U.S. Customs and Border Protection

AMENDMENT TO NOTICE OF IMPLEMENTATION OF ADDITIONAL DUTIES ON PRODUCTS OF MEXICO PURSUANT TO THE PRESIDENT'S EXECUTIVE ORDER 14194, IMPOSING DUTIES TO ADDRESS THE SITUATION AT OUR SOUTHERN BORDER

AGENCY: U.S. Customs and Border Protection (CBP), Department of Homeland Security.

ACTION: Notice.

SUMMARY: In order to effectuate the President's Executive Order 14194, "Imposing Duties to Address the Situation At Our Southern Border," as amended by Executive Order 14198, "Progress on the Situation at Our Southern Border," and subsequently amended by Executive Order 14227, "Amendment to Duties to Address the Situation At Our Southern Border," which imposed specified rates of duty on imports of articles that are products of Mexico, and further amended by the President's March 6, 2025 Executive order "Amendment to Duties to Address the Flow of Illicit Drugs Across Our Southern Border," the Secretary of Homeland Security has determined that appropriate action is needed to modify the Harmonized Tariff Schedule of the United States (HTSUS) as set out in the Annex to this notice.

DATES: The duties set out in the Annex to this document are effective with respect to products of Mexico that are entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on March 7, 2025.

FOR FURTHER INFORMATION CONTACT: Brandon Lord, Executive Director, Trade Policy and Programs, Office of Trade, U.S. Customs and Border Protection, (202) 325–6432 or by email at *traderemedy@cbp.dhs.gov.* C. Shane Campbell, Acting Executive Director, Cargo and Conveyance Security, Office of Field Operations, U.S. Customs and Border Protection, (202) 344–3401 or by email at *traderemedy@cbp.dhs.gov.*

SUPPLEMENTARY INFORMATION: On January 20, 2025, the President declared a national emergency with respect to the grave

threat to the United States posed by the influx of illegal aliens and drugs into the United States in Proclamation 10886 (Declaring a National Emergency at the Southern Border) (90 FR 8327, January 29, 2025). *See* National Emergencies Act (50 U.S.C. 1601 *et seq.*) (NEA).

On February 1, 2025, the President expanded the scope of the national emergency declared in that proclamation to cover the public health crisis of deaths due to the use of fentanyl and other illicit drugs and the failure of Mexico to arrest, seize, detain, or otherwise intercept drug trafficking organizations, other drug and human traffickers, criminals at large, and drugs. In addition, the President determined that this failure to act on the part of the Mexican government constitutes an unusual and extraordinary threat, which has its source in substantial part outside the United States, to the national security, foreign policy, and economy of the United States. *See* Executive Order 14194 (90 FR 9117), dated February 1, 2025.

To address this threat, pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), the NEA, section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483), and 3 U.S.C. 301, the President imposed ad valorem tariffs on all imports that are products of Mexico, excluding those encompassed by 50 U.S.C. 1702(b). Specifically, Executive Order 14194 adjusted duties on imported products of Mexico, by imposing, consistent with law, an additional 25 percent ad valorem rate of duty.

On February 3, 2025, the President issued Executive Order 14198, "Progress on the Situation at Our Southern Border" (90 FR 9185), which amended Executive Order 14194 by pausing the implementation of the additional duties for 30 days until March 4, 2025, to allow time to assess whether actions taken by Mexico as of that date were sufficient to alleviate the crisis and resolve the unusual and extraordinary threat beyond our southern border. Additionally, Executive Order 14198 withdrew the exceptions in section 2(a) of Executive Order 14194 related to covered goods loaded onto a vessel at a port of entry or in transit on the final mode of transport prior to entry into the United States.

Subsequently, on March 2, 2025, the President amended subsection (g) of section 2 of Executive Order 14194, to modify the application of 19 U.S.C. 1321 to goods covered by subsection (a) of section 2 of Executive Order 14194. *See* Executive Order 14227, "Amendment to Duties to Address the Situation At Our Southern Border" (March 2, 2025) (90 FR 11371, March 6, 2025). Specifically, as amended, subsection (g) of section 2 of Executive Order 14194 provides that duty-

free *de minimis* treatment under 19 U.S.C. 1321 is available for otherwise eligible covered articles described in the Executive order, but shall cease to be available for such articles upon notification by the Secretary of Commerce to the President that adequate systems are in place to fully and expediently process and collect tariff revenue applicable pursuant to subsection (a) of section 2 of the Executive order for covered articles otherwise eligible for *de minimis* treatment.

On March 6, 2025, the President signed Executive order "Amendment to Duties to Address the Flow of Illicit Drugs Across Our Southern Border." In that Executive order, the President determined that automotive production is a major source of U.S. employment and innovation and integral to U.S. economic and national security. The American automotive industry as currently structured often trades substantial volumes of automotive parts and components across our borders in the interest of bringing supply chains closer to North America. In order to minimize disruption to the U.S. automotive industry and automotive workers, the President determined that it is appropriate to adjust tariffs imposed on articles of Mexico. Accordingly, articles that are entered free of duty as originating in Mexico under the terms of general note 11 to the Harmonized Tariff Schedule of the United States (HTSUS), including any treatment set forth in subchapter XXIII of chapter 98 and subchapter XXII of chapter 99 of the HTSUS, as related to the Agreement between the United States of America, United Mexican States, and Canada (USMCA), shall not be subject to the additional ad valorem rate of duty described in section 2(a) of Executive Order 14194.

Furthermore, the additional ad valorem rate of duty described in Executive Order 14194 is reduced from 25% to 10% for potash that does not qualify for duty-free treatment under the USMCA, but is a product of Mexico, in accordance with the March 6, 2025 Executive order. All other products of Mexico that do not qualify for duty-free treatment under the USMCA shall remain subject to the rate of duty set forth in section 2(a) of Executive Order 14194 (unless otherwise exempted).

Executive Order 14194 directed the Secretary of Homeland Security, to determine and implement the necessary modifications to the HTSUS, consistent with law, in order to effectuate the Executive Order, as amended by Executive Order 14198, Executive Order 14227, and the March 6, 2025 Executive order.

As such, this notice is revising the March 3, 2025 CBP **Federal Register** Notice titled "Notice of Implementation of Additional Duties on Products of Mexico Pursuant to the President's Executive Order 14194, Imposing Duties to Address the Flow of Illicit Drugs Across Our Southern Border" (90 FR 11429, March 6, 2025) to imple-

ment the rates of duty imposed by the March 6, 2025 Executive order. Effective at 12:01 a.m. eastern standard time on March 7, 2025, subchapter III of chapter 99 of the HTSUS is modified by the Annex to this notice.

Articles that are entered free of duty as originating under the terms of general note 11 to the HTSUS, including any treatment set forth in subchapter XXIII of chapter 98 and subchapter XXII of chapter 99 of the HTSUS, as related to USMCA, will not be subject to the additional *ad valorem* rate of duty provided for in HTSUS heading 9903.01.01, as specified in the new HTSUS heading 9903.01.04. Potash not qualifying for duty-free treatment under the USMCA, but which is a product of Mexico, that is entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on March 7, 2025 will be subject to the reduced additional 10% *ad valorem* rate of duty provided for in HTSUS heading 9903.01.05, instead of the 25% ad valorem rate provided for in HTSUS heading 9903.01.01.

Imported products of Mexico that are encompassed by 50 U.S.C. 1702(b) will not be subject to the additional *ad valorem* duty provided for in new HTSUS heading 9903.01.04, but such qualifying products, other than products for personal use included in accompanied baggage of persons arriving in the United States, must be declared and entered under HTSUS heading 9903.01.02 or HTSUS heading 9903.01.03, as applicable. Specifically, HTSUS heading 9903.01.02 covers products encompassed by 50 U.S.C. 1702(b)(2) and HTSUS heading 9903.01.03 covers products encompassed by 50 U.S.C. 1702(b)(3).[1]

The additional ad valorem duty provided for in new HTSUS heading 9903.01.04 applies in addition to all other applicable duties, taxes, fees, exactions, and charges.

Further, pursuant to Executive Order 14227, "Amendment to Duties to Address the Situation At Our Southern Border," the administrative exemption from duty and certain taxes at 19 U.S.C.

[1] 50 U.S.C. 1702(b)(1) covers "postal, telegraphic, telephonic, or other personal communication[s], which do[ ] not involve a transfer of anything of value," and hence does not encompass any imported articles of merchandise. 50 U.S.C. 1702(b)(4) covers "transactions ordinarily incident to travel to or from any country, including [1] importation of accompanied baggage for personal use, [2] maintenance within any country including payment of living expenses and acquisition of goods or services for personal use, and [3] arrangement or facilitation of such travel including nonscheduled air, sea, or land voyages." Only the first of the three categories of exceptions covered by 50 U.S.C. 1702(b)(4)—products for personal use included in accompanied baggage of persons arriving in the United States—encompasses imported articles of merchandise, and such articles are excluded from the scope of the additional *ad valorem* duty provided for in new HTSUS heading 9903.01.05 by the terms of that heading and new U.S. note 2(a).

1321(a)(2)(C)—known as the "*de minimis*" exemption—continues to be available for articles covered by HTSUS headings 9903.01.04 and 9903.01.05 that are otherwise eligible for the exemption, including for eligible articles sent to the United States through the international postal network, but shall cease to be available for such articles upon notification by the Secretary of Commerce to the President that adequate systems are in place to fully and expediently process and collect tariff revenue applicable to articles covered by HTSUS headings 9903.01.04 and 9903.01.05 otherwise eligible for the "*de minimis*" exemption. Accordingly, articles that are products of Mexico that are eligible for the *de minimis* exemption and are covered by HTSUS headings 9903.01.04 and 9903.01.05 may continue to request *de minimis* entry and clearance until such time as the Secretary of Commerce, in consultation with the Secretary of the Treasury, so notifies the President and further guidance is provided.

The additional *ad valorem* duty provided for in new HTSUS heading 9903.01.05 also applies to products of Mexico that are eligible for temporary duty exemptions or reductions under subchapter II to chapter 99.

The additional duties imposed by HTSUS heading 9903.01.05 shall not apply to goods for which entry is properly claimed under a provision of chapter 98 of the tariff schedule pursuant to applicable regulations of CBP, and whenever CBP agrees that entry under such a provision is appropriate, except for goods entered under heading 9802.00.80; and subheadings 9802.00.40, 9802.00.50, and 9802.00.60. For subheadings 9802.00.40, 9802.00.50, and 9802.00.60, the additional duties apply to the value of repairs, alterations, or processing performed (in Mexico), as described in the applicable subheading. For heading 9802.00.80, the additional duties apply to the value of the article assembled abroad (in Mexico), less the cost or value of such products of the United States, as described.

