laura DiBella (R) issued a [statement](#) supporting closing the Harbor Maintenance Fee (HMF) “loophole” for cargo imported across a U.S. land border after arriving by ship in a Canadian or Mexican port. EO [14269](#) (April 9, 2025) instructed the Department of Homeland Security to ensure “foreign-origin cargo first arriving by vessel to North America clearing the CBP process at an inland location from the country of land transit (Canada or Mexico)” is subject to the HMF and a 10% “service fee” for additional CBP costs.

HTS 2028

The World Customs Organization (WCO) has [announced](#) amendments to the Harmonized System tariff schedule to be enacted in 2028. Six new Headings and 428 new subheadings have been created,

empowered to take all necessary actions to implement the tariffs and related measures. 91 [Fed. Reg. 6493](#) (Feb. 11, 2026).

APPLIED MATERIALS PENALTY

BIS has [announced](#) that Applied Materials, Inc. of Santa Clara, California, and Applied Materials Korea, Ltd. have agreed to pay a combined \$252 million civil penalty for illegal exports of U.S. semiconductor manufacturing equipment to China. This is the second-largest penalty ever imposed by BIS. Contact [Sean Murray](#) or [Chuck Ballard](#) with questions.

232 CRITICAL MINERALS

Based on a Commerce Department Section 232 report that imports of processed critical minerals and their derivative products (PCMDPs) threaten U.S. national security, President Trump has issued Proclamation 11001, which directs negotiations with trading partners to adjust PCMDP imports. Depending on negotiations, the President may consider alternative remedies such as minimum import prices for specific critical minerals. 91 [Fed. Reg. 2439](#) (Jan. 20, 2026).

232 SEMICONDUCTORS

Based on a Section 232 Commerce report determining that imports of semiconductors, semiconductor manufacturing equipment, and their derivative products impair U.S. national security, President Trump has issued Proclamation 11002, which provides a two-phase plan of action to adjust semiconductor imports. The U.S. will continue trade negotiations and has imposed 25% tariffs, effective January 15, on certain semiconductor articles unless they are imported for specific end uses, such as in U.S. data centers. If trade negotiations are not successful, the Commerce report recommends broader semiconductor tariffs and a tariff offset program for companies investing in U.S. semiconductor production and supply chains. 91 [Fed. Reg. 2443](#) (Jan. 20, 2026).

232 AUTO ACE REPORT

A new TR-015 Section 232 Auto Credit report in ACE identifies entries filed with an import adjustment offset license number under the Section 232 auto parts tariffs. This allows tracking the Import adjustment offsets claimed for each license number. CSMS [#67640669](#) (Feb. 6, 2026).

USMCA MHDV CONTENT

The Commerce Department has issued procedures for submissions by importers of medium- and heavy-duty vehicles (MHDVs) seeking preferential tariff treatment under the U.S.-Mexico-Canada Agreement (USMCA). The notice outlines how importers may document the U.S. content in

comment period closes on April 14. 91 [Fed. Reg. 6986](#) (Feb. 13, 2026).

EXPORT MANIFEST

CBP has issued a Proposed Rule to update the rules for the advance submission of electronic export manifests (EEM) for exports by vessel. The Proposed Rule identifies who can transmit vessel EEM information, their responsibilities, and time frames. Comments are due by April 13. 91 [Fed. Reg. 6074](#) (Feb. 10, 2026); CSMS #[67749745](#) [10](#) (Feb. 13, 2026).

PROCUREMENT THRESHOLDS

USTR has issued updated U.S. dollar procurement thresholds applicable to U.S. government procurements under the Trade Agreements Act of 1979 for calendar years 2026 and 2027. These thresholds determine the application of U.S. obligations under the WTO Government Procurement Agreement and various U.S. free trade agreements. 91 [Fed. Reg. 5019](#) (Feb. 3, 2026).

and 5 Headings and 172 subheadings will be deleted. A new Heading 2107 will be created for dietary supplements.

WCO HSC AGENDA

CBP has published the draft agenda for the March 9-20 meeting of the WCO Harmonized System Committee. The agenda can be reviewed to identify current product classification issues and potential future changes. 60 [Cust. B. & Dec. 10](#) (Feb. 4, 2026).

AGOA, HOPE, & HELP

CBP has issued guidance on the African Growth and Opportunity Act (AGOA), the Haiti Hemispheric Opportunity through Partnership Encouragement Act (HOPE), and the Haiti Economic Lift Program (HELP), which have been extended through December. The guidance outlines procedures for importers to claim preferential tariff treatment and obtain refunds on eligible entries during the October 1, 2025, to February 3, 2026 lapse period. CSMS #[67647279](#) (Feb. 6, 2026).

qualifying vehicles so that Section 232 tariffs are applied only to the non-U.S. content. 91 [Fed. Reg. 4504](#) (Feb. 2, 2026).

TEXTILE TARIFF RATE QUOTAS

The Committee for the Implementation of Textile Agreements (CITA) has published new tariff rate quota limits for apparel imports from Haiti and Sub-Saharan Africa. 91 [Fed. Reg. 6623](#) (Feb. 12, 2026).

FTZ STATISTICS	
FOREIGN-TRADE ZONES BOARD ACTIVITY AS 2/15/2026	
	Approved
Zones	310
Subzones*	916
	Pending
Zones	3
Subzones	6

*From [Fed. Reg. Notices](#)

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