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June 18, 2018

To: Bob Schramm

From: Solomon Greene
Ben Browne

Re: Pistachios - Chinese Retaliation to US Section 301 Tariffs

Overview

China's State Council Tariff Commission decided to impose an additional 25% tariff on 659 items worth \$50 billion in U.S. imported goods *including raw pistachios HTS. 0802.51.00 (inshell) and 0802.52.00 (shelled).*

Under Section 301, the President directed the USTR to submit a dispute to the WTO alleging that China is not fulfilling its obligations under the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs). The U.S. issued an additional 25 percent tariff on 818 products worth approximately \$34 billion in Chinese exports which will go into force on July 6th. A list of 284 more products worth \$16 billion is being reviewed and a final determination will be issued declaring which products from the list will be subject to the additional duties.

Because the U.S. is moving forward with section 301 tariffs, China's State Council Tariff Commission decided to impose an **additional 25% tariff on 659 items worth \$50 billion** in U.S. imported goods. The duties on 545 items worth approximately \$34 billion will begin being gathered on July 6th. The implementation time for the additional 114 items worth approximately \$16 billion has yet to be announced. Nearly all farm products imported from the U.S. will be subject to this first wave of Chinese tariffs.

Attached is the background information. Please contact us if you would like to discuss.

Monday, June 18, 2018 [关键字](#)[Customs Department](#) ▼[搜索](#)[高级检索](#)[返回主站](#)[Home](#) > [Government Affairs](#) > [Policy Release](#)

Notice of the Customs Tariff Commission of the State Council Concerning the Expropriation of Tariffs on Imports of US\$50 Billion Products Originating in the United States

Taxation Committee Announcement [2018] 5

On June 15, 2018, the U.S. government issued a list of goods subject to tariffs, which will impose a tariff of 25% on about 50 billion U.S. dollars of goods imported from China, of which about US\$34 billion will be goods from July 6, 2018. It began to impose tariffs and began to solicit public opinions on about 16 billion U.S. dollars in tariffs. The U.S. measures violated the relevant rules of the World Trade Organization and it is contrary to the consensus reached in the Sino-U.S. negotiations. It seriously violates our legitimate rights and interests and threatens the interests of our country and people.

According to the "People's Republic of China Foreign Trade Law," "The People's Republic of China Import and Export Tariff Regulations," and other laws and regulations and the basic principles of international law, the State Council Tariff Commission decided to impose an additional 25% on 659 items of US\$50 billion imported goods originating in the United States. Tariffs, including 545 items of approximately US\$34 billion in goods, have been subject to additional tariffs since July 6, 2018, and the implementation time of additional tariffs on other commodities has been announced separately. The relevant matters are as follows:

1. For 545 commodities such as agricultural products, automobiles, and aquatic products, tariffs shall be imposed on July 6, 2018. Please refer to Schedule 1 for specific commodity ranges.

2. For the 114 commodities such as chemical products, medical equipment and energy products, the implementation time of additional tariffs shall be announced separately. The specific commodity scopes are listed in Attached Table 2.

3. To impose a 25% tariff on the imported products listed in Schedules 1 and 2 originating in the United States on the basis of the current taxation method and applicable tariff rates, the current policy on bonded and tax-exemption shall remain unchanged. Tariffs are not reduced.

Fourth, after adding tariffs, the relevant import tax calculation formula:

Tariff = Customs-imposed tariff calculated at current applicable tax rate + Customs Duty-paying price × Tax rate added

Ad valorem rate goods import link consumption tax = import link consumption tax calculation price × consumption tax ratio tax rate

Import quota for fixed quantity of goods imports = import quantity × consumption tax fixed tax rate

Taxes for the importation of compound taxable goods = Taxes for consumption of consumption tax at the import link × Tax rate for consumption tax + Import volume × Consumption tax Fixed tax rate

Ad valorem goods import tax consumption tax revenue tax = (tariff duty price + tariff) ÷ (1 - consumption tax rate)

Taxes for Consumption Taxes on Imports of Compound Taxable Goods = (Customs Duty Paid Price + Customs + Import Quantity × Consumption Tax Fixed Tax Rate) (1 - Consumption Tax Proportion Tax Rate)

Value-added tax for import link = Value-added tax for import link × Tax rate for import link VAT

Import link VAT taxation price = Customs Duty paid price + Customs duty + Import link consumption tax

