Introduction to the Harmonized Tariff Schedule

The Harmonized Tariff Schedule of the United States, Annotated for Statistical Reporting Purposes (HTS), is published by the U.S. International Trade Commission (Commission) as directed by Congress in section 1207 of the Omnibus Trade and Competitiveness Act of 1988 (Public Law 100-418; 19 U.S.C. 3007) (Trade Act). The HTS contains both legal (enacted or proclaimed) and nonlegal (statistical or reference) provisions specifically designated as such in section 1204(a) of the Trade Act (102 Stat. 1148). All goods imported into the United States are subject to the provisions of the HTS, as well as to regulations of U.S. Customs and Border Protection (Customs) and laws that Customs enforces.

Section 1204(c) of the Trade Act states that the legal provisions contained in the Commission’s publications of the HTS, as updated, are statutory in nature. Other resources provided by the Commission, such as the online trade Data Web or the HTS search tool, can assist in classifying goods in trade, but importers should rely primarily on the legally authoritative HTS itself in preparing Customs documents. The classification of imported goods is first the responsibility of importers, while the interpretation of the HTS with regard to such goods is the responsibility of Customs. Except for goods listed in the Notice to Exporters, goods being exported from the United States can also be reported under the HTS provisions covering them; the goods listed in that Notice must instead be reported under provisions of Schedule B, administered by the United States Census Bureau (Census).

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1 Section 1207(a) of the Trade Act provides that “[t]he Commission shall compile and publish, at appropriate intervals, and keep up to date the Harmonized Tariff Schedule and related information in the form of printed copy . . . .” Section 1207(b) of the Trade Act provides that the published copy of the HTS “shall contain— (1) the then current Harmonized Tariff Schedule; (2) statistical annotations and related statistical information formulated under section 484(f) of the Tariff Act of 1930 (19 U.S.C. 1484(f)); and (3) such other matters as the Commission considers to be necessary or appropriate to carry out the purposes enumerated in the Preamble to the [Harmonized System] Convention.” The Commission’s Office of Tariff Affairs and Trade Agreements is primarily responsible for the HTS and related matters.

2 The legal text of the HTS includes the General Rules of Interpretation (GRIs); Additional U.S. Rules of Interpretation; General Notes; chapters I through 99 (organized into sections I through XXII); section and chapter notes (including additional U.S. notes); headings and subheadings through the 8-digit level (with their numbers, article descriptions, tariff rates, and special tariff programs); Chemical Appendix; Pharmaceutical Appendix; and Intermediate Chemicals for Dyes Appendix. The nonlegal text includes the 10-digit statistical reporting numbers (annotations), notes, annexes, suffixes, and units of quantity; table of contents; footnotes; index; and similar elements.

3 See http://www.census.gov/foreign-trade/schedules/b/.
Goods are described in terms of the structured nomenclature commonly known as the Harmonized System (HS),\(^4\) whose numbered provisions appear in the HTS as 4-digit headings and 6-digit subheadings,\(^5\) together with legal rules and notes. Subordinate U.S. categories may appear as 8-digit subheadings with their rates of duty; in some cases, U.S. duty rates are in fact added to HS product categories. The 4- and 6-digit HS provisions contained in HTS chapters 1 through 97 are administered by the World Customs Organization (WCO), and their wording, numbering, and coverage are internationally agreed, subject to periodic changes (usually implemented every five years). These changes are proclaimed in the HTS by the President under section 1206 of the Trade Act, following a USITC investigation under section 1205 of that Act and the required Congressional layover under section 1206. In general, requests for changes in the HS notes or nomenclature must be submitted first to the Commission for appropriate review and potential submission to the WCO, while changes in HTS legal provisions or rates of duty must be enacted.

The HS General Rules of Interpretation (GRIs) and the Additional U.S. Rules of Interpretation are applied to the nomenclature in chapters 1 through 97 to determine how goods should be classified in the headings and subheadings of the HTS. Although classification is largely uniform among countries using the HS, national differences may exist due to judicial or customs rulings or national legislation, and may also exist with regard to newly developed types of goods. Because the HTS is a hierarchical system of product description, it is not possible to classify all goods in trade by doing an electronic search, and HTS provisions must be reviewed to locate the one that most specifically describes each shipment. Thus, the potentially applicable headings should first be compared; once a heading is chosen, its subordinate provisions at the same indentation level in the nomenclature structure should be compared. Goods are classified in the provisions of chapters 1 through 97, although many shipments may be eligible for different duty treatment under U.S. chapters 98 or 99.

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\(^4\) The Harmonized Commodity Description and Coding System is set forth in an annex to the Harmonized System Convention administered by the World Customs Organization (WCO), and became effective for the United States as of January 1, 1989.