The Annex to this notice also provides that products of Mexico include both goods of Mexico under the rules set forth in part 102, title 19 of the Code of Federal Regulations, as applicable, as well as goods for which Mexico was the last country of substantial transformation prior to importation into the United States.

Articles that are products of Mexico, excluding those encompassed by 50 U.S.C. 1702(b), except those that are eligible for admission to a foreign trade zone under "domestic status" as defined in 19 CFR 146.43, and are admitted into a United States foreign trade zone on or after 12:01 a.m. eastern standard time on March 4, 2025, must be admitted as "privileged foreign status" as defined in 19 CFR 146.41. Such articles will be subject, upon entry for consumption, to the

duties imposed by the Executive order, as amended, and the rates of duty related to the classification under the applicable HTSUS heading or subheading in effect at the time of admission into the United States foreign trade zone.

No drawback shall be available with respect to the additional duties imposed pursuant to the Executive orders.

KRISTI NOEM,
Secretary.

Annex

To Modify Chapter 99 of the Harmonized Tariff Schedule of the United States

1. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption on or after 12:01 a.m. eastern standard time on March 7, 2025, subdivision (a) of note 2 to subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTSUS) is modified by deleting "heading 9903.01.02 and heading 9903.01.03," and by inserting "headings 9903.01.02, 9903.01.03, 9903.01.04 or 9903.01.05," in lieu thereof. Subdivision (a) of note 2 to subchapter III of chapter 99 of HTSUS is also modified with respect to heading 9903.01.01 by deleting "other than products described in heading 9903.01.02 and 9903.01.03," and by inserting "other than products described in headings 9903.01.02, 9903.01.03, 9903.01.04, and 9903.01.05," in lieu thereof.

2. The heading 9903.01.01 is also modified by deleting "except for products described in heading 9903.01.02 and heading 9903.01.03," and by inserting "except for products described in headings 9903.01.02, 9903.01.03, 9903.01.04, and 9903.01.05," in lieu thereof.

3. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption on or after 12:01 a.m. eastern standard time on March 7, 2025, note 2 to subchapter III of chapter 99 of the HTSUS is modified by inserting the following new subdivision (c):

"(c) For the purposes of heading 9903.01.05, products of Mexico other than products described in headings 9903.01.01, 9903.01.02, 9903.01.03, and 9903.01.04, and other than products for personal use included in accompanied baggage of persons arriving in the United States, shall be subject to an additional 10% *ad valorem* rate of duty. Notwithstanding U.S. note 1 to this subchapter, all products of Mexico that are subject to the additional *ad valorem* rate of duty imposed by heading 9903.01.05 shall also be subject to the general rates of duty imposed on products of Mexico entered under subheadings in chapters 1 to 97 of the tariff schedule.

The additional duties imposed by heading 9903.01.05 apply to products of Mexico including both goods of Mexico under the rules set forth in part 102, title 19 of the Code of Federal Regulations, as applicable, as well as goods for which Mexico was the last country of substantial transformation prior to importation into the United States.

Products of Mexico that are eligible for temporary duty exemptions or reductions under subchapter II to chapter 99, shall be subject to the additional *ad valorem* rate of duty imposed by heading 9903.01.05.

The additional duties imposed by heading 9903.01.05 shall not apply to goods for which entry is properly claimed under a provision of chapter 98 of the tariff schedule pursuant to applicable regulations of U.S. Customs and Border Protection ("CBP"), and whenever CBP agrees that entry under such a provision is appropriate, except for goods entered under heading 9802.00.80; and subheadings 9802.00.40, 9802.00.50, and 9802.00.60. For subheadings 9802.00.40, 9802.00.50, and 9802.00.60, the additional duties apply to the value of repairs, alterations, or processing performed (in Mexico), as described in the applicable subheading. For heading 9802.00.80, the additional duties apply to the value of the article assembled abroad (in Mexico), less the cost or value of such products of the United States, as described.

Products of Mexico that are provided for in heading 9903.01.05 shall continue to be subject to antidumping, countervailing, or other duties, taxes, fees, exactions and charges that apply to such products, as well as to the additional *ad valorem* rate of duty imposed by heading 9903.01.05.

Products of Mexico that are provided for in headings 9903.01.04 and 9903.01.05 that are otherwise eligible for the administrative exemption from duty and certain taxes at 19 U.S.C. 1321(a)(2)(C)—known as the "*de minimis*" exemption—may continue to qualify for the exemption, but the *de minimis* exemption shall cease to be available for such articles upon notification by the Secretary of Commerce, in consultation with the Secretary of the Treasury, to the President that adequate systems are in place to fully and expediently process and collect tariff revenue applicable for covered articles otherwise eligible for the *de minimis* exemption."

4. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on March 7, 2025, the article description of heading 9903.01.01 is modified by deleting "heading 9903.01.02 and heading 9903.01.03," and inserting "headings 9903.01.02, 9903.01.03, 9903.01.04 and 9903.01.05," in lieu thereof.

5. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on March 7, 2025, subchapter III of chapter 99 of the HTSUS is modified by inserting new headings 9903.01.04 and 9903.01.05 in numerical sequence, with the material in the new heading inserted in the columns of the HTSUS labeled "Heading/Subheading", "Article Description", "Rates of Duty 1—General", "Rates of Duty 1—Special" and "Rates of Duty 2", respectively:

Heading/ subheading	Article description	Rates of duty		
		1		2
		General	Special	
"9903.01.04	Articles that are entered free of duty under the terms of general note 11 to the HTSUS, including any treatment set forth in subchapter XXIII of chapter 98 and subchapter XXII of chapter 99 of the HTS, as related to the USMCA.	No change ..	The duty provided in the applicable subheading.	No change.
9903.01.05	Potash that is a product of Mexico, as provided for in U.S. note 2(c) to this subchapter.	The duty provided in the applicable subheading + 10%.	No change ..	No change".

AMENDMENT TO NOTICE OF IMPLEMENTATION OF ADDITIONAL DUTIES ON PRODUCTS OF CANADA PURSUANT TO THE PRESIDENT'S EXECUTIVE ORDER 14193, IMPOSING DUTIES TO ADDRESS THE FLOW OF ILLICIT DRUGS ACROSS OUR NORTHERN BORDER

AGENCY: U.S. Customs and Border Protection (CBP), Department of Homeland Security.

ACTION: Notice.

SUMMARY: In order to effectuate the President's Executive Order 14193, "Imposing Duties to Address the Flow of Illicit Drugs Across Our Northern Border," as amended by Executive Order 14197, "Progress on the Situation at Our Northern Border", and subsequently amended by Executive Order 14226, "Amendment to Duties to Address the Flow of Illicit Drugs Across Our Northern Border", which imposed specified rates of duty on imports of articles that are products of Canada, and further amended by the President's March 6, 2025 Executive order "Amendment to Duties to Address the Flow of Illicit Drugs Across Our Northern Border," the Secretary of Homeland Security has determined that appropriate action is needed to modify the Harmonized Tariff Schedule of the United States (HTSUS) as set out in the Annex to this notice.

DATES: The duties set out in the Annex to this document are effective with respect to products of Canada that are entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on March 7, 2025.

FOR FURTHER INFORMATION CONTACT: Brandon Lord, Executive Director, Trade Policy and Programs, Office of Trade, U.S. Customs and Border Protection, (202) 325–6432 or by email at *traderemedy@cbp.dhs.gov*. C. Shane Campbell, Acting Executive Director, Cargo and Conveyance Security, Office of Field Operations, U.S. Customs and Border Protection, (202) 344–3401 or by email at *traderemedy@cbp.dhs.gov*.

SUPPLEMENTARY INFORMATION: On January 20, 2025, the President declared a national emergency with respect to the grave threat to the United States posed by the influx of illegal aliens and drugs into the United States in Proclamation 10886 (Declaring a National Emergency at the Southern Border) (90 FR 8327, January 29, 2025). *See* National Emergencies Act (50 U.S.C. 1601 *et seq.*) (NEA).

On February 1, 2025, the President expanded the scope of the national emergency declared in that proclamation to cover the threat

to safety and security of Americans, including the public health crisis of deaths due to the use of fentanyl and other illicit drugs and the failure of Canada to do more to arrest, seize, detain, or otherwise intercept drug trafficking organizations, other drug and human traffickers, criminals at large, and drugs. In addition, the President determined that this failure to act on the part of Canada constitutes an unusual and extraordinary threat, which has its source in substantial part outside the United States, to the national security and foreign policy of the United States. *See* Executive Order 14193 (90 FR 9113), dated February 1, 2025.

To address this threat, pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 *et seq.*) (IEEPA), the NEA, section 604 of the Trade Act of 1974, as amended (19 U.S.C. 2483), and 3 U.S.C. 301, the President imposed ad valorem tariffs on all imports that are products of Canada, excluding those encompassed by 50 U.S.C. 1702(b). Specifically, Executive Order 14193 adjusted duties on imported products of Canada, except for imports of energy and energy resources that are products of Canada, by imposing, consistent with law, an additional 25 percent ad valorem rate of duty. With respect to imports of energy and energy resources that are products of Canada, the Executive order imposed, consistent with law, an additional 10 percent ad valorem rate of duty.

On February 3, 2025, the President issued Executive Order 14197, "Progress on the Situation at our Northern Border" (90 FR 9183), which amended Executive Order 14193 by pausing the implementation of the additional duties for 30 days until March 4, 2025, to allow time to assess whether actions taken by Canada as of that date were sufficient to alleviate the crisis and resolve the unusual and extraordinary threat beyond our southern border. Additionally, Executive Order 14197 withdrew the exceptions in section 2(a) of Executive Order 14193 related to covered goods loaded onto a vessel at a port of entry or in transit on the final mode of transport prior to entry into the United States.