Schedule: 1. List of tariffs on the United States and Canada

2. List of tariffs on the United States and Canada

State Council Customs Tariff Commission

June 16, 2018

download Schedule I. Pdf

attachment: II. pdf

序号	税则号列	商品名称 [#]
324	07133500	干牛豆
325	07133900	干豇豆及菜豆
326	07134010	种用干扁豆
327	07134090	干扁豆
328	07135010	种用干蚕豆
329	07135090	干蚕豆
330	07136010	种用干木豆
331	07136090	干木豆
332	07139010	其他种用干豆
333	07139090	其他干豆
334	07141010	鲜木薯
335	07141020	干木薯
336	07142011	种用鲜甘薯
337	07142019	鲜甘薯
338	07142020	干甘薯
339	07143000	鲜、干或冷、冻的山药
340	07144000	鲜、干或冷、冻的芋头
341	07145000	鲜、干或冷、冻的箭叶黄体芋
342	07149010	鲜、干或冷、冻的荸荠
343	07149021	种用藕
344	07149029	鲜、干或冷、冻的藕
345	07149090	鲜、干或冷、冻的含有淀粉或菊粉的其他根茎
346	08011100	干的椰子
347	08011200	未去内壳的鲜椰子
348	08011910	种用椰子
349	08011990	其他鲜椰子
350	08012100	鲜或干的未去壳巴西果
351	08012200	鲜或干的去壳巴西果
352	08013100	鲜或干的未去壳腰果
353	08013200	鲜或干的去壳腰果
354	08021100	鲜或干的扁桃核
355	08021200	鲜或干的扁桃仁
356	08022100	鲜或干的未去壳榛子
357	08022200	鲜或干的去壳榛子
358	08023100	鲜或干的未去壳核桃
359	08023200	鲜或干的去壳核桃
360	08024110	鲜或干的未去壳板栗
361	08024190	鲜或干的未去壳其他栗子
362	08024210	鲜或干的去壳板栗
363	08024290	鲜或干的去壳其他栗子
364	08025100	鲜或干的未去壳阿月浑子果

序号	税则号列	商品名称 ^注
365	08025200	鲜或干的去壳阿月浑子果
366	08026110	鲜或干的未去壳种用马卡达姆坚果
367	08026190	鲜或干的未去壳其他马卡达姆坚果
368	08026200	鲜或干的去壳马卡达姆坚果
369	08027000	鲜或干的可乐果
370	08028000	鲜或干的槟榔果
371	08029020	鲜或干的白果
372	08029030	鲜或干的松子仁
373	08029090	其他鲜或干坚果
374	08031000	鲜或干的芭蕉
375	08039000	鲜或干的其他香蕉
376	08041000	鲜或干的椰枣
377	08042000	鲜或干的无花果
378	08043000	鲜或干菠萝
379	08044000	鲜或干鳄梨
380	08045010	鲜或干番石榴
381	08045020	鲜或干芒果
382	08045030	鲜或干山竹果
383	08051000	鲜或干橙
384	08052110	鲜或干蕉柑
385	08052190	鲜或干其他柑橘
386	08052200	鲜或干克里曼丁橘
387	08052900	其他鲜或干的韦尔金橘及杂交柑橘
388	08054000	鲜或干的葡萄柚, 包括柚
389	08055000	鲜或干的柠檬及酸橙
390	08059000	其他鲜或干的柑桔属水果
391	08061000	鲜葡萄
392	08062000	葡萄干
393	08071100	鲜西瓜
394	08071910	鲜哈密瓜
395	08071920	鲜罗马甜瓜及加勒比甜瓜
396	08071990	其他鲜甜瓜
397	08072000	鲜木瓜
398	08081000	鲜苹果
399	08083010	鲜鸭梨及雪梨
400	08083020	鲜香梨
401	08083090	其他鲜梨
402	08084000	鲜榲桲
403	08091000	鲜杏
404	08092100	鲜欧洲酸樱桃
405	08092900	其他鲜樱桃

Harmonized Tariff Schedule of the United States (2018) Revision 5

Annotated for Statistical Reporting Purposes

II
8-3

Heading/ Subheading	Stat. Suf- fix	Article Description	Unit of Quantity	Rates of Duty		
				1		2
				General	Special	
0802 (con.)		Other nuts, fresh or dried, whether or not shelled or peeled: (con.)				
0802.51.00	00	Pistachios: In shell.....	kg.....	0.9¢/kg	Free (A*, AU, BH, CA, CL, CO, D, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	5.5¢/kg
0802.52.00	00	Shelled.....	kg.....	1.9¢/kg	Free (A, AU, BH, CA, CL, CO, D, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	11¢/kg
0802.61.00	00	Macadamia nuts: In shell.....	kg.....	1.3¢/kg	Free (A, AU, BH, CA, CL, CO, D, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	5.5¢/kg
0802.62.00	00	Shelled.....	kg.....	5¢/kg	Free (A+, AU, BH, CA, CL, CO, D, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	11¢/kg
0802.70.10	00	Kola nuts (<i>Cola</i> spp.): In shell.....	kg.....	1.3¢/kg	Free (A, AU, BH, CA, CL, CO, D, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	5.5¢/kg
0802.70.20	00	Shelled.....	kg.....	5¢/kg	Free (A, AU, BH, CA, CL, CO, D, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	11¢/kg
0802.80.10	00	Areca nuts: In shell.....	kg.....	1.3¢/kg	Free (A, AU, BH, CA, CL, CO, D, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	5.5¢/kg
0802.80.20	00	Shelled.....	kg.....	5¢/kg	Free (A+, AU, BH, CA, CL, CO, D, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	11¢/kg