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From: U.S. Customs and Border Protection <CBP@info.cbp.dhs.gov>
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To: Eileen Hennessy
Subject: CSMS # 64297292 - GUIDANCE: Additional Duties on Imports from Mexico

U.S. Customs and Border Protection

Cargo Systems Messaging Service

CSMS # 64297292 - GUIDANCE: Additional Duties on Imports from Mexico

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The purpose of this message is to provide guidance on the additional duties on imports that are the products of Mexico, pursuant to Executive Order 14194, "Imposing Duties to Address the Situation at Our Southern Border" issued on February 1, 2025, and Executive Order 14198, "Progress on the Situation at Our Southern Border" issued on February 3, 2025 and as directed by the Executive Order issued on March 2, 2025.

GUIDANCE

APPLICATION OF ADDITIONAL DUTY RATES

Effective on or after 12:01 a.m. eastern standard time on **March 4, 2025**, with respect to goods that are the product of Mexico entered for consumption, or withdrawn from warehouse for consumption, the following HTSUS classification and additional duty rate apply:

9903.01.01: All imports of articles that are products of Mexico, other than products classifiable under headings 9903.01.02 and 9903.01.03 and other than products for personal use included in accompanied baggage of persons arriving in the United States will be assessed an additional ad *valorem rate of duty of 25%*.

The additional *ad valorem* duty provided for in new HTSUS heading applies in addition to all other applicable duties (including antidumping and countervailing duties), taxes, fees, exactions, and charges.

Products of Mexico that are eligible for special tariff treatment under general note 3(c)(i) to the tariff schedule (e.g., the United States-Mexico-Canada Agreement), or that are eligible for temporary duty exemptions or reductions under subchapter II to chapter 99, are subject to the additional *ad valorem* rate of duty imposed by headings 9903.01.01.

The additional duties imposed by headings 9903.01.01 that apply to products of Mexico include both goods of Mexico under the rules of origin set forth in part 102, title 19 of the Code of Federal Regulations, as applicable, as well as goods for which Mexico was the last country of substantial transformation prior to importation into the United States.

EXCLUSIONS

The following HTSUS classifications apply to products that are excluded from the additional *ad valorem* duties:

9903.01.02: Articles the product of Mexico that are donations, by persons subject to the jurisdiction of the United States, of articles, such as food, clothing, and medicine, intended to be used to relieve human suffering.

9903.01.03: Articles the product of Mexico that are informational materials, including but not limited to, publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, compact disks, CD ROMs, artworks, and news wire feeds.

CHAPTER 98

The additional duties imposed by heading 9903.01.01 will not apply to goods for which entry is properly claimed under a provision of chapter 98 of the tariff schedule pursuant to applicable regulations of CBP, and whenever CBP agrees

that entry under such a provision is appropriate, except for goods entered under heading 9802.00.80; and subheadings 9802.00.40, 9802.00.50, and 9802.00.60. For subheadings 9802.00.40, 9802.00.50, and 9802.00.60, the additional duties apply to the value of repairs, alterations, or processing performed (in Mexico), as described in the applicable subheading. For heading 9802.00.80, the additional duties apply to the value of the article assembled abroad (in Mexico), less the cost or value of such products of the United States, as described.

FOREIGN TRADE ZONE

Articles that are products of Mexico, excluding those encompassed by 50 U.S.C. 1702(b), except those that are eligible for admission to a foreign trade zone under "domestic status" as defined in 19 CFR 146.43, and are admitted into a United States foreign trade zone on or after 12:01 a.m. eastern standard time on March 4, 2025, must be admitted as "privileged foreign status" as defined in 19 CFR 146.41. Such articles will be subject, upon entry for consumption, to the duties imposed by this order and the rates of duty related to the classification under the applicable HTSUS subheading in effect at the time of admission into the United States foreign trade zone.

DRAWBACK

No drawback is available with respect to the additional duties imposed pursuant to the Executive Order, as implemented in the Federal Register Notice.

DE MINIMIS

The administrative exemption from duty and certain taxes at 19 U.S.C. 1321(a)(2)(C), known as the de minimis exemption, continues to be available for articles covered by heading 9903.01.01 that are otherwise eligible for the exemption, including eligible articles sent to the United States through the international postal network.

REPORTING

CBP will reject entry summaries that are not in compliance with the requirements of the Executive Orders identified above, including but not limited to, entry summaries filed without deposit of the required additional duties. If an entry summary is rejected, CBP will require a resubmission within two business days of the rejection, per existing policy. If the rejected entry summary is not resubmitted timely with payment, the importer of record may be subject to liquidated damages.

For entry summary lines that include multiple HTS numbers, CBP requires that the duty be appropriately associated to the correct HTS. For example, if the entry is subject to 9903.01.01, then the 25% duty must be associated to 9903.01.01 when

transmitting to ACE and when a printed 7501 is produced. The 25% duty must not be combined with the duty reported on a different HTS within the entry summary line. Further, duties across several required HTS numbers on a given entry summary line must not be combined and cannot be reported on only one HTS within the entry summary line.

CBP expects full compliance from the trade community for accurate reporting and payment of the additional duties.

HTS SEQUENCE

When submitting an entry summary in which a heading or subheading in Chapter 98 and/or 99 is claimed on imported merchandise, the following instructions will apply for the order of reporting the HTS on an entry summary line.

1. Chapter 98 (if applicable)

2. Chapter 99 number(s) for additional duties (if applicable)

3. For trade remedies,

- first report the Chapter 99 HTS for Section 301,
- followed by the Chapter 99 HTS for IEEPA,
- followed by the Chapter 99 HTS for Section 232 or 201 duties (if applicable),
- followed by the Chapter 99 HTS for Section 201 or 232 quota (if applicable).

4. Chapter 99 number(s) for REPLACEMENT duty or other use (i.e., MTB or other provisions)

5. Chapter 99 number for other quota (not covered by #3) (if applicable)

6. Chapter 1 to 97 Commodity Tariff

The entered value of the imported product reported on the entry summary line should be reported on the Chapter 1-97 HTS classification, unless Chapter 98 reporting provisions require the entered value to be reported differently.

CBP will provide additional guidance to the trade community through CSMS messages as appropriate.

If you encounter any errors in filing an entry summary, contact your CBP client representative or the ACE Help Desk.

Questions regarding this memorandum should be directed to the Trade Operations Division (TOD) email attribute at OFO-TRADEOPERATIONS@cbp.dhs.gov, or the

OT, TPP, Commercial Operations, Revenue and Entry Division (CORE) email attribute at OTENTRYSUMMARY@cbp.dhs.gov.

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