

Introduction to Tariff Classifications

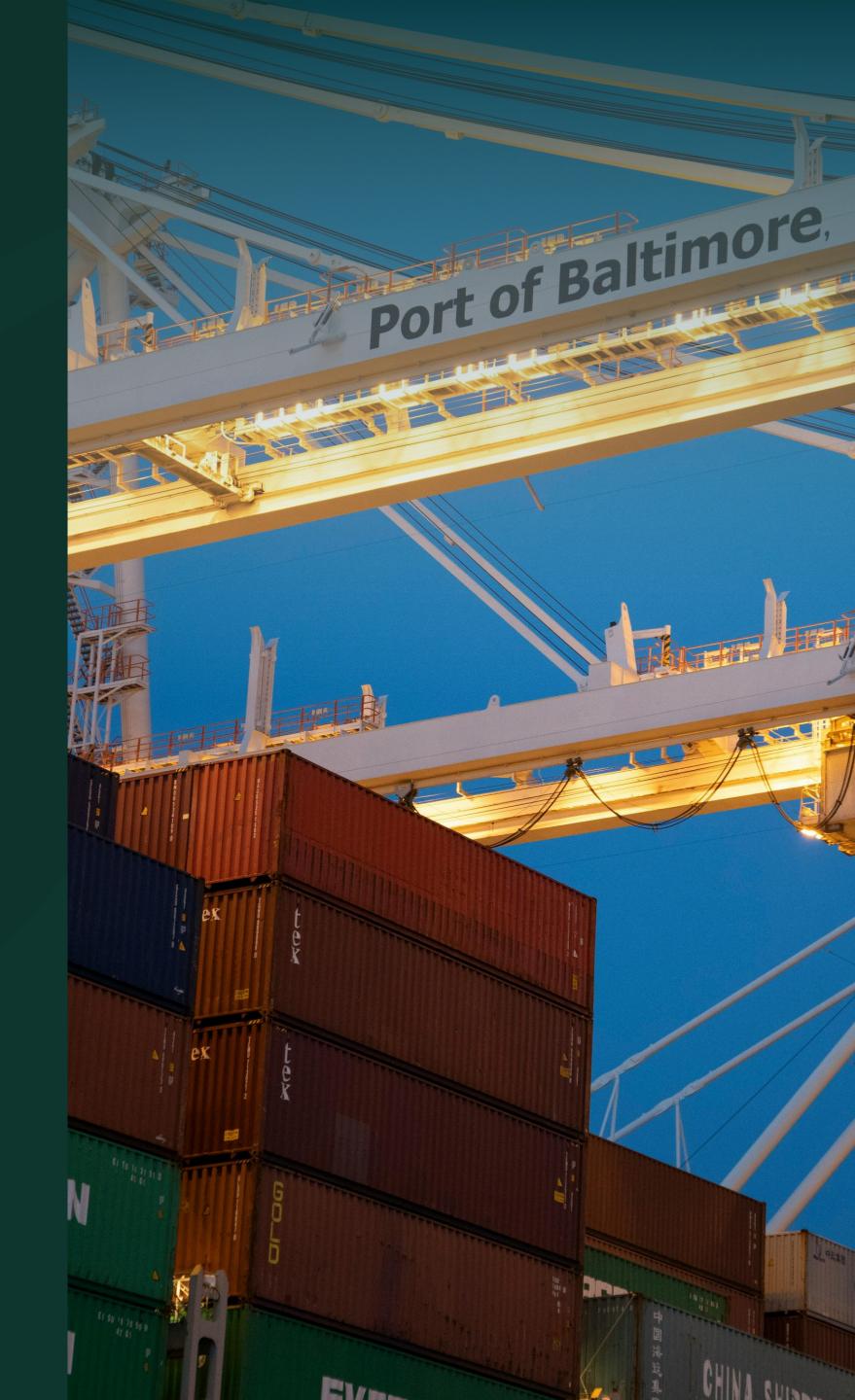
Tariff classifications can have a major impact on your landed costs, compliance exposure, and overall supply chain strategy. With recent updates to U.S. tariff policy, including new Section 232 enforcement measures and shifting trade agreements, it's more important than ever to ensure your HTS codes are accurate and defensible.