\(^5\) A “heading” is a provision whose article description is not indented, while a “subheading” (6- or 8-digit) has an indented and subordinate description covering a subset of the heading’s product scope.
The nonlegal statistical elements that appear in the HTS are formulated by an interagency committee authorized under section 484(f) of the Tariff Act of 1930 (19 U.S.C. 1484(f)) or by the Commission. Information about the operation of this Committee and procedures for requesting statistical changes in the HTS or in the export schedule, Schedule B, are set forth later in this preface. Other statistical elements are included for the convenience of the user. For example, footnotes (which may elaborate on a provision or refer to another HTS provision) are merely informational, their presence or absence has no legal effect, and the language contained in footnotes has no effect on the legal text or its interpretation. A list of legal instruments and nonlegal actions affecting an HTS edition is set forth in the preface and, together with the change record and chapters 98 and 99, should be consulted to locate any actions that may apply to specific goods. (See changes pertaining to the current edition, below.)

Note that this edition of the HTS does not contain complete updates to the rules of origin used to determine product eligibility under U.S. free trade agreements. Updates to existing rules are negotiated to take into account the changes made in the HS, which are reflected in the HTS and the national schedules of partner countries. A Compiler’s Note set forth below the Additional U.S. Rules of Interpretation provides updated information on the status of each agreement’s rules. Customs officials should be consulted when the rules of origin and updated headings/subheadings do not align.

A “basic edition” of the HTS is printed and posted for each year in which staged duty reductions or major legal changes must be reflected. Online electronic revisions to the printed HTS are posted to the Commission’s web site (www.usitc.gov) periodically when the HTS is changed, along with links to the public laws, Presidential proclamations or Federal Register notices that make such changes. Large-scale changes affecting many chapters may also be issued as printed supplements; however, in some years no printed supplements are issued and all changes are reflected in online revisions. The entire HTS is posted for each revision, even if changes are not made in all chapters, but the change records for revisions are not cumulative of all changes since the basic edition or printed supplement. The change record for each revision relates to that revision’s preface list of documents making legal or statistical changes. The change record in any printed edition or supplement contains all changes since the previous printed document (and thus cumulates all changes from online revisions since that printing).
Changes in the current edition

The principal changes in this edition reflect the following instruments and actions:

(1) Presidential Proclamation 9145 of June 26, 2014: To Take Certain Actions Under the African Growth and Opportunity Act and for Other Purposes (79 Fed. Reg. 37615);

(2) Changes approved by the Committee for Statistical Annotation of Tariff Schedules (formulated pursuant to section 484(f), Tariff Act of 1930, as amended), effective July 1, 2014;

(3) Corrections of nonsubstantive typographical or format errors in prior editions.

Statistical reporting under the HTS

The statistical annotations contained in the HTS specify particular information that must be supplied on customs entry and withdrawal forms or in electronic filings with respect to imported or exported articles. As noted above, for all products other than those specified in the Notice to Exporters, HTS codes may be used in place of the reporting codes of Schedule B for reporting exports on the shipper’s export declaration or under the program for electronic reporting of exports. The regulations and procedures of Customs and of Census should also be consulted to ensure that statistical reporting is correct and that all procedural and legal requirements are met.

Interested parties or their representatives may request changes to the statistical annotations of the HTS or Schedule B. Such requests should be made under section 484(f) of the Tariff Act of 1930 and directed to the Committee for

Sec. 484(f) reads as follows:
“(f) Statistical Enumeration.—The Secretary, the Secretary of Commerce, and the United States International Trade Commission shall establish from time to time for statistical purposes an enumeration of articles in such detail as in their judgment may be necessary, comprehending all merchandise imported into the United States and exported from the United States, and shall seek, in conjunction with statistical programs for domestic production and programs for achieving international harmonization of trade statistics, to establish the comparability thereof with such enumeration of articles. All import entries and export declarations shall include or have attached thereto an accurate statement specifying, in terms of such detailed enumeration, the kinds and quantities

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Statistical Annotation of Tariff Schedules. Requests should be submitted no later than April 1 for changes to be effective on the subsequent July 1, and no later than August 1 for changes to be effective on January 1 of the following year. Parties should specify if the proposed change relates only to the HTS or Schedule B, or to both. These requests should be submitted to the Committee Chairman at the address below, or by electronic mail to 484f@usitc.gov.

Chairman  
The Committee for Statistical Annotation of Tariff Schedules  
United States International Trade Commission  
Washington, D.C. 20436

Each request filed with the Committee should indicate precisely the nature of each desired change. The exact proposed language of any category to be inserted, modified, or deleted (including any relevant units of quantity) along with detailed reasons for the request. Confidential business information should not be submitted to the Committee. For requests relating to imported products, the requestor should provide the names of importers and foreign manufacturers (when known) that are associated with the articles in question and should indicate the countries from which the articles are being imported. Comparable information about exporters and domestic manufacturers should be supplied for a request pertaining only to exports. A proposed statistical category under which three (3) or fewer importers or exporters would likely report shipments generally will not be approved, in order to avoid the disclosure of confidential business information. Because of the nonlegal status of statistical provisions under section 1204 of the Trade Act, statistical provisions should not be enacted or referenced in proposed tariff legislation or other legal instruments. Questions regarding the drafting or treatment of such requests or any other questions regarding these provisions should be addressed to the Committee, by mail to the Committee Chairman, by telephone at (202) 205-2592, or by email to 484f@usitc.gov. Information regarding Schedule B provisions only can be obtained from Census officials at http://www.census.gov/foreign-trade/schedules/b/.