



### \$2500 Informal Entry Limit Applies to All Entries From All Countries, CBP Says

Customs brokers will be able to file Type 11 informal entries for articles under \$2,500, even if they are categorized in Chapter 99 and are subject to tariffs, from all countries, according to an April 28 [cargo systems message](#) from CBP.

The CSMS message clarifies that CBP published in the *Federal Register* on April 24 ending de minimis treatment for China (see [ITT 04/24/2025](#)). In that notice, CBP said it was suspending “the parenthetical exception clause in 19 CFR 143.21(a) (pertaining to articles valued in excess of \$250 classified in Chapter 99, Subchapters III and IV, HTSUS).” Under that clause, goods classified in Chapter 99 are only eligible for informal entry if they're valued at \$250 or less.

According to the April 28 CSMS message, “this temporary suspension of the parenthetical exception clause in 19 CFR 143.21(a) applies to all modes of entry and all countries of origin.”

The agency continued, “CBP systems will be updated to reflect this temporary suspension on April 30, 2025, and filers will be able to file a Type 11 informal entry for articles valued at up to \$2,500. “

CBP also reiterated that shipments of products from China or Hong Kong will be rejected for de minimis clearance starting at 12:01 a.m. EDT on May 2, and it attached to its CSMS message detailed guidance for carriers transporting international mail.

### CBP Updates FAQs, Says Ocean Vessels Only for Reciprocal In-Transit Exemption

Exemptions from reciprocal tariffs for goods that were in transit on April 5 or 9 only apply to ocean vessels, CBP said in an April 30 [update to its FAQ](#) on the tariffs.

“The in-transit provisions for reciprocal tariffs only apply to the vessel mode of transportation; they do not apply to

other modes of transportation such as air, rail, truck, etc.,” CBP said, citing 19 U.S.C. 1401, which defines a “vessel” as a water craft.

The in-transit exemption also doesn't apply to goods that initially began by vessel but arrived on a different mode of transportation, “often referred to as transloading,” CBP said.

“For entries transported other than by vessel that were filed using HTS 9903.01.28, filers should take immediate action to correct such entries, as necessary, as soon as possible. For those entries that have been filed with CBP erroneously using HTS 9903.01.28, importers should correct the entry summary by filing a post summary correction.”

The update was one of a few made to the FAQ, which covers all International Emergency Economic Powers Act tariffs.

CBP also clarified that goods that qualify for USMCA, but that are products of China, are still covered by the reciprocal tariffs. “A product that is country of origin China, regardless of whether it qualifies for USMCA, is subject to the reciprocal tariff, and must report 9903.01.63/+125%.”

The updates follow another set of changes CBP made to its FAQ on Section 232 tariffs at the end of last week clarifying that reciprocal tariffs don't apply to derivatives with only some steel or aluminum content.

Responding to the question of whether importers are “expected to pay the reciprocal tariff on the value not declared as the steel content” of a derivative outside of Chapter 73 (and only subject to Section 232 tariffs on the steel content itself), CBP said, “No, articles and derivatives of steel and aluminum subject to Section 232 duties are excluded from the reciprocal tariffs.”

“The entire value is exempt from the reciprocal tariffs,” the agency said. — **Brian Feito**

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## Trump Exempts Goods Subject to Canada, Mexico Tariffs From 232s on Steel and Aluminum

President Donald Trump issued an [executive order](#) April 29 exempting all goods “subject to” International Emergency Economic Powers Act tariffs on Canada and Mexico from Section 232 tariffs on steel and aluminum.

The order also exempts goods subject to Section 232 tariffs on autos and auto parts from both the IEEPA Canada and Mexico tariffs and the Section 232 steel and aluminum tariffs.

The order says the new exemptions retroactively apply to all entries beginning March 4, and “any refunds will be processed pursuant to applicable laws and” CBP “standard procedures for such refunds.”

### CBP: Drawback Available on Reciprocal Tariffs

Drawback will be available on recently announced reciprocal tariffs that take effect April 5 and April 9, CBP confirmed in an emailed CSMS message providing guidance on the tariffs. “Drawback is available with respect to the additional duties imposed pursuant to the Executive Order,” the CSMS message said.

### Treasury Secretary Says Agreements Can Avoid Higher Tariffs for 17 Countries

Treasury Secretary Scott Bessent said in a TV interview that “an agreement in principle” can be reached with 17 trading partners to prevent “the tariffs there from ratcheting back to the maximum level.”