Subsequently, on March 2, 2025, the President amended subsection (h) of section 2 of Executive Order 14193, to modify the application of 19 U.S.C. 1321 to goods covered by subsection (a) and subsection (b) of section 2 of Executive Order 14193. *See* Executive Order 14226, "Amendment to Duties to Address the Flow of Illicit Drugs Across Our Northern Border" (March 2, 2025) (90 FR 11369, March 6, 2025). Specifically, as amended, subsection (h) of section 2 of Executive Order 14193 provides that duty-free *de minimis* treatment under 19 U.S.C. 1321 is available for otherwise eligible covered articles described in the Executive order, but shall cease to be available for such

articles upon notification by the Secretary of Commerce to the President that adequate systems are in place to fully and expediently process and collect tariff revenue applicable pursuant to subsection (a) and subsection (b) of section 2 of the Executive order for covered articles otherwise eligible for *de minimis* treatment.

On March 6, 2025, the President signed Executive order "Amendment to Duties to Address the Flow of Illicit Drugs Across Our Northern Border." In that Executive order, the President determined that automotive production is a major source of U.S. employment and innovation and integral to U.S. economic and national security. The American automotive industry as currently structured often trades substantial volumes of automotive parts and components across our borders in the interest of bringing supply chains closer to North America. In order to minimize disruption to the U.S. automotive industry and automotive workers, the President determined that it is appropriate to adjust tariffs imposed on articles of Canada. Accordingly, articles that are entered free of duty as originating in Canada under the terms of general note 11 to the Harmonized Tariff Schedule of the United States (HTSUS), including any treatment set forth in subchapter XXIII of chapter 98 and subchapter XXII of chapter 99 of the HTSUS, as related to the Agreement between the United States of America, United Mexican States, and Canada (USMCA), shall not be subject to the additional ad valorem rate of duty described in section 2(a) or section 2(b) of Executive Order 14193.

Furthermore, the additional ad valorem rate of duty described in Executive Order 14193 is reduced from 25% to 10% for potash that does not qualify for duty-free treatment under the USMCA, but is a product of Canada, in accordance with the March 6, 2025 Executive order. All other products of Canada that do not qualify for duty-free treatment under the USMCA shall remain subject to the rates set forth in Executive Order 14193 (unless otherwise exempted).

Executive Order 14193 directed the Secretary of Homeland Security to determine and implement the necessary modifications to the Harmonized Tariff Schedule of the United States (HTSUS), consistent with law, in order to effectuate the Executive order, as amended by Executive Order 14197, Executive Order 14226, and the March 6, 2025 Executive order.

As such, this notice is revising the March 3, 2025 CBP **Federal Register** Notice titled "Notice of Implementation of Additional Duties on Products of Canada Pursuant to the President's Executive Order 14193, Imposing Duties to Address the Flow of Illicit Drugs Across Our Northern Border" (90 FR 11423, March 6, 2025) to implement the rates of duty imposed by the Executive order, as amended,

effective on 12:01 a.m. eastern standard time on March 7, 2025, subchapter III of chapter 99 of the HTSUS is modified by the Annex to this notice.

Articles that are entered free of duty as originating under the terms of general note 11 to the HTSUS, including any treatment set forth in subchapter XXIII of chapter 98 and subchapter XXII of chapter 99 of the HTSUS, as related to USMCA, will not be subject to the additional *ad valorem* rate of duty provided for in HTSUS heading 9903.01.10, as specified in new HTSUS heading 9903.01.14. Potash not qualifying for duty-free treatment under the USMCA, but which is a product of Canada, that is entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on March 7, 2025, will be subject to the reduced additional 10% *ad valorem* rate of duty provided for in HTSUS heading 9903.01.15, instead of the 25% ad valorem rate provided for in HTSUS heading 9903.01.10.

Imported products of Canada that are encompassed by 50 U.S.C. 1702(b) will not be subject to the additional *ad valorem* duty rates provided for in new HTSUS heading 9903.01.15 such qualifying products, other than products for personal use included in accompanied baggage of persons arriving in the United States, must be declared and entered under HTSUS heading 9903.01.11 or HTSUS heading 9903.01.12, as applicable. Specifically, HTSUS heading 9903.01.11 covers products encompassed by 50 U.S.C. 1702(b)(2) and HTSUS heading 9903.01.12 covers products encompassed by 50 U.S.C. 1702(b)(3).[1]

The additional ad valorem duty provided for in new HTSUS heading 9903.01.15 applies in addition to all other applicable duties, taxes, fees, exactions, and charges.

Further, pursuant to Executive Order 14226, the administrative exemption from duty and certain taxes at 19 U.S.C. 1321(a)(2)(C)—known as the "*de minimis*" exemption—continues to be available for articles covered by HTSUS headings 9903.01.14 and 9903.01.15 that are otherwise eligible for the exemption, including for

[1] 50 U.S.C. 1702(b)(1) covers "postal, telegraphic, telephonic, or other personal communication[s], which do[ ] not involve a transfer of anything of value," and hence does not encompass any imported articles of merchandise. 50 U.S.C. 1702(b)(4) covers "transactions ordinarily incident to travel to or from any country, including [1] importation of accompanied baggage for personal use, [2] maintenance within any country including payment of living expenses and acquisition of goods or services for personal use, and [3] arrangement or facilitation of such travel including nonscheduled air, sea, or land voyages." Only the first of the three categories of exceptions covered by 50 U.S.C. 1702(b)(4)—products for personal use included in accompanied baggage of persons arriving in the United States—encompasses imported articles of merchandise, and such articles are excluded from the scope of the additional *ad valorem* duties provided for in new HTSUS headings 9903.01.14 and 9903.01.15 by the terms of those headings and new U.S. note 2(j).

eligible articles sent to the United States through the international postal network, but shall cease to be available for such articles upon notification by the Secretary of Commerce to the President that adequate systems are in place to fully and expediently process and collect tariff revenue applicable to articles covered by HTSUS headings 9903.01.14 and 9903.01.15 otherwise eligible for the "*de minimis*" exemption. Accordingly, articles that are products of Canada that are eligible for the *de minimis* exemption and are covered by HTSUS headings 9903.01.14 and 9903.01.15 may continue to request *de minimis* entry and clearance until such time as the Secretary of Commerce, in consultation with the Secretary of the Treasury, so notifies the President and further guidance is provided.

The additional ad valorem duty provided for in new HTSUS heading 9903.01.15 also applies to products of Canada that are eligible for temporary duty exemptions or reductions under subchapter II to chapter 99, shall be subject to the additional *ad valorem* rate of duty imposed by HTSUS heading 9903.01.15.

The additional duties imposed by HTSUS heading 9903.01.15 shall not apply to goods for which entry is properly claimed under a provision of chapter 98 of the tariff schedule pursuant to applicable regulations of CBP, and whenever CBP agrees that entry under such a provision is appropriate, except for goods entered under subheading 9802.00.80; and subheadings 9802.00.40, 9802.00.50, and 9802.00.60. For subheadings 9802.00.40, 9802.00.50, and 9802.00.60, the additional duties apply to the value of repairs, alterations, or processing performed (in Canada), as described in the applicable subheading. For heading 9802.00.80, the additional duties apply to the value of the article assembled abroad (in Canada), less the cost or value of such products of the United States, as described.

The Annex to this notice also provides that products of Canada include both goods of Canada under the rules set forth in part 102, title 19 of the Code of Federal Regulations, as applicable, as well as goods for which Canada was the last country of substantial transformation prior to importation into the United States.

Articles that are products of Canada, excluding those encompassed by 50 U.S.C. 1702(b), except those that are eligible for admission to a foreign trade zone under "domestic status" as defined in 19 CFR 146.43, and are admitted into a United States foreign trade zone on or after 12:01 a.m. eastern standard time on March 4, 2025, must be admitted as "privileged foreign status" as defined in 19 CFR 146.41. Such articles will be subject, upon entry for consumption, to the duties imposed by the Executive order, as amended, and the rates of

duty related to the classification under the applicable HTSUS heading or subheading in effect at the time of admission into the United States foreign trade zone.

No drawback shall be available with respect to the additional duties imposed pursuant to the Executive orders.

KRISTI NOEM,
Secretary.

Annex

To Modify Chapter 99 of the Harmonized Tariff Schedule of the United States

1. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on March 7, 2025, subdivision (j) of note 2 to subchapter III of chapter 99 of the Harmonized Tariff Schedule of the United States (HTSUS) is modified by deleting "and heading 9903.11.13," and by inserting "9903.01.13, 9903.01.14, and 9902.01.15" in lieu thereof. Subdivision (j) of note 2 to subchapter III of chapter 99 of HTSUS is also modified with respect to heading 9903.01.10 by deleting "other than products described in headings 9903.01.11, 9903.01.12 and 9903.01.13," and by inserting "other than products described in headings 9903.01.11, 9903.01.12, 9903.01.13, 9903.01.14, and 9903.01.15," in lieu thereof.

2. The heading 9903.01.10 is modified by deleting "except for products described in headings 9903.01.11, 9903.01.12, and heading 9903.01.13," and by inserting "except for products described in headings 9903.01.11, 9903.01.12, 9903.01.13, 9903.01.14, and 9903.01.15," in lieu thereof.

3. The heading 9903.01.13 is modified by deleting "except for products described in headings 9903.01.11 and 9903.01.12," and by inserting "except for products described in headings 9903.01.11, 9903.01.12, 9903.01.14 and 9903.01.15."

4. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption on or after 12:01 a.m. eastern standard time on March 7, 2025, note 2 to subchapter III of chapter 99 of the HTSUS is modified by inserting the following new subdivision (l):

"(l) For the purposes of heading 9903.01.15, products of Canada, other than products described in headings 9903.01.11, 9903.01.12, and 9903.01.14, and other than products for personal use included in accompanied baggage of persons arriving in the United States, shall be subject to an additional 10% *ad valorem* rate of duty. Notwithstanding U.S. note 1 to this subchapter, all products of Canada that are subject to the additional *ad valorem* rate of duty imposed by heading 9903.01.15 shall also be subject to the general rates of duty imposed on products of Canada entered under subheadings in chapters 1 to 97 of the tariff schedule.

The additional duties imposed by heading 9903.01.15 apply to products of Canada including both goods of Canada under the rules set forth in part 102, title 19 of the Code of Federal Regulations, as applicable, as well as goods for which Canada was the last country of substantial transformation prior to importation into the United States.

Products of Canada that are eligible for temporary duty exemptions or reductions under subchapter II to chapter 99, shall be subject to the additional *ad valorem* rate of duty imposed by heading 9903.01.15.

