



China's Tariff Exemptions for US Imports: New Lists Announced in February

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China released new lists to exempt 65 types of US commodities that have been subject to the Chinese retaliatory tariffs and launched a tariff exclusion process for 696 types of US imports in February.

These will enable China's commitment to buying more US goods as stipulated in the terms of the [US-China phase one trade deal](#). It also supports China's efforts to contain the Covid-19 outbreak through increasing the imports of medical apparatus and instruments from the US.

Tariff exemptions on 65 US imports

On February 21, China's Tariff Commission of the State Council announced [Shuiweihui Announcement \[2020\] No.3](#) containing two lists – exemption list [1](#) and [2](#), which respectively exempt 55 and 10 types of US products from paying additional Chinese tariffs.

The two lists will be effective for one year from **February 28, 2020 to February 27, 2021**. During this period, US imports included in the two lists won't be subject to additional tariffs.

List 1 covers timber, presswork, hydraulic motor, laser, magnetic resonance imaging device, microscope and the diffraction equipment, among 55 other items. Enterprises importing goods from list 1 may apply to customs for refund of the duties already paid, but must do so within six months from the date of the promulgation of the list.

List 2 covers non-invasive ventilators, temperature sensors, infrared spectrometers, and gene sequencers, among other 10 items.

The products in list 2 will be exempted from additional tariffs although existing tariffs will not be subject to refunds.

China launched a [tariff exclusion process](#) for two batches of US imports in 2019. The two exemption lists released in February are a result of the exclusion process for the second batch of US imports, which is worth [US\\$60 billion](#) and has been subject to additional Chinese tariffs since September 24, 2018.

In September and December 2019, China released three exemption lists for the first batch of US goods worth US\$50 billion – [two lists](#) covering 16 types of US commodities and [one list](#) covering six types.

In the February 21 announcement, the Tariff Commission also said that it would continue the work on the exclusion of additional tariff-levied goods from the US and release subsequent lists on due course.

Tariff exclusion process for 696 US imports

In addition, [on February 17](#), the Tariff Commission announced a tariff exclusion process for 696 US goods in the [Shuiweihui Announcement \[2020\] No.2](#), as the government seeks to fulfill commitments made in the phase one trade deal with the US.

The 696 products (the list is available [here](#) in Chinese) include various US goods, like pork, beef, soybeans, wheat, corn, sorghum, ethanol, liquefied natural gas, crude oil,



steel rails, and some medical equipment. This is considered the most substantial tariff relief offered by Beijing by far.

From **March 2, 2020**, the Tariff Commission will start to accept applications from Chinese companies that intend to sign contracts to purchase and import related goods from the US.

Firms seeking exemptions should fill in and submit the application as required through the website: <https://gszx.mof.gov.cn>. Within one year from the date of the successful approval, goods within the approved amount will not be subject to China's retaliatory tariffs.

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