Bessent, who was speaking April 27 on ABC News’ [This Week](#), said that to avoid higher tariffs, the other countries would have to stay within the parameters of the agreement in principle, though he said “a trade deal can take months.”

Bessent said out of 180 countries, there are 18 important trading partners, and China is its own separate process.

Regarding the other 17, he said, “some of those are moving along very well, especially the – with the Asian countries.”

However, South Korea is under a caretaker government, and local [media](#) quoted Korea’s vice minister of trade

saying that Korea cannot commit to a comprehensive trade package by the end of May. Trump has been saying that deals to set tariff rates for trading partners will be wrapped up in three to four weeks.

The minister, Park Sung-taek, told reporters in Seoul, “We fully explained our political situation to the United States during our latest talks. The U.S. side also understands that Korea’s special political situation could be a limiting factor in negotiations.”

Host Martha Raddatz pressed Bessent on whether President Donald Trump and President Xi Jinping have talked since the tariffs were hiked on China. Trump has said that China’s president called him, but at other times, has been evasive about whether they have talked since the trade war escalated.

Bessent acknowledged that he has not talked trade with Chinese officials, and said he doesn’t know if Trump has.

Raddatz interviewed the owner of a Maryland company that designs dog harnesses and dog life jackets, and sources them in China before Bessent appeared on the show. Bay-dog owner Barton O'Brien said he was canceling an order of harnesses, because the amount he'd have to pay with a 145% tariff would make him lose money on each sale, he could not hike the price to cover the cost.

Bessent told Raddatz “the goal is not to manufacture dog collars again in the U.S.... the president is looking forward to the jobs of the future, not the jobs of the past. The goal is to bring back high-performance manufacturing jobs or create high-performance manufacturing jobs.”

Trump, both speaking to reporters over the weekend and on social media, emphasized the revenue tariffs would bring in, which would only happen if higher tariffs remain for the long-term, but not so high as to shift purchasing to U.S.-made goods. His account on social media [wrote](#), “When Tariffs cut in, many people’s Income Taxes will be substantially reduced, maybe even completely eliminated. Focus will be on people making less than \$200,000 a year. Also, massive numbers of jobs are already being created, with new plants and factories currently being built or planned. It will be a BONANZA FOR AMERICA!!! THE EXTERNAL REVENUE SERVICE IS HAPPENING!!!!” — *Mara Lee*

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## USTR Lays Out Plan to Levy Fees on Foreign-Built Vessels Docking at US Ports

The Office of the U.S. Trade Representative is planning a phased-in approach to assessing fees on foreign-built vessels calling at U.S. ports, according to an April 17 announcement unveiling the results of its year-long Section 301 investigation.

It will also seek comments and hold a public hearing on whether it should levy tariffs upon containers and port-handling equipment produced by Chinese companies.

USTR said the phased-in approach would “balance the need for action and the importance of limiting disruption for U.S. exporters.” Some trade groups had argued that imposing fees on most ships bringing imports to U.S. ports will drive up prices, increase port congestion and devastate the business of smaller ports (see [ITT 03/24/2025](#)).

USTR had been charged to “restore American shipbuilding and address China’s unreasonable acts, policies, and practices to dominate the maritime, logistics, and shipbuilding sectors,” according to an [April 17 release](#). The yearlong investigation, which started in April 2024 (see [ITT 04/17/2024](#)), was requested by five labor unions and predates the current administration.

For the first 180 days applicable fees will be set at \$0.

After 180 days, according to a pre-publication version of USTR’s [notice of action](#), USTR expects to levy fees on vessel owners and operators of China, based on net tonnage per U.S. voyage. It also will levy fees on operators of Chinese-built ships based on net tonnage of containers. These fees will increase on April 17 for the next three subsequent years: 2026, 2027 and 2028.

This first phase also will seek to levy fees on foreign-built car carrier vessels based on their capacity “to incentivize U.S.-built car carrier vessels.”

The second phase, which will take place three years from now, starting in 2028, will place “limited” restrictions on foreign vessels transporting liquefied natural gas. These restrictions will increase incrementally over 22 years, USTR said.

USTR noted that the fees aren’t cumulative.