The additional duties imposed by heading 9903.01.15 shall not apply to goods for which entry is properly claimed under a provision of chapter 98 of the tariff schedule pursuant to applicable regulations of U.S. Customs and Border Protection ("CBP"), and whenever CBP agrees that entry under such a provision is appropriate, except for goods entered under heading 9802.00.80; and subheadings 9802.00.40, 9802.00.50, and 9802.00.60. For subheadings 9802.00.40, 9802.00.50, and 9802.00.60, the additional duties apply to the value of repairs, alterations, or processing performed (in Canada), as described in the applicable subheading. For heading 9802.00.80,

the additional duties apply to the value of the article assembled abroad (in Canada), less the cost or value of such products of the United States, as described.

Products of Canada that are provided for in heading 9903.01.15 shall continue to be subject to antidumping, countervailing, or other duties, taxes, fees, exactions and charges that apply to such products, as well as to the additional *ad valorem* rate of duty imposed by heading 9903.01.15.

Products of Canada that are provided for in headings 9903.01.14 and 9903.01.15 that are otherwise eligible for the administrative exemption from duty and certain taxes at 19 U.S.C. 1321(a)(2)(C)—known as the "*de minimis*" exemption—may continue to qualify for the exemption, but the *de minimis* exemption shall cease to be available for such articles upon notification by the Secretary of Commerce, in consultation with the Secretary of the Treasury, to the President that adequate systems are in place to fully and expediently process and collect tariff revenue applicable for covered articles otherwise eligible for the *de minimis* exemption."

5. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on March 7, 2025, the article description of heading 9903.01.10 is modified by deleting "9903.01.12 or, 9903.01.13," and by inserting "9903.01.12, 9903.01.13, 9903.01.14 or 9903.01.15," in lieu thereof.

6. Effective with respect to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01 a.m. eastern standard time on March 7, 2025, subchapter III of chapter 99 of the HTSUS is modified by inserting new headings 9903.01.14 and 9903.01.15 in numerical sequence, with the material in the new heading inserted in the columns of the HTSUS labeled "Heading/Subheading", "Article Description", "Rates of Duty 1—General", "Rates of Duty 1—Special" and "Rates of Duty 2", respectively:

Heading/ subheading	Article description	Rates of duty		
		1		2
		General	Special	
"9903.01.14	Articles that are entered free of duty under the terms of general note 11 to the HTSUS, including any treatment set forth in subchapter XXIII of chapter 98 and subchapter XXII of chapter 99 of the HTS, as related to the USMCA.	No change ..	The duty provided in the applicable subheading.	No change.
9903.01.15	Potash that is a product of Canada, as provided for in U.S. note 2(I) to this subchapter.	The duty provided in the applicable subheading + 10%.	No change ..	No change".

PROPOSED REVOCATION OF ONE RULING LETTER AND PROPOSED REVOCATION OF TREATMENT RELATING TO THE TARIFF CLASSIFICATION OF A 7100PP-R-xM RCMM OPTICAL PATCH PANEL FROM CHINA

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice of proposed revocation of one ruling letter, and proposed revocation of treatment relating to the tariff classification of 7100PP-R-xM RCMM optical patch panel.

SUMMARY: Pursuant to section 625(c), Tariff Act of 1930 (19 U.S.C. § 1625(c)), as amended by section 623 of title VI (Customs Modernization) of the North American Free Trade Agreement Implementation Act (Pub. L. 103–182, 107 Stat. 2057), this notice advises interested parties that U.S. Customs and Border Protection (CBP) intends to revoke one ruling letter concerning tariff classification of an optical patch panel under the Harmonized Tariff Schedule of the United States (HTSUS). Similarly, CBP intends to revoke any treatment previously accorded by CBP to substantially identical transactions. Comments on the correctness of the proposed actions are invited.

DATE: Comments must be received on or before April 26, 2025.

ADDRESS: Written comments are to be addressed to U.S. Customs and Border Protection, Office of Trade, Regulations and Rulings, Attention: Shannon L. Stillwell, Commercial and Trade Facilitation Division, 90 K St., NE, 10th Floor, Washington, DC 20229–1177. CBP is also allowing commenters to submit electronic comments to the following email address: *1625Comments@cbp.dhs.gov*. All comments should reference the title of the proposed notice at issue and the *Customs Bulletin* volume, number and date of publication. Arrangements to inspect submitted comments should be made in advance by calling Ms. Shannon L. Stillwell at (202) 325–0739 or via email to *shannon.l.stillwell@cbp.dhs.gov*.

FOR FURTHER INFORMATION CONTACT: Dwayne S. Rawlings, Electronics, Machinery, Automotive and International Nomenclature Branch, Regulations and Rulings, Office of Trade, at (202) 325–00092.

SUPPLEMENTARY INFORMATION:

BACKGROUND

Current customs law includes two key concepts: informed compliance and shared responsibility. Accordingly, the law imposes an obligation on CBP to provide the public with information concerning the trade community's responsibilities and rights under the customs and related laws. In addition, both the public and CBP share responsibility in carrying out import requirements. For example, under section 484 of the Tariff Act of 1930, as amended (19 U.S.C. § 1484), the importer of record is responsible for using reasonable care to enter, classify and value imported merchandise, and to provide any other information necessary to enable CBP to properly assess duties, collect accurate statistics, and determine whether any other applicable legal requirement is met.

Pursuant to 19 U.S.C. § 1625(c)(1), this notice advises interested parties that CBP is proposing to revoke one ruling letter pertaining to the tariff classification of an optical patch panel. Although in this notice, CBP is specifically referring to New York Ruling Letter ("NY") N022319, dated February 8, 2008 (Attachment A), this notice also covers any rulings on this merchandise which may exist, but have not been specifically identified. CBP has undertaken reasonable efforts to search existing databases for rulings in addition to the one identified. No further rulings have been found. Any party who has received an interpretive ruling or decision (i.e., a ruling letter, internal advice memorandum or decision, or protest review decision) on the merchandise subject to this notice should advise CBP during the comment period.

Similarly, pursuant to 19 U.S.C. § 1625(c)(2), CBP is proposing to revoke any treatment previously accorded by CBP to substantially identical transactions. Any person involved in substantially identical transactions should advise CBP during this comment period. An importer's failure to advise CBP of substantially identical transactions or of a specific ruling not identified in this notice may raise issues of reasonable care on the part of the importer or its agents for importations of merchandise subsequent to the effective date of the final decision on this notice.

In NY N022319, CBP classified the optical patch panel in heading 8517, HTSUS, specifically in subheading 8517.70.00, HTSUS, which provides for "Telephone sets, including telephones for cellular networks or for other wireless networks; other apparatus for the transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as a

local or wide area network), other than transmission or reception apparatus of heading 8443, 8525, 8527 or 8528; parts thereof: apparatus for the transmission or reception of voice, images or other data." CBP has reviewed NY N022319 and has determined the ruling letter to be in error. It is now CBP's position that the optical patch panel is properly classified, in heading 9013, HTSUS, specifically in subheading 9013.80.91, HTSUS, which provides for "Lasers, other than laser diodes; other optical appliances and instruments, not specified or included elsewhere in this chapter: Other devices, appliances and instruments: Other."

Pursuant to 19 U.S.C. § 1625(c)(1), CBP is proposing to revoke NY N022319 and to revoke or modify any other ruling not specifically identified to reflect the analysis contained in the proposed Headquarters Ruling Letter ("HQ") H258594, set forth as Attachment B to this notice. Additionally, pursuant to 19 U.S.C. § 1625(c)(2), CBP is proposing to revoke any treatment previously accorded by CBP to substantially identical transactions.

Before taking this action, consideration will be given to any written comments timely received.

YULIYA A. GULIS,
Director
Commercial and Trade Facilitation Division

Attachments

N022319
February 8, 2008
CLA-2–85:OT:RR:E:NC:N1:109
CATEGORY: Classification
TARIFF NO.: 8517.70.0000

MR. FRANCISCO PANTOJA
REGIONAL TRADE COMPLIANCE MANAGER
TELLABS OPERATIONS INC.
1415 W. DIEHL RD., MS 16
NAPERVILLE, IL 60563

RE: The tariff classification of a 7100PP-R-xM RCMM optical patch panel from China

DEAR MR. PANTOJA:

In your letter dated January 23, 2008 you requested a tariff classification ruling.

The merchandise subject to this ruling is a 7100PP-R-xM RCMM optical patch panel. It is sold as an optional part for the Tellabs 7100 Optical Transport System (OTS), which sends voice, data, and video traffic via fiber optic cables. The 7100PP-R-xM RCCM optical patch panel is a custom mechanical assembly that can only be used in a 7100 OTS.

The 7100PP-R-xM RCMM optical patch panel provides access to each of the 44 channels handled by the 7122A/B Reconfigurable Channel Multiplexer Module (RCMM) within the 7100 OTS. The 7100PP-R-xM RCCM optical patch panel provides, via the front panel, 8 multi-fiber cables with MTP connectors on the end and 22 duplex LC connectors. Inside the optical patch panel, the 8 multi-fiber cables are split out to 44 individual transmit and receive fibers that are terminated at the front panel via the 22 duplex LC connectors. The optical patch panel can be mounted vertically or horizontally in a Tellabs 7100 OTS rack.

The applicable subheading for the 7100PP-R-xM RCMM optical patch panel will be 8517.70.0000, Harmonized Tariff Schedule of the United States (HTSUS), which provides for "Other apparatus for transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as local or wide area network), other than transmission or reception apparatus of heading 8443, 8525, 8527, or 8528; parts thereof: Parts." The rate of duty will be free.

Duty rates are provided for your convenience and are subject to change. The text of the most recent HTSUS and the accompanying duty rates are provided on World Wide Web at http://www.usitc.gov/tata/hts/.

This ruling is being issued under the provisions of Part 177 of the Customs Regulations (19 C.F.R. 177).

A copy of the ruling or the control number indicated above should be provided with the entry documents filed at the time this merchandise is imported. If you have any questions regarding the ruling, contact National Import Specialist Linda M. Hackett at 646–733–3015.

Sincerely,

ROBERT B. SWIERUPSKI
Director,
National Commodity Specialist Division

HQ H258594
OT:RR:CTF:EMAIN H258594 DSR
CATEGORY: Classification
TARIFF NO.: 9013.80.91

MR. FRANCISCO PANTOJA
REGIONAL TRADE COMPLIANCE MANAGER
TELLABS OPERATIONS INC.
1415 W. DIEHL RD., MS 16
NAPERVILLE, IL 60563

RE: Revocation of NY N022319; Classification of a 7100PP-R-xM RCMM optical patch panel from China

DEAR MR. PANTOJA:

This letter is in reference to New York Ruling Letter (NY) N022319, issued to you on February 8, 2008. We have concluded that the optical patch panel's classification in subheading 8517.70.00, HTSUS (2008), is incorrect. Therefore, we are revoking NY N022319 for the reasons set forth in this ruling.

