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## USTR Announces Additional 25 Percent Tariffs To Be Effective August 23, 2018 On Supplemental List Of Approximately \$16 Billion in Chinese Imports

Second Group of Products To Be Subject To Additional Tariffs As A Result Of Section 301 Process; China Immediately Responds with 25 Percent Tariffs On \$16 Billion of U.S. Goods

On June 15, 2018, the United States Trade Representative (USTR) identified a list of 284 tariff lines affecting approximately \$16 billion in imports from China for potential additional tariffs (a tranche of products USTR refers to as “List 2”). After a notice and comment period, USTR announced late on August 7, 2018 that an additional 25 percent tariff would be imposed on 279 of those tariff lines, effective August 23, 2018. See the list of products to be subject to the additional tariffs [here](#).

According to USTR’s press release, a formal notice of the imposition of these additional tariffs “will be published shortly” in the Federal Register. In addition, that notice will announce a process allowing interested persons to request the exclusion of certain products from the effect of these duties.

The five tariff lines from List 2 that will *not* be subject to duties on August 23 are:

- 3913.10.00 - Alginic Acid, and its salts and esters, in primary forms
- 8465.96.00 - Splitting, slicing or paring machines for working wood, cork, bone, hard rubber, hard plastics or similar hard materials
- 8609.00.00 - Containers (including containers for transport of fluids) specially designed and equipped for carriage by one or more modes of transport



- 8905.90.10 - Floating Docks
- 9027.90.20 – Microtomes

Following the USTR announcement, China announced additional 25 percent tariffs on \$16 billion of U.S. goods to be effective on the same date as the U.S. tariffs, August 23, 2018.

### BACKGROUND AND SUMMARY STATUS

As explained in earlier Client Alerts (see [here](#), [here](#), and [here](#)), after publishing a Section 301 determination regarding Chinese technology transfer, intellectual property, and innovation policies, USTR announced separate lists of \$34 billion (List 1), \$16 billion (List 2), and \$200 billion (List 3) of Chinese products proposed for additional tariffs. The status of these three lists is summarized below.

- **List 1** – Additional 25 percent tariffs became effective on July 6, 2018 and requests to exclude specific products are being accepted until October 9, 2018.
- **List 2** – Additional 25 percent tariffs will become effective on August 23, 2018 and a process to request product exclusions will be published shortly.
- **List 3** – Additional 10 percent tariffs were initially proposed, but USTR recently announced that it was considering increasing the additional tariffs on List 3 to 25 percent. The updated comment and hearing schedule is as follows: August 13, 2018 – requests to appear at the hearing; August 20-23, 2018 – public hearing; and September 6, 2018 – written comments and post-hearing rebuttal comments.

### TARIFF TRACKER

As explained in an earlier Client Alert (see [here](#)), King & Spalding has created an interactive graphic to track major tariff developments. The graphic presents a snapshot of the current status of tariff developments using a map with hyperlinks to lists of specific products affected. To view the map click [here](#).

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This alert provides a general summary of recent legal developments. It is not intended to be and should not be relied upon as legal advice. In some jurisdictions, this may be considered “Attorney Advertising.”

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