



COMPLIANCE

USTR TO TAKE FURTHER SECTION 301 ACTIONS FOLLOWING FOUR-YEAR REVIEW

A White House [Press Release](#) today announced further Section 301 actions required to address the “unfair technology transfer-related policies and practices” of the People’s Republic of China. Modifications have been proposed to the China tariffs. This action follows the statutory four-year review process.

Economic analyses, including the principal U.S. Government analysis published by the U.S. International Trade Commission, has found that the Section 301 tariffs have contributed to reducing U.S. imports of goods from the PRC and increasing imports from alternate sources, including U.S. allies and partners, thereby potentially supporting U.S. supply chain diversification and resilience.

Increased tariffs on over \$ 18 billion worth of imports are being considered, with an overall action covering over \$ 350 billion worth of goods.

The White House said the tariff rate for electric vehicles will quadruple, rising from 25% to 100% this year. China’s leading EV manufacturer, BYD, sells these automobiles for [as low as \\$10,000](#), according to NBC news. Other products affected will include:

Battery parts (non-lithium-ion batteries)	Increase rate to 25% in 2024
Electric vehicles	Increase rate to 100% in 2024
Facemasks	Increase rate to 25% in 2024
Lithium-ion electrical vehicle batteries	Increase rate to 25% in 2024
Lithium-ion non-electrical vehicle batteries	Increase rate to 25% in 2026
Medical gloves	Increase rate to 25% in 2026

Natural graphite	Increase rate to 25% in 2026
Other critical minerals	Increase rate to 25% in 2024
Permanent magnets	Increase rate to 25% in 2026
Semiconductors	Increase rate to 50% in 2025
Ship to shore cranes	Increase rate to 25% in 2024
Solar cells (whether or not assembled into modules)	Increase rate to 50% in 2024
Steel and aluminum products	Increase rate to 25% in 2024
Syringes and needles	Increase rate to 50% in 2024

No specific dates have been announced yet.

An exclusion process will be opened for machinery utilized in domestic manufacturing. Some tariff lines will also be considered for eliminating the existing Sec. 301 tariffs covering solar manufacturing equipment. The [Section 301 four-year report](#) by the U.S. Trade Representative further lists a number of industrial machinery types that could deserve exclusion. Additional funds will also be allocated to the U.S. Customs & Border Protection for enforcement of the Sec. 301 actions, as well as to induce greater collaboration and cooperation between private companies and government authorities to combat state-sponsored technology theft. Furthermore, the USTR will continue to assess approaches to support diversification of supply chains to enhance supply chain resilience.

A Federal Register notice will be forthcoming within a week, by the U.S. Trade Representative, to open the comment process on the proposed modifications as well as provide information on the exclusion process.

The Customs Compliance team of Kintetsu World Express can assist customers in navigating through these changes, assist in submitting comments and in representing your views and concerns if needed and you may reach out to us at:

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