FACTS:

In NY N022319, the optical patch panel is described as follows:

> The merchandise subject to this ruling is a 7100PP-R-xM RCMM optical patch panel. It is sold as an optional part for the Tellabs 7100 Optical Transport System (OTS), which sends voice, data, and video traffic via fiber optic cables. The 7100PP-R-xM RCCM optical patch panel is a custom mechanical assembly that can only be used in a 7100 OTS.
>
> The 7100PP-R-xM RCMM optical patch panel provides access to each of the 44 channels handled by the 7122A/B Reconfigurable Channel Multiplexer Module (RCMM) within the 7100 OTS. The 7100PP-R-xM RCCM optical patch panel provides, via the front panel, 8 multi-fiber cables with MTP connectors on the end and 22 duplex LC connectors. Inside the optical patch panel, the 8 multi-fiber cables are split out to 44 individual transmit and receive fibers that are terminated at the front panel via the 22 duplex LC connectors. The optical patch panel can be mounted vertically or horizontally in a Tellabs 7100 OTS rack.

ISSUE:

Whether the optical patch panel is classified in heading 8517, HTSUS, as a part of "apparatus for the transmission or reception of voice, images or other data," or heading 9013, HTSUS, as an "optical appliance[ ] or instrument."

LAW AND ANALYSIS:

Classification under the Harmonized Tariff Schedule of the United States (HTSUS) is made in accordance with the General Rules of Interpretation (GRI). GRI 1 provides that the classification of goods shall be determined according to the terms of the headings of the tariff schedule and any relative Section or Chapter Notes.

The HTSUS headings under consideration are as follows:

8517 Telephone sets, including telephones for cellular networks or for other wireless networks; other apparatus for the transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as a local or wide area network), other than transmission or reception apparatus of heading 8443, 8525, 8527 or 8528; parts thereof:

* * *

9013 Lasers, other than laser diodes; other optical appliances and instruments, not specified or included elsewhere in this chapter:

Legal Note 1(m) to Section XVI, HTSUS, which includes heading 8517, HTSUS, states that articles of Chapter 90, HTSUS, are not covered in Section XVI. Moreover, Additional U.S. Note 3 to Chapter 90, HTSUS, provides:

> For the purposes of this chapter, the terms "optical appliances" and "optical instruments" refer only to those appliances and instruments which incorporate one or more optical elements, but do not include any appliances or instruments in which the incorporated optical element or elements are solely for viewing a scale or for some other subsidiary purpose.

Pursuant to Note 1(m) to Section XVI, if the subject optical patch panel is an article of Chapter 90, HTSUS, it is precluded from consideration in heading 8517, HTSUS. As such, the threshold inquiry is whether the subject optical patch panel is classifiable in any of the headings of Chapter 90, HTSUS.

The subject optical patch panel incorporates eight multi-fiber optical cables with MTP connectors and 22 duplex LC connectors, with each of the eight multi-fiber optical cables further splitting out to forty-four individual optical fibers that terminate at the front panel of the optical patch panel via the 22 duplex LC connectors. The optical cables and fibers are not solely for viewing a scale and clearly do not fulfill a "subsidiary purpose," as they are the main contributors to what is the ultimate purpose of the optical patch panel – to serve as a passive connection and management assembly for the transmission and reception of optical signals.

An "optical" appliance or instrument with no purpose but to channel and direct information through fiber optic cables, and which is not the fibers themselves, falls within heading 9013, HTSUS. *See ADC Communications, Inc. v. United States*, C.I.T. Slip. Op. 17–144 (October 18, 2017), *aff'd, ADC Communications, Inc. v. United States*, No. 18–1316 (Fed. Cir. 2019). Therefore, we conclude that the subject optical patch panel is properly classified in heading 9013, HTSUS.

HOLDING:

By application of GRIs 1 and 6, in addition to Note 1(m) to Section XVI), the subject optical patch panel is classifiable under heading 9013, HTSUS, specifically under subheading 9013.80.91, HTSUS, which provides for "Lasers, other than laser diodes; other optical appliances and instruments, not specified or included elsewhere in this chapter: Other devices, appliances and instruments: Other." The column one, general rate of duty is 4.5% *ad valorem*.

Pursuant to U.S. Note 20 to Subchapter III, Chapter 99, HTSUS, products of China classified under subheading 9013.80.91, HTSUS, unless specifically excluded, are subject to an additional 7.5 percent ad valorem rate of duty. At the time of importation, you must report the Chapter 99 subheading, *i.e.*, 9903.88.15, in addition to subheading 9013.80.91, HTSUS, listed above.

The HTSUS is subject to periodic amendment, so you should exercise reasonable care in monitoring the status of goods covered by the Note cited above and the applicable Chapter 99 subheading. For background information regarding the trade remedy initiated pursuant to Section 301 of the Trade Act of 1974, including information on exclusions and their effective dates, you may refer to the relevant parts of the USTR and CBP websites, which are available at https://ustr.gov/issue areas/enforcement/section-301-investigations/tariff-actions and https://www.cbp.gov/trade/remedies/301-certain-products-china respectively.

Duty rates are provided for your convenience and subject to change. The text of the most recent HTSUS and the accompanying duty rates are provided at www.usitc.gov.

EFFECT ON OTHER RULINGS:

NY N022319, dated February 8, 2008, is hereby REVOKED.

Sincerely,

YULIYA A. GULIS,
Director
Commercial and Trade Facilitation Division

19 CFR PART 177

MODIFICATION OF THREE RULING LETTERS AND REVOCATION OF TREATMENT RELATING TO THE TARIFF CLASSIFICATION OF PROPAFENONE HYDROCHLORIDE

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice of modification of three ruling letters, and of revocation of treatment relating to the tariff classification of propafenone hydrochloride.

SUMMARY: Pursuant to section 625(c), Tariff Act of 1930 (19 U.S.C. § 1625(c)), as amended by section 623 of title VI (Customs Modernization) of the North American Free Trade Agreement Implementation Act (Pub. L. 103–182, 107 Stat. 2057), this notice advises interested parties that U.S. Customs and Border Protection (CBP) is modifying three ruling letters concerning tariff classification of propafenone hydrochloride under the Harmonized Tariff Schedule of the United States (HTSUS). Similarly, CBP is revoking any treatment previously accorded by CBP to substantially identical transactions. Notice of the proposed action was published in the *Customs Bulletin*, Vol. 59, No. 5, on January 29, 2025. No comments were received in response to that notice.

EFFECTIVE DATE: This action is effective for merchandise entered or withdrawn from warehouse for consumption on or after May 26, 2025.

FOR FURTHER INFORMATION CONTACT: Thomas Dougherty, Chemicals, Petroleum, Metals and Miscellaneous Articles Branch, Regulations and Rulings, Office of Trade, at (202) 325–1988.

SUPPLEMENTARY INFORMATION:

BACKGROUND

Current customs law includes two key concepts: informed compliance and shared responsibility. Accordingly, the law imposes an obligation on CBP to provide the public with information concerning the trade community's responsibilities and rights under the customs and related laws. In addition, both the public and CBP share responsibility in carrying out import requirements. For example, under section 484 of the Tariff Act of 1930, as amended (19 U.S.C. § 1484), the importer of record is responsible for using reasonable care to enter,

classify and value imported merchandise, and to provide any other information necessary to enable CBP to properly assess duties, collect accurate statistics, and determine whether any other applicable legal requirement is met.

Pursuant to 19 U.S.C. § 1625(c)(1), a notice was published in the *Customs Bulletin*, Vol. 59, No. 5, on January 29, 2025, proposing to modify three ruling letters pertaining to the tariff classification of propafenone hydrochloride. Any party who has received an interpretive ruling or decision (i.e., a ruling letter, internal advice memorandum or decision, or protest review decision) on the merchandise subject to this notice should have advised CBP during the comment period.

Similarly, pursuant to 19 U.S.C. § 1625(c)(2), CBP is revoking any treatment previously accorded by CBP to substantially identical transactions. Any person involved in substantially identical transactions should have advised CBP during the comment period. An importer's failure to advise CBP of substantially identical transactions or of a specific ruling not identified in this notice may raise issues of reasonable care on the part of the importer or its agents for importations of merchandise subsequent to the effective date of this notice.

In New York Ruling Letter ("NY") J81823, NY 891019, and NY 810507, CBP classified propafenone hydrochloride in heading 2922, HTSUS, specifically in subheading 2922.50.14, HTSUS, which provides for "Oxygen-function amino-compounds: Amino-alcohol-phenols, amino-acid-phenols and other amino-compounds with oxygen function: Aromatic: Other: Cardiovascular drugs." CBP has reviewed NY J81823, NY 891019, and NY 810507 and has determined the ruling letters to be in error solely with respect to tariff classification of propafenone hydrochloride. It is now CBP's position that propafenone hydrochloride is properly classified, in heading 2922, HTSUS, specifically in subheading 2922.19.09, HTSUS, which provides for "Oxygen-function amino-compounds: Amino-alcohols, other than those containing more than one kind of oxygen function, their ethers and esters: salts thereof: Other: Aromatic: Drugs."

Pursuant to 19 U.S.C. § 1625(c)(1), CBP is modifying NY J81823, NY 891019, and NY 810507 and revoking or modifying any other ruling not specifically identified to reflect the analysis contained in Headquarters Ruling Letter ("HQ") H306891, set forth as an attachment to this notice. Additionally, pursuant to 19 U.S.C. § 1625(c)(2), CBP is revoking any treatment previously accorded by CBP to substantially identical transactions.

In accordance with 19 U.S.C. § 1625(c), this ruling will become effective 60 days after publication in the *Customs Bulletin*.

