Preface to the 27th Edition
January 29, 2015

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).1 Pursuant to that Act, this edition of the HTS contains the current 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).2 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 the many laws that Customs enforces. General notes 1 through 3 explain the structure of the HTS and define terms and symbols used throughout the schedule. The Commission publishes annual editions of the HTS, as well as any printed supplements and on-line revisions that may be needed to keep each annual edition current. This edition contains all changes since the last printed edition of January 1, 2014, as explained in the Change Record.

Because section 1204(c) of the Trade Act states that the Commission’s publications of the HTS, as updated, are statutory in nature, the HTS represents the authoritative compilation of the tariff and statistical provisions applicable to goods in trade. Other resources provided by the Commission, such as the online trade Data Web or the HTS search tool, can assist in identifying the treatment of goods in trade, but importers are encouraged to rely primarily on the current official HTS itself in preparing Customs documents. The classification of imported goods is first the legal 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,3 administered by the United States Census Bureau (Census).

The HTS contains the structured nomenclature commonly known as the Harmonized System (HS),4 whose numbered provisions appear in the schedule as 4-digit headings and subordinate 6-digit

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 1 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/.

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.
subheadings of chapters 1 through 97.\(^5\) The narrowest legal categories appear as 8-digit U.S. subheadings together with their rates of duty; some HS product categories are not subdivided but end in zeroes and have U.S. duty rates attached to them. Statistical provisions that may appear at the 10-digit level do not affect the legal classification of goods in trade. The 4- and 6-digit HS provisions are administered by the World Customs Organization (WCO), and their wording, numbering, and coverage are internationally agreed and subject to periodic changes (usually implemented every five years, with the last such changes effective in 2012).\(^6\) In general, requests for changes in the HS notes or nomenclature should 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 legal provisions of 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, in which goods are classified “from the top down,” it is not possible to classify all goods in trade by doing an electronic search. Thus, the potentially applicable 4-digit headings should first be compared to find the most specific heading; once a heading is chosen, its provisions at the first indentation level in the nomenclature structure should be compared, and that comparison continues at each indentation level until a legal classification is possible. 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 on proper documentation.

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)) and chaired 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 nonlegal 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. Compiler’s notes are also added to provide information to users of the HTS, especially where provisions have expired or may not have been updated. A list of legal instruments and nonlegal actions affecting each 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

\(^5\) 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.

\(^6\) 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 lay-over. See sections 1205-1206 of the 1988 Act (19 U.S.C. 3005-3006).
consulted when the rules of origin and the numbering and structure of updated headings/subheadings do not align.

As noted earlier, the HTS is printed and posted for January 1 of each year in which staged duty reductions or other 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. Using the change record for a revision can identify its modifications, but the change records for individual Revisions in any year are not cumulative of all changes since the last printed edition or supplement. Each Revision’s preface lists the documents making legal or statistical changes noted in the change record. 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:


(2) Presidential Proclamation 9188 of October 3, 2014: To Modify the List of Beneficiary Developing Countries Under the Trade Act of 1974 (79 Fed. Reg. 60945);

(3) 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);

(4) The stage of duty reduction that becomes effective January 1, 2015, pursuant to Presidential Proclamation 8894 of October 29, 2012: To Implement the United States-Panama Trade Promotion Agreement and for Other Purposes (77 Fed. Reg. 66507);

(5) The stage of duty reduction that becomes effective January 1, 2015, pursuant to Presidential Proclamation 8818 of May 14, 2012: To Implement the United States-Colombia Trade Promotion Agreement and for Other Purposes (77 Fed. Reg. 29519);

(6) The stage of duty reduction that becomes effective January 1, 2015, pursuant to Presidential Proclamation 8783 of March 6, 2012: To Implement the United States-Korea Free Trade Agreement (77 Fed. Reg. 14265);

(7) The stage of duty reduction for various agreements that becomes effective January 1, 2015, pursuant to Presidential Proclamation 8771 of December 29, 2011: To Modify the Harmonized Tariff Schedule of the United States and for Other Purposes (77 Fed. Reg. 413);
The stage of duty reduction that becomes effective January 1, 2015, pursuant to Presidential Proclamation 8341 of January 16, 2009: To Implement the United States-Peru Trade Promotion Agreement and for Other Purposes (74 Fed. Reg. 4105);

The stage of duty reduction that becomes effective January 1, 2015, pursuant to Presidential Proclamation 8332 of December 29, 2008: To Implement the United States-Oman Free Trade Agreement (73 Fed. Reg. 80289);

The stage of duty reduction for various agreements that becomes effective January 1, 2015, pursuant to Presidential Proclamation 8097 of December 29, 2006: To Modify the Harmonized Tariff Schedule of the United States, To Adjust Rules of Origin Under the United States-Australia Free Trade Agreement and for Other Purposes (72 F.R. 453);

The stage of duty reduction that becomes effective January 1, 2015, pursuant to Presidential Proclamation 8039 of July 27, 2006: To Implement the United States-Bahrain Free Trade Agreement, and for Other Purposes (71 Fed. Reg. 43635);

The stage of duty reduction that becomes effective January 1, 2015, pursuant to Presidential Proclamation 7987 of February 28, 2006: To Implement the Dominican Republic-Central America-United States Free Trade Agreement (71 Fed. Reg. 10827);

The stage of duty reduction that becomes effective January 1, 2015, pursuant to Presidential Proclamation 7971 of December 22, 2005: To Implement the United States-Morocco Free Trade Agreement (70 Fed. Reg. 76651);

The stage of duty reduction that becomes effective January 1, 2015, pursuant to Presidential Proclamation 7857 of December 20, 2004: To Implement the United States-Australia Free Trade Agreement (69 Fed. Reg. 77135);

The stage of duty reduction that becomes effective January 1, 2015, pursuant to Presidential Proclamation 7746 of December 30, 2003: To Implement the United States-Chile Free Trade Agreement (68 Fed. Reg. 75789);


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 and January 1, 2015;

United States Census Bureau changes in the Notice to Exporters, Schedule C (Classification of Country & Territory Designations for U.S. Import Statistics) and Schedule D (Customs District and Port Codes);

Corrections of nonsubstantive typographical or format errors in prior editions.
Statistics reporting under the HTS

The statistical annotations contained in the HTS are used to gather trade data on specified classes of merchandise that are narrower than those indicated in legal provisions. The annotations (including their statistical suffixes and units of quantity) 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 10-digit provisions may be used in place of the provisions 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. Note that the legal provisions of the HTS control the tariff classification of merchandise, and that importers are legally responsible for applying all legal provisions of the HTS in doing so. Merchandise must be described by the superior 4-, 6-, and/or 8-digit legal provision of the HTS in order to be reported under any 10-digit statistical reporting number.

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 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 should be submitted. 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

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7 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 of all merchandise imported and exported and the value of the total quantity of each kind of article.”
in proposed tariff legislation or other legal instruments in a manner that attempts to define the customs treatment of goods in trade. 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/.