

Trump Administration Readies Tariffs on Remaining Imports from China

May 14, 2019

On May 13, the Trump administration announced plans to begin the process of placing an additional ad valorem duty of up to 25 percent on a fourth tranche of Chinese imports, valued at approximately \$300 billion. Combined with three previous rounds of tariffs, the new measures, if implemented, would result in U.S. tariffs on virtually all imports from China.

The Office of the United States Trade Representative (USTR) released a draft notice and proposed tariff list (subsequently [published in the Federal Register on May 17](#)) outlining a process for public comment on its latest tariff proposal. The proposed list covers a wide range of products, from food and agriculture to books and electronics to clothing and footwear – but excludes pharmaceuticals and certain related inputs, select medical goods, rare earth materials, and critical minerals. Additionally, USTR indicated that product exclusions granted on prior tranches will not be affected

As with previous tranches, USTR is soliciting written comments and is planning a public hearing for those wishing to provide feedback on any of the potential covered products. The hearing is scheduled for June 17, 2019.

Key dates include:

- **June 10, 2019:** Due date for filing requests to appear and a summary of expected testimony at the public hearing
- **June 17, 2019:** Due date for submission of written comments
- **June 17, 2019:** The Section 301 Committee will convene a public hearing; as with previous tranches, the hearing could span several days
- **Seven days** after the last day of the public hearing: Due date for submission of post-hearing rebuttal comments

In previous rounds, USTR has finalized its tariff lists within approximately one month of its public hearings, meaning any additional tariffs are unlikely before July. High-level trade negotiations between the United States and China continue – despite last week’s tariff rate increase ([see here](#)) and this week’s proposal – and President Trump has said he will meet with Chinese President Xi Jinping at the upcoming G20 Summit in Japan (June 28-29).

The proposed tariffs are part of the Trump administration’s response to USTR’s investigation under Section 301(b)(1) of the Trade Act of 1974 regarding China’s acts, policies and practices related to intellectual property and forced technology transfers and come more than five months after Presidents Trump and Xi announced a trade “truce” to work toward a comprehensive agreement. The administration has cited China’s backtracking from previously agreed-upon commitments for its

latest tariff actions. As mentioned, the most recent announcement follows prior USTR action last year on a combined \$250 billion worth of Chinese imports.