YULIYA A. GULIS,
Director
Commercial and Trade Facilitation Division

Attachment

HQ H306891
March 11, 2025
OT:RR:CTF:CPMMA H306891 TJD
CATEGORY: Classification
TARIFF NO.: 2922.19.09

MS. JANET LAMBERTUCCI
REN-PHARM INTERNATIONAL, LTD
350 JERICHO TURNPIKE
SUITE 204
JERICHO, NY 11753

RE: Modification of NY J81823, NY 891019, and NY 810507; Tariff classification of Propafenone Hydrochloride

DEAR MS. LAMBERTUCCI:

This is to inform you that U.S. Customs and Border Protection ("CBP") has reconsidered New York Ruling Letters ("NY") J81823, dated March 12, 2003, and issued to Ren-Pharm International, Ltd.; NY 891019 dated November 5, 1993, and issued to Interchem Corporation; and NY 810507, dated May 26, 1995, and issued to Interchem Corporation, regarding the classification of propafenone hydrochloride under the Harmonized Tariff Schedule of the United States ("HTSUS"). In each case, CBP classified propafenone hydrochloride in subheading 2922.50.14, HTSUS, which provides for "Oxygen-function amino-compounds: Amino-alcohol-phenols, amino-acid-phenols and other amino-compounds with oxygen function: Aromatic: Other: Cardiovascular drugs." We have determined that the three CBP rulings are partly in error, and that the proper classification of propafenone hydrochloride is subheading 2922.19.09, HTSUS, which provides for "Oxygen-function amino-compounds: Amino-alcohols, other than those containing more than one kind of oxygen function, their ethers and esters: salts thereof: Other: Aromatic: Drugs." Accordingly, for the reasons set forth below, we are modifying NY J81823, NY 891019, and NY 810507, solely with respect to the classification of propafenone hydrochloride.[1]

Pursuant to section 625(c)(1), Tariff Act of 1930 (19 U.S.C. § 1625(c)(1)), as amended by section 623 of Title VI (Customs Modernization) of the North American Free Trade Agreement Implementation Act (Pub. L. 103–182, 107 Stat. 2057), a notice of the proposed action was published in the Customs Bulletin, Volume 59, No. 5, on January 29, 2025. No comments were received in response to this notice.

FACTS:

Propafenone hydrochloride is not described in NY J81823, NY 891019, and NY 810507 beyond its function as an anti-arrhythmic drug. Propafenone hydrochloride is an oral medication taken to treat certain types of irregular heartbeat; it is used to restore normal heart rhythm and maintain a regular, steady heartbeat.[2] Chemically, propafenone hydrochloride is 2'-[2-Hydroxy-3-(propylamino)-propoxy]-3-phenylpropiophenone hydrochloride, with a mo-

[1] Each ruling letter classified multiple types of drugs. This modification only concerns the classification of propafenone hydrochloride.

[2] https://www.webmd.com/drugs/2/drug-22258–4070/propafenone-hcl-oral/propafen-oral/details

lecular weight of 377.92. The molecular formula is $C_{21}H_{27}NO_3 \bullet HCl$.[3] Propafenone hydrochloride occurs as colorless crystals or white crystalline powder with a very bitter taste. It is slightly soluble in water (20° C), chloroform, and ethanol. In CBP Laboratory report NY20190073, propafenone hydrochloride is described as a whole with following functional groups: aromatic, secondary amine, ether, phenol, hydroxyl, and ketone. Of these, the following are oxygen groups: ketone, ether, phenol, and hydroxyl. The lab report further states "[t]he only oxygen-containing functional group relevant to classification is the alcohol, being the only oxygen function present in that part of the molecule between the amine and the ether function." The Chemical Abstract Service ("CAS") registry number of propafenone hydrochloride is 34183–22–7. The CAS number of propafenone is 54063–53–5. Propafenone hydrochloride is an inorganic salt of the organic compound propafenone.

ISSUES:

Whether propafenone hydrochloride is classified under subheading 2922.50.14, HTSUS, which provides for "Oxygen-function amino-compounds: Amino-alcohol-phenols, amino-acid-phenols and other amino-compounds with oxygen function: Aromatic: Other: Cardiovascular drugs" or subheading 2922.19.09, HTSUS, which provides for "Oxygen-function amino-compounds: Amino-alcohols, other than those containing more than one kind of oxygen function, their ethers and esters: salts thereof: Other: Aromatic: Drugs."

Whether the subject merchandise is eligible for duty free treatment pursuant to General Note 13, HTSUS.

LAW AND ANALYSIS:

Classification under the HTSUS is made in accordance with the General Rules of Interpretation ("GRIs"). GRI 1 provides that the classification of goods shall be determined according to the terms of the headings of the tariff schedule and any relative section or chapter notes. In the event that the goods cannot be classified solely on the basis of GRI 1, and if the headings and legal notes do not otherwise require, the remaining GRIs 2 through 6 may then be applied in order.

The 2025 HTSUS provisions under consideration in this case are as follows:

2922	Oxygen-function amino-compounds: Amino-acids, other than those containing more than one kind of oxygen function, and their esters; salts thereof:
2922.19	Other: Aromatic:
2922.19.09	Drugs
	* * *
2922	Oxygen-function amino-compounds:
2922.50	Amino-alcohol-phenols, amino-acid-phenols and other amino-compounds with oxygen function: Aromatic:
2922.50.14	Other: Drugs
	* * *

[3] https://www.rxlist.com/rythmol-drug.htm

General Note 13 to the HTSUS, states, in relevant part:

> *Pharmaceutical products*. Whenever a rate of duty of "Free" followed by the symbol "K" in parentheses appears in the "Special" subcolumn for a heading or subheading, any product (by whatever name known) classifiable in such provision which is the product of a country eligible for tariff treatment under column 1 shall be entered free of duty, *provided* that such product is included in the pharmaceutical appendix to the tariff schedule. Products in the pharmaceutical appendix include the salts, esters and hydrates of the International Non-proprietary Names (INN) products enumerated in table 1 of the appendix that contain in their names any of the prefixes or suffixes listed in table 2 of the appendix, *provided* that any such salt, ester or hydrate is classifiable in the same 6-digit tariff provision as the relevant product enumerated in table 1.

Table 1 provides:

> This table enumerates products described by International Non-proprietary Names INN which shall be entered free of duty under general note 13 to the tariff schedule. The Chemical Abstracts Service CAS registry numbers also set forth in this table are included to assist in the identification of the products concerned. For purposes of the tariff schedule, any references to a product enumerated in this table includes such product by such product by whatever name known.

Table 2 provides:

> Sales, esters and hydrates of the products enumerated in table 1 above that contain in their names any of the prefixes or suffixes listed below shall also be entered free of duty under general note 13 to the tariff schedule, *provided* that any such salt, ester or hydrate is classifiable in the same 6-digit tariff provision as the relevant product enumerated in table 1. For purposes of the tariff schedule, any reference to a product covered by this table includes such product by whatever name known.

Chapter Note 1(a) to Chapter 29, HTSUS, states, in pertinent part, "Except where the context otherwise requires, the headings of this chapter apply only to: (a) Separately defined organic compounds, whether or not containing impurities."

Note 4 to Chapter 29, HTSUS states that for purposes of heading 2922, HTSUS, oxygen-function is restricted to the functions (the characteristic organic oxygen-containing groups) referred to in headings 2905 to 2920, HTSUS.

Chapter Note 5(c)(1) to Chapter 29 states that:

> Subject to Note 1 to Section VI and Note 2 to Chapter 28
>
> (1) Inorganic salts of organic compounds such as acid-, phenol- or encl-function compounds or organic bases, of sub-Chapters I to X or heading 29.42, are to be classified in the heading appropriate to the organic compound.

In interpreting the HTSUS, the Harmonized Commodity Description and Coding System Explanatory Notes ("ENs") may be utilized. The ENs, though not dispositive or legally binding, provide commentary on the scope of each heading of the HTSUS, and are the official interpretation of the Harmonized System at the international level. *See* T.D. 89–80, 54 Fed. Reg. 35127, 35128 (Aug. 23, 1989).

According to the ENs of Chapter 29.22

> The term "oxygen-function amino-compounds" means amino-compounds which contain, in addition to an amine function, one or more of the oxygen functions defined in Note 4 to Chapter 29 (alcohol, ether, phenol, acetal, aldehyde, ketone, etc., functions), as well as their organic and inorganic acid esters. This heading therefore covers amino-compounds which are substitution derivatives of amines containing oxygen functions of headings 29.05 to 29.20, and esters and salts thereof

For subheadings 2922.11 to 2922.50, the ENs further state

> For subheading classification purposes, ether or organic or inorganic acid ester functions are regarded either as alcohol, phenol or acid functions, depending on the position of the oxygen function in relation to the amine group. In these cases, only those oxygen functions present in that part of the molecule situated between the amine function and the oxygen atom of either the ether or the ester function should be taken into consideration. A segment containing an amine function is referred to as a "parent" segment. For example, in the compound 3-(2-aminoethoxy)propionic acid, the parent segment is aminoethanol, and the carboxylic acid group is disregarded for classification purposes; as an ether of an amino-alcohol, this compound is classifiable in subheading 2922.19.

Additionally, the World Customs Organization ("WCO") INN DCI list[4] classifies propafenone in the six-digit heading 2922.19.

* * *

There is no dispute that propafenone hydrochloride is properly classified under heading 2922, HTSUS. Based on its chemical structure, propafenone hydrochloride is an oxygen-function amino compound. As described in CBP laboratory report NY20190073, propafenone hydrochloride is a whole with the several oxygen function groups: ketone, ether, phenol, and hydroxyl. Additionally, since propafenone hydrochloride is an inorganic salt of the organic compound propafenone, it satisfies the conditions of Chapter 29 Note 5(c)(1), and it is classified in the same six digit heading as propafenone, 2922.19, HTSUS. As stated in the lab report, propafenone hydrochloride is aromatic. Thus, it is properly classified in subheading 2922.19.09, HTSUS, which provides for "Oxygen-function amino-compounds: Amino-alcohols, other than those containing more than one kind of oxygen function, their ethers and esters: salts thereof: Other: Aromatic: Drugs."

Classification under heading 2922.50, HTSUS is inappropriate because propafenone hydrochloride is an inorganic salt of the organic compound propafenone. As noted, Note 5(c)(1) and the ENs to Chapter 29 dictate that inorganic salts are classified under the same six digit heading as their organic compound, precluding classification in subheading 2922.50.14, HTSUS.

Under General Note 13 to the HTSUS, products listed in the Pharmaceutical Appendix of the HTSUS may be subject to a special duty rate of "free" when the symbol "K" appears in the "Special Duty" column for the applicable subheading of the product. Table 1 of the Pharmaceutical Appendix lists out the INNs of drugs that are covered under the special duty rate when the letter "K" appears. Table 2 covers any salts, esters, and hydrates of products

[4] The WCO INN DCI list represents classifications of International Nonproprietary Names (INN) pharmaceutical substances adopted by the Harmonized System Committee.

enumerated in Table 1, so long as the salt, ester, or hydrate is classifiable in the same six-digit tariff provision as the product enumerated in Table 1.

