

BPE Global Hot Topic – August 2021

2022 Harmonized Tariff Schedule - Amendments and Major Revisions



With the new tariff on the horizon in 2022, we've been closely monitoring updates and communicating our tips and tricks for your organizations' consideration. In [April](#), we addressed the context of the changes and provided information on the correlation tables' 350 impacted headers. In [June](#), we provided helpful reminders of classification best practices to consider as your organizations evaluate the new tariff classifications. The U.S. International Trade Commission (ITC) has now published the details of the U.S. Harmonized Tariff Schedule numbers which will be changing in 2022. In this month's Hot Topic, we will address the details of certain changes and the operational considerations we don't want anyone with impacted classification numbers to miss.

2022 HS Highlights

350 new tariffs were added to the 2022 Harmonized System. Some of the new tariff numbers address the advancement in technology by creating specific headers for the following:

- Smartphones: New header 8517.13.0000 replaces 8517.12.0050 and specifically defines "smartphones" in the new Legal Note 5 to Chapter 85.
- Unmanned Aircraft: New header 8806.10 replaces 8802.11, 8802.12, 8802.20 for classification of unmanned aircraft. New Legal Note 1 to Chapter 88 will define unmanned aircraft.
- Parts of Aircraft: New header 8807 addresses all parts of aircraft, including unmanned as well as helicopters, manned aircraft and gliders.
- Machines for Additive Manufacturing (3D Printers): Subheadings will address printers that deposit metals (8485.10); plastics or rubber (8485.20); plaster, cement, ceramics, or glass (8485.30); or other (8485.80)
- Light Emitting Diode (LED) Light Sources: Modified heading 8539 by replacing "LED lamps" with "light emitting diode (LED) light sources. New Note 11 to Chapter 85 defines "LED light sources," "LED modules, "LED lamps."

A subset of the changed tariff codes was to address global environmental changes. Photovoltaic DC and AC motors are now provided for specifically under 8501.71. E-waste classification was moved from 8548 to 8549 to better track the movement of e-waste globally.

Another subset of the new codes is to address items considered "dual use." A "dual use" item is one that has civil applications as well as terrorism and military or weapons of mass destruction-related application. By specifically providing for the following types of items, the WCO is able to better track the movement of these items globally:

- Gas-tight biological cabinets: Transfers certain hoods, filtering and purifying machinery and apparatus for gasses from 8414.60, 8414.80 and 8421.39 to 8414.70
- Freeze drying apparatus and sprays: 8419.33
- Certain industrial robots: 8428.70
- Cold isostatic presses: 8479.83

The full list of impacted tariff codes can be accessed [here](#) and the details of all full tariff codes and updated notes can be found in the ITC's ["Recommended Modifications to the Harmonized Tariff Schedule, 2021."](#)

Operational Recommendations

Once you've identified whether the organizations' products are impacted, here are some operational considerations:

- Classification Analysis: Review older CBP rulings for impacted headings to determine if the ruling is still applicable.
- Download the correlation tables in an Excel format to easily bump against internal database of parts classifications.
- Leverage the Automated Commercial Environment
- Identify points of contact who will need to be notified of any changes. This includes:
 - IT to update internal systems
 - Internal profiles and templates that would retain classification information such as landed cost calculators, pre-configured client profiles, etc...
 - External brokers and forwarders who might require an updated Shipper's Letter of Instruction
- Communicate Up and Out: Communicate any potential duty changes or partnering government agency requirements to your internal teams. For example, new wood tariff numbers will require APHIS considerations to address any Food and Drug Administration requirements.

Again, the best way to prepare for the 2022 Harmonized Schedule changes is to compare these correlation tables against your organization's existing classification data. The easiest way to do this is via product lists against the correlation tables. Then by leveraging those results against the detailed summary within the ITC report.

As always, BPE Global is in your corner and will continue to monitor and share the developments surrounding the HS 2022. You can follow us on [LinkedIn](#) where we publish topical opinions on the ever-changing rules and regulations governing the landscape of global trade.

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