“Ships and shipping are vital to American economic security and the free flow of commerce,” USTR Ambassador Jamieson Greer said in the release. “The Trump administration’s actions will begin to reverse Chinese dominance, address threats to the U.S. supply chain, and send a demand signal for U.S.-built ships.”

In addition to laying out its plans on levying fees upon foreign-built vessels calling at U.S. ports, USTR is also mulling assessing tariffs on Chinese-made containers and port equipment. These would be tariffs on containers, as filled under Harmonized Tariff Schedule heading 8609.00.00; chassis, 8716.39.0090; chassis parts, 8716.90.30 and 8716.90.50; and ship-to-shore gantry cranes, 8426.19.00.

The proposed tariff rate is between 20% and 100% for containers, chassis and chassis parts, and 100% for ship-to-shore gantry cranes. As proposed, the tariffs would apply not only to goods of Chinese origin, but also goods made by companies owned or controlled by Chinese people.

USTR opened its comment period on these proposed tariffs on April 17. It plans to hold a hearing on May 19 on these proposed tariffs. Post-hearing rebuttal comments will be accepted through seven days after the last hearing day, if the hearings span multiple days. — *Joanna Marsh*

## Proactive Measures Necessary to Avoid UFLPA Violations, Compliance Expert Says

Retail companies with any level of exposure in their supply chains to Chinese companies or products need to be taking proactive steps to ensure that they will not fall afoul of Uyghur Forced Labor Prevention Act enforcement, a compliance expert told importers in a [webinar](#) hosted by Logistics Brief.

Ethan Woolley, a director at Kharon, said that “without knowing which of your suppliers has exposure to risk, you’re not going to know where to even start” if CBP detains a shipment. Companies in this position, which are reacting to enforcement action rather than taking proactive compliance measures, “by definition, ... then can’t take a risk-based approach,” he said.

The cost for companies that react to enforcement is immediate and can potentially reach into the hundreds of

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thousands of dollars. When CBP withholds release of a shipment “under suspicion of something in that shipment violating the UFLPA,” it is the importer who has the responsibility “to provide documentation, which can be hundreds of pages, to demonstrate that there was an absence of forced labor in that supply chain,” Woolley said. CBP holding up shipments over forced labor concerns can cause delays on products arriving at stores, something he refers to as “missing the season.”

There are also hidden fees from forced labor detention, such as personnel distraction and reputational damage. “Every hour you spend on detention is an hour you’re not spending on something else that’s important. So there is the bandwidth issue for retail and apparel,” he said.

Woolley said that CBP doesn’t share which supplier triggered the detention, which can make responding to it very difficult because companies have so many complex supply chains: “You’re not going to necessarily know which one [of the suppliers] was the cause of the problem in the first place, which makes isolating that risk very hard.”

At this point, an importer has 30 days to respond to CBP. They have to determine which stage of the supply chain has exposure to UFLPA risk and then “provide documentary evidence [that it] is not in our supply chain,” he said. If a company has not taken proactive steps to map their supply chains and identify risk, “it’s very unlikely you’re going to be able to do that in time to respond to a detention within that 30-day window,” he said.

Even if a company has done the work and cleared supply chains of risk, that “doesn’t mean that CBP won’t detain your shipment, because they can see all the initial risk flags that you saw, the connections within China,” and other risk factors; Woolley said that “they may still detain it for inspection and make you prove it.”

But having done the work beforehand, companies are then able to quickly respond to CBP and demonstrate that their supply chains are free of forced labor, “and so finding this kind of exposure within your supply chain, even if the ultimate conclusion is that your products aren’t actually exposed, is still really valuable,” he said.

Acknowledging that information can be hard to come by about Chinese companies and their business dealings, Woolley recommended that companies try to use the government’s own investigative techniques to get ahead: “How are companies being added to the UFLPA entity list, and how are shipments being selected for detention and inspection? Those decisions are the results of investigations” by CBP and other government entities. Companies should “want to be able to try as much as you can to play on a level playing field with them,” he said. If a company doesn’t “have the capacity or the capability to conduct investigations like that,” then it can rely on compliance specialization companies, he said.

For importers, “once a shipment’s been detained, the clock starts running then, so that’s where you’ve got to be able to respond pretty quickly,” Woolley said. “That can be exceptionally disruptive to a company, especially if they are very reliant upon a few key suppliers, and one of them has risk in their supply chain that the brand didn’t know about.” —

**Oren Dennett**

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