As noted, propafenone hydrochloride is a salt of the product propafenone. Propafenone is listed in Table 1 of the Pharmaceutical Appendix. The suffix hydrochloride is listed in Table 2 of the Appendix. Special duty rate symbol "K" appears with subheading 2922.19.09, HTSUS. Propafenone hydrochloride may be entered duty free under General Note 13 because its INN is listed in Table 1 of the Pharmaceutical Appendix, and its suffix is covered in Table 2 of the Appendix.

HOLDING:

By application of GRI 1, propafenone hydrochloride is classified in subheading 2922.19.09, HTSUS, which provides for "Oxygen-function amino-compounds: Amino-alcohols, other than those containing more than one kind of oxygen function, their ethers and esters: salts thereof: Other: Aromatic: Drugs." The 2024 column one, duty rate is 6.5% ad valorem. However, propafenone hydrochloride is subject to the column two, special duty rate of "Free."

Duty rates are provided for your convenience and are subject to change. The text of the most recent HTSUS and the accompanying duty rates are provided at *https://hts.usitc.gov/current*.

EFFECT ON OTHER RULINGS:

NY J81823, dated March 12, 2003, NY 891019, dated November 5, 1993, and NY 810507, dated May 26, 1995, are hereby MODIFIED.

In accordance with 19 U.S.C. § 1625(c), this ruling will become effective 60 days after its publication in the *Customs Bulletin*.

Sincerely,

YULIYA A. GULIS,
Director
Commercial and Trade Facilitation Division

CC: Ms. Joan von Doehren
Interchem Corporation
120 Rt. 17 North, Suite 115
Paramus, NJ 07652

19 CFR PART 177

MODIFICATION OF ONE RULING LETTER AND REVOCATION OF TREATMENT RELATING TO THE TARIFF CLASSIFICATION OF CERTAIN EARRINGS WITH CUBIC ZIRCONIA

AGENCY: U.S. Customs and Border Protection, Department of Homeland Security.

ACTION: Notice of modification of one ruling letter and of revocation of treatment relating to the tariff classification of certain earrings with cubic zirconia.

SUMMARY: Pursuant to section 625(c), Tariff Act of 1930 (19 U.S.C. § 1625(c)), as amended by section 623 of title VI (Customs Modernization) of the North American Free Trade Agreement Implementation Act (Pub. L. 103–182, 107 Stat. 2057), this notice advises interested parties that U.S. Customs and Border Protection (CBP) is modifying one ruling letter concerning tariff classification of earrings with cubic zirconia under the Harmonized Tariff Schedule of the United States (HTSUS). Similarly, CBP is revoking any treatment previously accorded by CBP to substantially identical transactions. Notice of the proposed action was published in the *Customs Bulletin*, Vol. 59, No. 5, on January 29, 2025. No comments were received in response to that notice.

EFFECTIVE DATE: This action is effective for merchandise entered or withdrawn from warehouse for consumption on or after May 26, 2025.

FOR FURTHER INFORMATION CONTACT: Michele A. Boyd, Chemicals, Petroleum, Metals and Miscellaneous Articles Branch, Regulations and Rulings, Office of Trade, at (202) 325–0136.

SUPPLEMENTARY INFORMATION:

BACKGROUND

Current customs law includes two key concepts: informed compliance and shared responsibility. Accordingly, the law imposes an obligation on CBP to provide the public with information concerning the trade community's responsibilities and rights under the customs and related laws. In addition, both the public and CBP share responsibility in carrying out import requirements. For example, under section 484 of the Tariff Act of 1930, as amended (19 U.S.C. § 1484), the importer of record is responsible for using reasonable care to enter, classify and value imported merchandise, and to provide any other

information necessary to enable CBP to properly assess duties, collect accurate statistics, and determine whether any other applicable legal requirement is met.

Pursuant to 19 U.S.C. § 1625(c)(1), a notice was published in the *Customs Bulletin*, Vol. 59, No. 5, on January 29, 2025, proposing to modify one ruling letter pertaining to the tariff classification of earrings with cubic zirconia. Any party who has received an interpretive ruling or decision (i.e., a ruling letter, internal advice memorandum or decision, or protest review decision) on the merchandise subject to this notice should have advised CBP during the comment period.

Similarly, pursuant to 19 U.S.C. § 1625(c)(2), CBP is revoking any treatment previously accorded by CBP to substantially identical transactions. Any person involved in substantially identical transactions should have advised CBP during the comment period. An importer's failure to advise CBP of substantially identical transactions or of a specific ruling not identified in this notice may raise issues of reasonable care on the part of the importer or its agents for importations of merchandise subsequent to the effective date of this notice.

In New York Ruling Letter ("NY") N310000, dated March 10, 2020, CBP classified nine pairs of earrings with cubic zirconia in heading 7117, HTSUS. Pairs of earrings identified as "3," "7," and "8" were classified in subheading 7117.19.9000, HTSUSA (Annotated), which provides for "Imitation jewelry: Of base metal, whether or not plated with precious metal: Other: Other: Other." The pairs of earrings identified as "1," "2," and "6" were classified in subheading 7117.90.9000, HTSUSA, which provides for "Imitation jewelry: Other: Other: Other: Other;" and the pairs of earrings identified as "4," "5," and "9," in subheading 7117.90.7500, HTSUSA, which provides for "Imitation Jewelry: Other: Other: Valued over 20 cents per dozen pieces or parts: Other: Of plastics." CBP has reviewed NY N310000 and has determined the ruling letter to be in error. It is now CBP's position that the pair of earrings identified as "9" are properly classified, in heading 7116, HTSUS, specifically in subheading 7116.20.0500, HTSUSA, which provides for "Articles of natural or cultured pearls, precious or semiprecious stones (natural, synthetic or reconstructed): Of precious or semiprecious stones (natural, synthetic or reconstructed): Articles of jewelry: Valued not over $40 per piece: Other."

Pursuant to 19 U.S.C. § 1625(c)(1), CBP is modifying NY N310000 and revoking or modifying any other ruling not specifically identified to reflect the analysis contained in Headquarters Ruling Letter ("HQ") H328582, set forth as an attachment to this notice. Addition-

ally, pursuant to 19 U.S.C. § 1625(c)(2), CBP is revoking any treatment previously accorded by CBP to substantially identical transactions.

In accordance with 19 U.S.C. § 1625(c), this ruling will become effective 60 days after publication in the *Customs Bulletin*.

YULIYA A. GULIS,
Director
Commercial and Trade Facilitation Division

Attachment

HQ H328582
March 11, 2025
OT:RR:CTF:CPMMA H328582 MAB
CATEGORY: Classification
TARIFF NO.: 7116.20.05

MS. VANESSA BRACERO
THE JEWELRY GROUP, INC.
1411 BROADWAY
NEW YORK, NEW YORK 10018

RE: Modification of NY N310000; classification of earrings with cubic zirconia from China

DEAR MS. BRACERO:

This letter is in reference to New York Ruling Letter ("NY") N310000, dated March 10, 2020, in which the U.S. Customs and Border Protection ("CBP") classified a multiple earring pack consisting of nine pairs of earrings, one pair of which has a small cubic zirconium on the back of each earring, in various subheadings under heading 7117, Harmonized Tariff Schedule of the United States (HTSUS)(2020), which provides for "imitation jewelry."

After reviewing this ruling, we believe that it is partly erroneous. For the reasons set forth below, we hereby modify NY N310000.

Pursuant to section 625(c)(1), Tariff Act of 1930 (19 U.S.C. § 1625(c)(1)), as amended by section 623 of Title VI (Customs Modernization) of the North American Free Trade Agreement Implementation Act (Pub. L. 103–182, 107 Stat. 2057), a notice of the proposed action was published in the Customs Bulletin, Vol. 59, No. 5, on January 29, 2025. No comments were received in response to this notice.

FACTS:

In NY N310000, CBP described the nine pairs of earrings in the multiple earring pack as follows:

> The item, identified as style number "A201GLD – PE SET9 PRS STD, FH, HP – IGLD/CRYS/JET," is a multiple earring pack. The earring pack consists of nine pairs of earrings.
>
> Three pairs of earrings are made of base metal. Of these, one pair are hoops, identified as "8," the second pair, identified as "7," are shaped like an icicle, and the third, identified as "3," are cone-shaped.
>
> Three pairs of earrings are made of base metal with glass stones. Of these, one pair, identified as "1," are comprised of one glass stone (each), the second pair, identified as "6," are heart-shaped with small glass stones, and the third pair, identified as "2," are circular with small glass stones.
>
> Three pairs of earrings are base metal with plastic. Of these, one pair, identified as "4," are yellow and black and are heart-shaped, the second pair, identified as "9," are red and are heart-shaped with a small cubic zirconia (CZ) on the back of the earrings, the third pair of earrings, identified as "5," are black and round.

CBP classified all nine pairs of earrings in heading 7117, HTSUS, as imitation jewelry. Specifically, CBP classified the pairs of earrings identified

as "3," "7," and "8," in subheading 7117.19.9000, HTSUSA ("Annotated"), which provides for "Imitation jewelry: Of base metal, whether or not plated with precious metal: Other: Other: Other;" the pairs of earrings identified as "1," "2," and "6," in subheading 7117.90.9000, HTSUSA, which provides for "Imitation jewelry: Other: Other: Other: Other;" and the pairs of earrings identified as "4," "5," and "9," in subheading 7117.90.7500, HTSUSA, which provides for "Imitation Jewelry: Other: Other: Valued over 20 cents per dozen pieces or parts: Other: Of plastics."

ISSUE:

Whether the pair of earrings with cubic zirconia (identified as "9") is properly classified in heading 7116, HTSUS, as articles of semi-precious stones or in heading 7117, HTSUS, as imitation jewelry.

LAW AND ANALYSIS:

The classification of merchandise under the HTSUS is governed by the General Rules of Interpretation ("GRIs"). GRI 1 provides, in pertinent part, that "for legal purposes, classification shall be determined according to terms of the headings and any relative section or chapter notes [.]" If goods cannot be classified solely on the basis of GRI 1, and if the headings and legal notes do not otherwise require, the remaining GRIs may then be applied in order.

