



### Section 232 Background

Section 232 of the Trade Expansion Act of 1962, as amended, gives the executive branch the ability to conduct investigations to “determine the effects on the national security of imports.” Within 270 days of initiating any investigation, the Commerce Department issues a report to the President with the investigation’s findings, including whether certain imports threaten to impair America’s national security. The President has 90 days to determine whether he concurs with the findings and, if so, to use his statutory authority under Section 232 “to adjust the imports” as necessary, including through tariffs or quotas.

### When did Section 232 duties become effective?

- Originally March 23, 2018.
- Exclusions for Canada, Mexico and other key trading partners were removed June 1, 2018.

### What does Section 232 cover?

- Steel Articles as defined by [Presidential Proclamation](#):
  - 7206.10 through 7216.50
  - 7216.99 through 7301.10
  - 7302.10
  - 7302.40 through 7302.90
  - 7304.10 through 7306.90
- Aluminum Articles as defined by [Presidential Proclamation](#):
  - 7601 - Unwrought aluminum
  - 7604 - Aluminum bars, rods, and profiles
  - 7605 - Aluminum wire
  - 7606 and 7607 - Aluminum plate, sheet, strip, and foil (flat rolled products)
  - 7608 and 7609 - Aluminum tubes and pipes and tube and pipe fitting
  - 7616.99.5160 - Aluminum castings
  - 7616.99.5170 – Aluminum forgings

### Are there additional tariff reporting elements for items subject to Section 232?

- In addition to the reporting of the typical Chapter 72 and 73 Harmonized Tariff Schedule classification, 9903.80.01 is required for steel products.
- In addition to the reporting of the typical Chapter 76 HTS classification, 9903.85.01 is required for aluminium products.

### What are the duty amounts for Section 232?

- 25% for items covered by the steel proclamation.



- 10% for items covered by the aluminum proclamation.
- Additional to any “normal” duties, taxes, AD/CVD due.

#### **What countries are covered by 232?**

- Steel: all countries of origin except Argentina, Australia, Brazil and South Korea.
- Aluminum: all countries of origin except Argentina and Australia.
- Please note the country of origin, not the country of export determines whether or not Section 232 duties will be assessed.

#### **What countries are covered by Section 232 Absolute Quotas?**

- Steel: Argentina, Brazil and South Korea.
- Aluminum: Argentina only.

#### **What is an Absolute Quota?**

- Absolute quotas strictly limit the quantity of certain goods that may enter the commerce of the United States during a specific timeframe. Once the quota is filled no further entries or withdrawals from warehouse for consumption are permitted for the remainder of the quota period.
- Steel and Aluminum quota periods are defined as January 1 – December 31 per Presidential Proclamation.
- An entry must be on file, payment of duties and taxes established and conveyance must arrive at the port of entry prior to 4:30PM Monday through Friday (excluding holidays) to be considered “in line” for quota processing.
- Currently CBP processes absolute quota entries once daily and your carrier will not be released until 8PM when ACE begins to issue cargo release status messages.

#### **Are Section 232 duties due on goods covered by a Free Trade Agreement?**

- Yes. The use of a free trade agreement, such as NAFTA will not provide relief from Section 232 duties.

#### **Are goods entered under Section 232 eligible for drawback?**

- No drawback shall be available with respect to the Section 232 duties imposed on any aluminum or steel article.