This guide is designed to help importers collect the correct data, ask the right questions, and understand the broader considerations that go into Harmonized Tariff Schedule (HTS) classification. Whether you're re-evaluating existing codes or preparing for a product launch, use this resource to stay compliant and optimize your import operations.



Essential Data for HTS Evaluation

- 1 Description of Products
- 2 Function or Use Case
- 3 Construction Material
- 4 Country of Origin
- 5 Value of Goods
- 6 Partner Governement Agencies (PGAs)
- 7 Current Importer & Instructions to Current Broker(s)





Additional HTS Discussion Considerations

Antidumping & Countervailing Duties (AD/CVD)

These are additional duties imposed to counteract unfair trade practices. They are not listed in the HTS but are enforced by the International Trade Administration (ITA). Check if your product is subject to any AD/CVD orders.

Assists and Other Valuation Rules

Ensure compliance with U.S. Customs valuation rules, including the declaration of assists (e.g., tools, dies, molds) provided to the manufacturer at no cost.

Free Trade Agreements

Assess eligibility under agreements like USMCA, CAFTA-DR, or others. Note that Section 232 duties apply regardless of FTA eligibility.

Past Rulings for Importers

Review prior U.S. Customs rulings for similar products to ensure consistency and compliance. The Customs Rulings Online Search System (CROSS) is a valuable resource.

Executive Orders and/or US Trade Representative Orders

Stay informed about Presidential Proclamations and USTR actions that may affect tariffs and trade policies.

Recent Section 232 requirements for Steel & Aluminum

To be exempt from Section 232 tariffs, steel and derivative steel products from Mexico must be melted and poured in Mexico, Canada, or the United States. Similarly, aluminum and derivative aluminum products from Mexico must not contain primary aluminum that was smelted or most recently cast in China, Russia, Belarus, or Iran.



