



IMPORT / EXPORT SPECIAL BULLETIN 129 2007-02-02

World Customs Organization Changes to 2007 Harmonized Tariff Effective February 3, 2007

The ACS updates to the tariff numbers associated with the Concordance for section 1205 of the tariff act have been completed. There were 1963 tariff numbers that had to be expired and 1822 tariff numbers that had to be created for this tariff legislation.

CBP has been advised by the United States International Trade Commission (USITC) that there will be some additional minor changes to a few of the tariff numbers in the 2007 United States Harmonized Tariff Schedule Draft. USITC hopes to have those changes posted on their website by the end of this week. CBP will implement those changes when notified by USITC.

Clarification of the WCO HTS Implementation **Grace Period**

(01/12/2007) To facilitate the need for an easier transition to the World Customs Organization (WCO) 2007 HTSUS legislative changes, a 17-day grace period has been granted to the Trade to assist in the HTSUS conversion. The WCO HTSUS changes will be in effect on February 3, 2007 with no exceptions. The Trade advised CBP early on that depending on the complexity and the size of their import and export operations, reclassifying the products affected by these changes, along with the subsequent updating of their internal databases could take up to 45 days to accomplish. Legislation was passed giving 30 days for implementation of the WCO HTSUS changes once the Proclamation was signed and published. CBP is allowing the Trade an additional 17 days to finalize internal classification changes.

This grace period allows for the HTSUS legislative changes only and does not apply to any other filing error. The grace period begins on February 3, 2007 and ends COB February 20, 2007 and pertains to:

- Entries rejected by an Import Specialist or Entry Specialist either manually or electronically by RLF and returned to the filers for classification correction; and
- Post entry classification corrections

The grace period will also help prevent the possible assessment of penalties under Title 19, United States Code, Sections 1592 and 1621 for negligence or non-egregious errors.

Filers will be responsible for substantiating, in writing, the additional time used to make the necessary classification corrections.

CBP expectations of the Trade:

- February 3, 2007 ABI software updates installed and ready for use
- February 20, 2007 all internal classification related updates will be completed

Additionally, HQ granted Special Permit for Immediate Delivery (ID) procedures for those filers that want to take advantage of the HTSUS in effect on or after February 3, 2007. ID procedures allow filers to enter goods at the rate of duty in effect at the time of summary filing as set forth in Title 19, Section 142, Subpart C- Special Permit for Immediate Delivery. Please refer to HQ memo dated January 5, 2007, Immediate Delivery Procedures for 2007 Harmonized Tariff Schedule of the United States.

Source: http://www.customs.gov/xp/cgov/import/communications_to_trade/world_customs_org/

Important: these changes haven't even been published in Mexico, therefore this only applies when importing into the US.

Thank you,

Offshore International