

# Deadlines to Request Duty Savings Fast Approaching! ITC to Kick-Off New MTB Process in October

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Earlier this year, a new law revived the process for suspending tariffs on various products imported into the United States – known as the Miscellaneous Tariff Bill or MTB. The key change is moving from a legislative process (a separate legislative bill was introduced for each tariff suspension) to a petition driven process largely administered by the International Trade Commission (ITC).

The United States has been suspending tariffs on imported products to benefit manufacturers and consumers who purchase those products for decades. Under the new streamlined process an imported product must meet two criteria in order to qualify for an MTB suspension: 1) the revenue loss from suspending the tariff to the U.S. government is less than \$500,000 per year, and 2) there is no substantial domestic production of the product subject to the petition.

The objective of moving to a process driven by petitions rather than legislation is to make the process for suspending tariffs more regular and reliable and to reduce the potential for political interference.

So far, the response has been encouraging. The ITC, Customs and Border Protection, and other involved agencies have been developing rules and procedures. Interest in the private sector has been high. Some have speculated that the new petition process may draw as many as 5,000 petitions to suspend tariffs – this would represent a several fold increase from the number of suspensions considered through a legislative process in 2010 and before.

## Deadlines Fast Approaching

The new statute sets October 15th through December 15th of 2016 as the period in which the ITC will accept new petitions. After December 15th, the next window for new petitions will not open until October 15th 2019 – three years from now.

According to the timeline set by the statute, the suspensions in this round would be put in place in the second half of 2017 and would be in place for three years. There would be no additional suspensions until the new round of suspensions in 2019.

## Administrative Process Begins

On September 14, 2016 in anticipation of the process beginning, the ITC launched a new website for managing MTB petitions: <https://www.usitc.gov/mtbps>. In addition to providing additional

background, this will be the portal for submitting petitions and following the process.

## **Time is Limited!**

In addition to identifying the product, MTB petitioners will be required to provide some data to the ITC, such as the imports and duties paid on the product, a precise description of the product, and projections of likely imports in the future. MTB petitions are likely to take time to prepare.

The team from Kelley Drye has worked with the MTB process for many years both in government and in the private sector. Kelley Drye also has the in-house capacity to identify possible MTB petition candidates, draft petitions, develop supporting economic data, and work with the ITC and other agencies to win approval for suspensions. We look forward to working with you to reduce your tariff bills!