Other Important Considerations

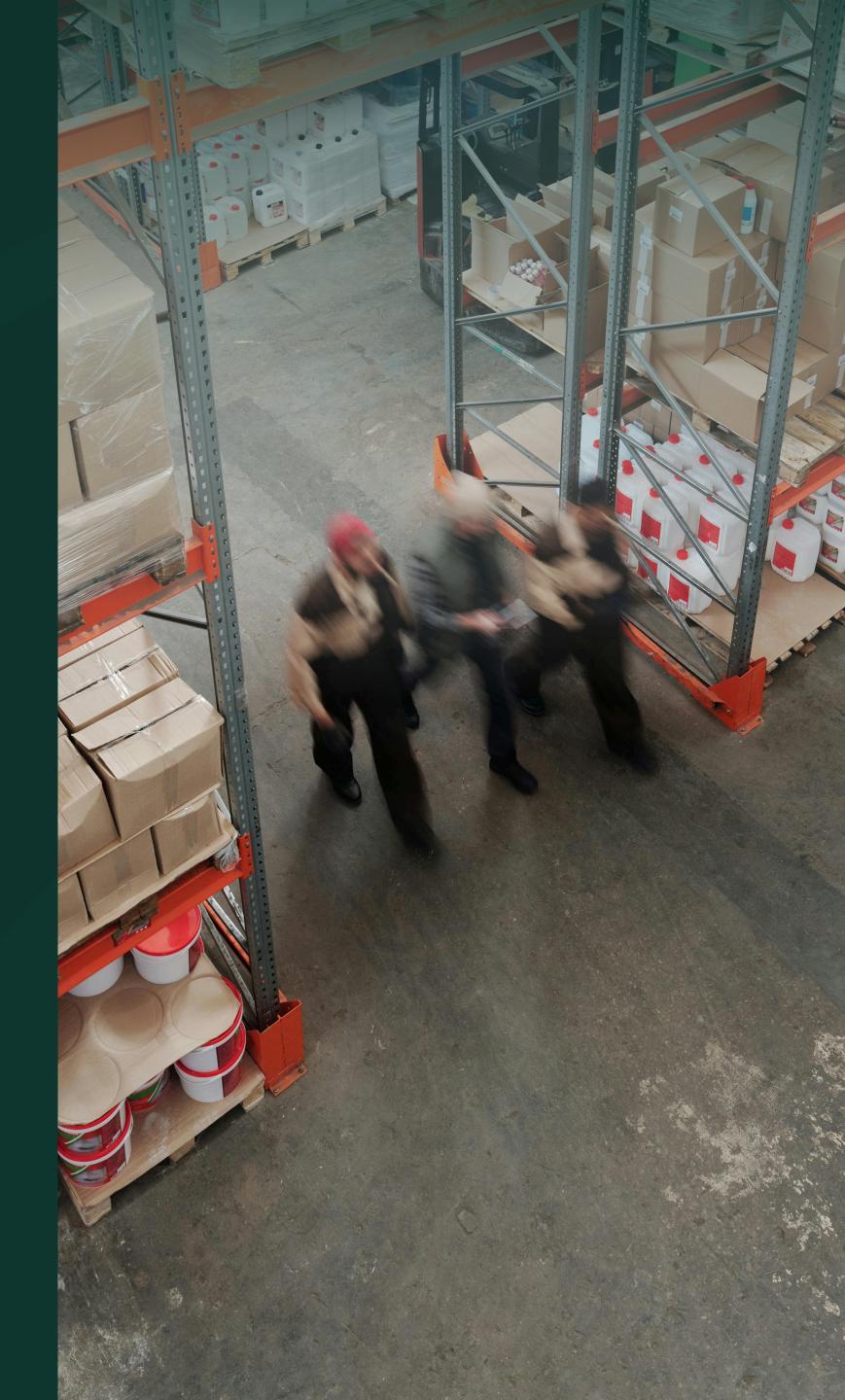
- 1. Goods eligible under Chapter 98 are not exempt from Section 232 duties. A Filer can transmit up to 8 HTS codes on an entry summary line.
- 2. Monitor and apply for product exclusions where applicable.
- 3. Goods admitted into Foreign Trade Zones (FTZs) in "privileged foreign status" retain their status and are subject to duties upon entry into U.S. commerce. Note: The tariff rate is locked at the time the goods enter the zone, not when they leave.

How to Establish the Correct HTS Code

Ask your Supplier

Consult with your Freight Forwarder or Customs Broker

Do your Homework
https://.hts.usitc.gov/





Understanding HTS Code Structure

The Harmonized Tarif Schedule code is a 10-digit number used to classify imported goods and determine duties. Here's a breakdown of the HTS code structure:

Digits	What it Represents	
1-2	Chapter: Broad product category	
3-4	Heading: Narrows the category to a specific product type	
5-6	Subheading: Further details the product	
7-8	Subheading (Tariff Rate Lines): US-specific digits used to establish duty rates	
9-10	Statistical Suffix: Used to gather trade data	



Example:

HTS Code: 6110.20.20.49

Description: Sweaters, pullovers, sweatshirts, waistcoats (vests) and similar articles, knitted or crocheted: Of cotton: Other: Sweatshirts: Girls'

Digits	Component	Meaning
61	Chapter	Articles of apparel and clothing accessories, knitted or crocheted
10	Heading	Sweaters, pullovers, sweatshirts, waistcoats (vests), and similar articles
20	Subheading	Of Cotton
20	U.S. Subdivision	Other
49	Statistical Suffix	Girls' Garments (Category 339)





Helpful Resources

Harmonized Tariff Schedule (HTS)

https://hts.usitc.gov/

Customs Rulings Online Search System

https://rulings.cbp.gov/

FAQs about Tariff Classification

https://www.usitc.gov harmonized_tariff_information/ frequently_asked_questions

CBP's Section 232 FAQs

https://www.cbp.gov/trade/programs-administration/entry-summary/232-tariffs-aluminum-and-steel-faqs

Silq's Guide on HTS Codes

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https://www.onesilq.com/blog/demystifying-hts-codes-how-silq-simplifies-tariffs-and-duties-for-you