The 2025 HTSUS provisions under consideration are as follows:

7116	Articles of natural or cultured pearls, precious or semiprecious stones (natural, synthetic or reconstructed):
7116.20	Of precious or semiprecious stones (natural, synthetic or reconstructed):
	Articles of jewelry:
7116.20.05	Valued not over $40 per piece
7117	Imitation jewelry:
7117.90	Other:
	Other:
	Valued over 20 cents per dozen pieces or parts:
	Other:
7117.90.75	Of plastics

The Harmonized Commodity Description and Coding System Explanatory Notes ("ENs") constitute the official interpretation of the Harmonized System at the international level. While neither legally binding nor dispositive, the ENs provide a commentary on the scope of each heading of the HTSUS and are generally indicative of the proper interpretation of these headings. *See* T.D. 89–80, 54 Fed. Reg. 35127, 35128 (August 23, 1989).

EN 71.16 states, in relevant part, as follows:

> This heading covers all articles (**other than** those **excluded** by Notes 2 (B) and 3 to this Chapter), wholly of natural or cultured pearls, precious or semi-precious stones, or consisting partly of natural or cultured pearls or precious or semi-precious stones, but **not** containing precious metals or metals clad with precious metal (**except** as minor constituents) (see Note 2 (B) to this Chapter).

It thus includes:

(A) **Articles of personal adornment and other decorated articles** (e.g., clasps and frames for handbags, etc.; combs, brushes; earrings; cuff-links, dress-studs and the like) containing natural or cultured pearls, precious or semi-precious stones (natural, synthetic or reconstructed), set or mounted on base metal (whether or not plated with precious metal), ivory, wood, plastics, etc.

With respect to the tariff term "semi-precious stone," EN 71.04 states as follows:

These stones are used for the same purposes as the natural precious or semi-precious stones of the two preceding headings.

(A) **Synthetic precious and semi-precious stones**. This expression covers a range of chemically produced stones which either:

- have essentially the same chemical composition and crystal structure as a particular natural stone (e.g., ruby, sapphire, emerald, industrial diamond, piezo-electric quartz); or
- because of their colour, brilliance, resistance to deterioration, and hardness are used by jewellers, goldsmiths and silversmiths in place of natural precious or semi-precious stones, even if they do not have the same chemical composition and crystal structure as the stones which they resemble, e.g., yttrium aluminium garnet and synthetic cubic zirconia, both of which are used to imitate diamond.

In NY N310000, six of the pairs of earrings under consideration were composite goods, consisting of at least two different materials, including the pair of earrings identified as "9" (consisting of base metal, plastic, and cubic zirconia). According to GRI 3(b), most composite goods are classified "as if they consisted of the material or component which gives them their essential character..." The term 'essential character,' refers to "the attribute which strongly marks or serve to distinguish what an article is; that which is indispensable to the structure, core or condition of the article." *See* Headquarters Ruling Letter ("HQ") 956538, dated Nov. 29, 1994. In NY N310000, CBP determined that the essential character of the pair of earrings made of base metal and plastic with a small cubic zirconium on the back of each earring (identified as "9"), was imparted by the plastic stones as they provided the primary visual appeal.[1] Pursuant to GRI 3(b), this pair of earrings was classified under heading 7117, HTSUS, as "imitation jewelry."[2]

We now find that the application of GRI 3 to the pair of earrings identified as "9" was in error. While most composite goods are classified according to GRI 3, its application here is unnecessary. Pursuant to the relevant heading terms and corresponding ENs, this merchandise is classified by application of GRI 1.

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[1] We note that in NY N310000, CBP stated the following: "While one of the nine pairs of earrings, identified as "9," contains a small cubic zirconia (CZ), a semi-precious stone, on the back of each earring, the CZ does not adorn the wearer, and thus it is not considered in the classification analysis. Therefore, the earrings are prima facie classifiable under heading 7117."

[2] In particular, the pair of earrings identified as "9" was classified in subheading 7117.90.7500, HTSUSA, which provides for "Imitation jewelry: Other: Other: Valued over 20 cents per dozen pieces or parts: Other: Of plastics."

Thus, we now consider whether the pair of earrings (identified as "9") with a small cubic zirconium on the back of each earring is *prima facie* classifiable in heading 7116, HTSUS, which provides, *inter alia*, for articles of semi-precious stones. Note 2(b) to chapter 71 states as follows:

> Heading 7116 does not cover articles containing precious metal or metal clad with precious metal (other than as minor constituents).

According to the plain language of heading 7116, HTSUS, and the above-cited excerpt from EN 71.16, heading 7116, HTSUS, applies to articles of personal adornment that contain precious or semi-precious stones. The tariff term "semi-precious stone" is not defined in the HTSUS, but EN 71.04 identifies cubic zirconia as an example of such. It is CBP's position, consistent both with EN 71.04 and with lexicographic sources, that cubic zirconia qualifies as a semi-precious stone for tariff classification purposes.[3] *See* HQ H007655, dated September 28, 2007 (citing EN 71.04 and Merriam Webster Dictionary in deeming cubic zirconia a semi-precious stone); HQ H063616, dated July 27, 2016; HQ 950769, dated December 31, 1991; NY N270890, dated December 3, 2015; and NY N270428, dated November 12, 2015. An article of personal adornment to which at least one cubic zirconia is affixed can therefore be described as a product of heading 7116, HTSUS. *See also* HQ H007655; HQ 063616; NY N270890; NY N270428; and NY N264240, dated May 11, 2015 (all of which classify articles containing single cubic zirconia stones in heading 7116).

Here, as stated in NY N310000, the pair of earrings identified as "9," has a small cubic zirconium on the back of each earring.[4] Moreover, it is undisputed that the pair of earrings, while made primarily of base metal, does not contain any precious metal. Therefore, in accordance with note 2(b) to chapter 71, the above-cited ENs, and CBP precedent, the pair of earrings identified as "9," with a small cubic zirconium on the back of each earring, can be described as an article of semi-precious stones within the meaning of heading 7116, HTSUS, and is *prima facie* classifiable there. We note that the remaining eight pairs of earrings, which do not contain cubic zirconia or any other type of precious or semi-precious stone, are not classifiable in heading 7116, HTSUS.

We next consider whether the subject pair of earrings with a small cubic zirconium on the back of each earring may be classifiable in heading 7117, HTSUS, which provides for imitation jewelry. Note 11 to chapter 71 states as follows:

> For the purposes of heading 7117, the expression "imitation jewelry" means articles of jewelry within the meaning of paragraph (a) of note 9 above (but not including buttons or other articles of heading 9606, or dress combs, hair slides or the like, or hairpins, of heading 9615), not incorporating natural or cultured pearls, precious or semiprecious stones

[3] It is well-established that when a tariff term is not defined by the HTSUS or its legislative history, its correct meaning is its common or commercial meaning, which can be ascertained through reference to "dictionaries, scientific authorities, and other reliable information sources and 'lexicographic and other materials." *See Rocknell Fastener, Inc. v. United States*, 267 F.3d 1354 (Fed. Cir. 2001).

[4] NY N310000, states the following: "... one of the nine pairs of earrings, identified as "9," contains a small cubic zirconia (CZ), a semi-precious stone, on the back of each earring..." *See* page 1.

(natural, synthetic or reconstructed) nor (except as plating or as minor constituents) precious metal or metal clad with precious metal.

EN 71.17 states, in pertinent part, as follows:

For the purposes of this heading, the expression **imitation jewelry**, as defined in Note 11 to this Chapter, is restricted to small objects of personal adornment...**provided** they do not incorporate precious metal or metal clad with precious metal (except as plating or as minor constituents as defined in Note 2 (A) to this Chapter, e.g., monograms, ferrules and rims) nor natural or cultured pearls, precious or semi-precious stones (natural, synthetic or reconstructed).

Pursuant to note 11 to chapter 71, as explained in EN 71.17, articles to which one or more precious or semi-precious stones are affixed cannot be described as imitation jewelry within the meaning of heading 7117, HTSUS. It is therefore CBP's position that such articles, including those incorporating cubic zirconia stones, are not classifiable in heading 7117. *See* HQ H007655, *supra* (ruling that necklaces and bracelets containing cubic zirconia stones are excluded from heading 7117 by application of note 11 to chapter 71); *see also* HQ 959831, dated April 1, 1997 ("The wax castings with diamonds or precious stones are excluded from classification in heading 7117 by virtue of chapter note 11, since they contain precious stones."); and NY N125019, dated October 14, 2010 ("By application of Legal Note 11 to Chapter 71, HTSUS, the subject merchandise containing a semi-precious "synthetic gemstone of CZ" is excluded from heading 7117, HTSUS.").

Here, as discussed above, the pair of earrings identified as "9" in the multiple earring pack at issue contains cubic zirconia, which is a semi-precious stone. It cannot be described as imitation jewelry within the meaning of heading 7117, HTSUS, and accordingly cannot be classified in this heading. We note that the remaining eight pairs of earrings in the multiple earring pack which do not contain any precious or semi-precious stones, are properly classified in heading 7117, HTSUS.

HOLDING:

By application of GRI 1, the pair of earrings identified as "9" in the multiple earring pack is properly classified in heading 7116, HTSUS, specifically in subheading 7116.20.0500, HTSUSA, which provides for: "Articles of natural or cultured pearls, precious or semiprecious stones (natural, synthetic or reconstructed): Of precious or semiprecious stones (natural, synthetic or reconstructed): Articles of jewelry: Valued not over $40 per piece: Other." The 2024 column one general rate of duty is 3.3% *ad valorem*.

Duty rates are provided for your convenience and are subject to change. The text of the most recent HTSUS and the accompanying duty rates are provided on the internet at https://hts.usitc.gov/.

EFFECT ON OTHER RULINGS:

New York Ruling Letter N310000, dated March 10, 2020, is hereby MODIFIED as set forth above with respect to classification of the pair of earrings in the multiple earring pack identified as "9," but the classification of the remaining earrings in the multiple earring pack (i.e., "1," "2," "3," "4," "5," "6," "7," and "8") remains in effect.

In accordance with 19 U.S.C. § 1625(c), this ruling will become effective 60 days after its publication in the Customs Bulletin.

Sincerely,

YULIYA A. GULIS,
Director
Commercial and Trade Facilitation Division

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Customs Bulletin and Decisions
Vol. 59, No. 13, March 26, 2025

U.S. Customs and Border Protection

General Notices

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