

October 22, 2019

Reducing Tariffs Through the Miscellaneous Tariff Bill (MTB) Process



Featured Speaker:

John Brew
Partner
Crowell & Moring



SFIA Guest:

Bill Sells
Senior Vice President of Government & Public Affairs
SFIA



Webinar Host:

Alli Schulman
Coordinator, Communications & Marketing
SFIA

Questions can be submitted to the [GoToWebinar toolbar](#)

JANUARY COUNCIL MEETINGS



January 3, 2020
8:00 - 10:00 AM
SFIA Softball/Baseball
Council Meeting
Nashville, TN

Contact: [Gregg Hartley](#)



January 11, 2020
8:00 - 10:00 AM
SFIA Lacrosse Council Meeting
Philadelphia, PA

Contact: [Gregg Hartley](#)



January 13, 2020
10:00 AM - 12:30 PM
SFIA Football Council Meeting
Nashville, TN

Contact: [Gregg Hartley](#)



January 16, 2020
2:30 - 4:30 PM
SFIA Soccer Council Meeting
Baltimore, MD

Contact: [Alex Kerman](#)



January 21, 2020
2:00 - 4:00 PM
SFIA US Golf Manufacturers Council Meeting
Orlando, FL

Contact: [Bill Sells](#)

Sports and Fitness Industry Association

Reducing Tariffs Through the Miscellaneous Tariff Bill Process

October 22, 2019

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Agenda

- MTB Requirements, Process and Timeline
- MTB Players: ITC, Commerce, CBP, Congress and the President
- MTB Results from 2016-2017 Process
- Information Needed to Complete MTB Petitions
- Product selection and description
- Handling Domestic Opposition
- Common Reasons for Rejection
- Resources

MTB Requirements

- American Manufacturing Competitiveness Act 2016 – New Process
- Importer or Interested Party Petitions U.S. International Trade Commission (ITC)
- Product Specific Petition
- No Domestic Opposition
- Must be Administrable by CBP
- Cannot exceed \$500,000 in total duty savings per year
- Any party who imports product must benefit
- Temporary relief for maximum of three years – two review cycles of relief ending in 2020 and 2023

MTB Process

- Day 1 -- ITC Issues Federal Register Notice Accepting Petitions
- Day 60 -- Interested Parties have 60 days from notice to file Petitions
- Day 90 -- ITC Publishes Petitions Received 30 days from of Petition Deadline
- Day 135 -- ITC Accepts Comments on Petitions, due 45 days after end of Petition publication period
- Day 180 -- Commerce Issues Report to Congress and ITC, and CBP issues Report to ITC
- Day 240 – ITC issues Preliminary Report to Congress
- Day 360 – ITC Issues Final Report to Congress

MTB Timeline – Second Cycle

- ITC Published FR on October 11, 2019 seeking petitions through its web portal
- December 10, 2019 – due date for Petitions
- January 8, 2020 – ITC publishes Petitions
- February 22, 2020 – deadline for Comments
- April 7, 2020 – Commerce issues reports to Commerce/ITC, CBP report to ITC
- June 30, 2020 – ITC preliminary report to Congress
- October 4, 2020 – ITC final report to Congress
- Congressional and Presidential approval – TBD

MTB Players

- ITC – Administration, Review, Reports
- Commerce – Domestic Production
- CBP – Administrability and HTS Classification
- Congress
 - House Ways and Means and Senate Finance Committees
 - Can remove but not add Petitions
 - Comments to ITC preliminary report and final passage of law
- President – Signature to implement HTS changes

MTB 2016 Results

- Over 3,100 petitions filed – 1,655 approved
- Over 800 petitions in Chapters 29 and Heading 3808
- ITC submitted its report to Congress August 2017
- House passed January 2018 with amendments
- Senate passed July 2018 with amendments
- President signed September 2018
- Effective October 13, 2018 through December 31, 2020
- October 2018 – ITC publishes notice of Economic Impact Investigation

MTB 2016 SFIA Results

- 36 petitions granted for over 20 members
- Over \$45 million in duty savings
- Products include:
 - Golf club parts
 - Parts to exercise equipment
 - Basketballs, volleyballs, tetherballs
 - Batting, boxing, training and MMA gloves
 - Tennis, squash, racquetball and badminton rackets
 - Elliptical and exercise cycles and rowing machines
 - Martial arts uniforms and shoe insoles

MTB Required Information

- HTS code (8 digit)
- Product description
- CBP Rulings
- Prior Imports
- Industry Information
- US import data (2018-2024)
- Import Market Share
- Other Importers
- US Production

MTB Product Selection and Description

- HTS code – 10 digit
- Brochures, pictures, specifications
- CBP rulings, or documents showing CBP liquidated and accepts HTS
- Material composition, dimensions, other physical characteristics, use
- Narrow is better – emphasis on unique characteristics
- Use tariff language, other 9902 examples – details but not too much
- Ensure complete product description
- No trade marks or names
- No overlap with other petitions
- Avoid products made in US

MTB Handling Domestic Opposition

- Domestic Producer – production or imminent production of like or identical product
- Domestic Production – demonstrated production or imminent production of directly competitive product
- Identical article – same characteristics and HTS classification
- Like Article – substantially identical characteristics
- Directly competitive – if not substantially identical, then substantially identical for commercial purposes, same uses, interchangeable
- Imminent Production – planned production within three years
- Evidence of claims

MTB Common Reasons For Rejection

- Domestic Opposition
- Bad Product Description
- Incorrect HTS code
- Description not Administrable
- Petition overlap
- Petition too broad – multiple products or minimal relief

MTB Resources

- SFIA -- Questionnaires to be completed by members
- ITC web site -- https://www.usitc.gov/trade_tariffs/mtb_program_information



Questions?

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Thank You!



MARK YOUR CALENDARS



**Baseball, Lacrosse,
Football, Soccer & Golf
Council Meetings**

Check www.sfia.org/calendar for
individual meeting times



March 10-11, 2020
Washington, DC

Expert Panelist:

John Brew

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Marketing

Have any questions?

Additional questions or
contact information can be
submitted to
webinars@sfia.org

Thank you to all of our participants!