



9111-14

DEPARTMENT OF HOMELAND SECURITY

U.S. Customs and Border Protection

Renewal of the Generalized System of Preferences (GSP) and Retroactive Application for Certain Liquidations and Reliquidations under the GSP

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: General notice.

SUMMARY: The Generalized System of Preferences (GSP) is a renewable preferential trade program that allows the eligible products of designated beneficiary developing countries to enter the United States free of duty. The GSP program expired on December 31, 2017, but has been renewed through December 31, 2020, effective April 22, 2018, with retroactive effect between January 1, 2018, through April 21, 2018, by a provision in the Consolidated Appropriations Act, 2018.

This document provides notice to importers that U.S. Customs and Border Protection (CBP) will again accept claims for GSP duty-free treatment for merchandise entered, or withdrawn from warehouse, for consumption and that CBP will process refunds on duties paid, without interest, on GSP-eligible merchandise that was entered during the period that the GSP program was lapsed. Formal and informal entries that were filed electronically via the Automated Broker Interface (ABI) using Special Program Indicator (SPI) Code "A" as a prefix to the tariff number will be automatically processed by CBP and no further action by the filer is required to initiate the refund process. Non-ABI filers, and ABI filers that did not include SPI

Code "A" on the entry, must timely submit a duty refund request to CBP. CBP will continue conducting verifications to ensure that GSP benefits are available to eligible entries only.

DATES: As of April 22, 2018, the filing of GSP-eligible entry summaries may be resumed without the payment of estimated duties, and CBP will initiate the automatic liquidation or reliquidation of formal and informal entries of GSP-eligible merchandise that was entered on or after January 1, 2018, through April 21, 2018, and filed via ABI with SPI Code "A" notated on the entry. Requests for refunds of GSP duties paid on eligible non-ABI entries, or eligible ABI entries filed without SPI Code "A," must be filed with CBP no later than September 19, 2018.

ADDRESSES: Instructions for submitting a request to CBP to liquidate or reliquidate entries of GSP-eligible merchandise that was entered on or after January 1, 2018, through April 21, 2018 but without the SPI Code "A" are located at <http://www.cbp.gov/trade/priority-issues/trade-agreements/special-trade-legislation/generalized-system-preferences>.

FOR FURTHER INFORMATION CONTACT: General questions concerning this notice should be directed to Seth Mazze, Office of Trade, Trade Agreements Branch, 202-863-6567 or at fta@dhs.gov. For operational questions regarding: Formal/Informal Entries and Baggage Declarations: Randy Mitchell, 202-863-6532; Mail Entries: Robert Woods, 202-344-1236; Non-ABI Informal Entries: contact the appropriate Center of Excellence and Expertise. Questions from filers regarding ABI transmissions should be directed to their assigned ABI client representative.

SUPPLEMENTARY INFORMATION:

Background

Section 501 of the Trade Act of 1974, as amended (19 U.S.C. 2461), authorizes the President to establish a Generalized System of Preferences (GSP) to provide duty-free

treatment for eligible articles imported directly from designated beneficiary countries for specific time periods. Pursuant to 19 U.S.C. 2465, as amended by section 201(a) of Pub. L. 114-27, 129 Stat. 371, duty-free treatment under the GSP program expired on December 31, 2017.

On March 23, 2018, President Donald J. Trump signed the Consolidated Appropriations Act, 2018 (Pub. Law 115-141, 132 Stat. 348) (the Act). Section 501 of Title V of the Act pertains to the extension of duty-free treatment and the retroactive application for certain liquidations and reliquidations under the GSP. Section 501(b)(1) provides that GSP duty-free treatment will be applied to eligible articles from designated beneficiary countries that are entered, or withdrawn from warehouse, for consumption on or after April 22, 2018 through December 31, 2020. Section 501(b)(2) provides that for entries made on or after January 1, 2018 through April 21, 2018 (30th day after the date of enactment of the Act), to which duty-free treatment would have applied if GSP had been in effect during that time period (“covered entries”), any duty paid with respect to such entry will be refunded provided that a request for liquidation or reliquidation of that entry, containing sufficient information to enable U.S. Customs and Border Protection (CBP) to locate the entry or to reconstruct the entry if it cannot be located, is filed with CBP no later than September 19, 2018 (180 days after enactment of the Act). Section 501(b)(2)(C) provides that any amounts owed by the United States pursuant to section 501(b)(2)(A) will be paid *without* interest.

Field locations will not issue GSP refunds except as instructed to do so by CBP Headquarters. The processing of retroactive GSP duty refunds will be administered by CBP according to the terms set forth below.

Duty-Free Entry Summaries

As of April 22, 2018, filers may resume filing GSP-eligible entry summaries without the payment of estimated duties.

GSP Duty Refunds

Formal/Informal Entries

CBP will automatically liquidate or reliquidate formal and informal entries of GSP-eligible merchandise that were entered on or after January 1, 2018 through April 21, 2018, and filed electronically via the Automated Broker Interface (ABI) using Special Program Indicator (SPI) Code "A" as a prefix to the listed tariff number. Such entry filings will be treated as a conforming request for a liquidation or reliquidation pursuant to section 501(b)(2)(A) of the Act, and no further action by the filer is required to initiate a retroactive GSP duty refund. To avoid confusion, importers should not submit post-importation GSP claims on tariff items filed with the SPI "A" at entry summary. CBP expects to begin processing automatic refunds for these entries shortly after April 22, 2018.

CBP will not automatically process GSP duty refunds for formal covered entries that were not filed electronically via ABI, nor for formal and informal covered entries that were filed electronically via ABI with payment of estimated duties, but without inclusion of the SPI Code "A" as a prefix to the listed tariff number. In both situations, requests for liquidation or reliquidation of covered entries must be made no later than September 19, 2018, pursuant to the procedures set forth in <http://www.cbp.gov/trade/priority-issues/trade-agreements/special-trade-legislation/generalized-system-preferences>.

Mail Entries

For merchandise that was imported via the mail, addressees must request liquidation or reliquidation of covered entries no later than September 19, 2018, pursuant to the procedures set forth in <http://www.cbp.gov/trade/priority-issues/trade-agreements/special-trade-legislation/generalized-system-preferences>.

Baggage Declarations and Non-ABI Informals

For non-ABI informal entries and baggage declarations, travelers/importers must request liquidation or reliquidation of covered entries no later than September 19, 2018, pursuant to the procedures set forth in <http://www.cbp.gov/trade/priority-issues/trade-agreements/special-trade-legislation/generalized-system-preferences>.

Dated: April 18, 2018

Brenda B. Smith
Executive Assistant Commissioner
Office of Trade