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2017 Brings New Duty Rates for Some Agricultural Products

Report Categories:

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Report Highlights:

The State Council Duty Committee (SCDC) released the 2017 Tariff Adjustment Plan which lists changes in tariff rates for calendar year 2017. These new rates went into effect on January 1, 2017. Among the 17 new tentative tariff rates (i.e., rates lower than the MFN rate), notable affected commodities include fishery products, canned and retail packaged pet food, fresh cranberries, and non-alcoholic beverages. Also of note, denatured ethanol's tentative tariff rate was not renewed in 2017.

Summary:

The State Council Duty Committee announces tentative tariffs for import commodities at the end of each year for selected commodities in the following year. This GAIN report contains an unofficial translation of excerpts from the SCDC announcement, including a table listing all of the tentative import tariffs for agricultural commodities.

Notable Changes in 2017:

Frozen fishery products: The import tariffs for frozen tuna fish have been lowered from 12 percent (MFN rate) to 6 percent. Import tariffs for a number of other frozen or live (fresh) fishery products have also been lowered (see details in following table).

Pet food: The import tariffs for canned and retail packaged dog and cat food have been lowered from 15 percent (MFN rate) to 4 percent.

Fresh cranberries: The import tariff for fresh cranberries has been lowered from 30 percent (MFN rate) to 15 percent. Note, the United States does not currently have market access to China for fresh cranberries.

Non-Alcoholic Beverages: The import tariff for non-alcoholic beverages has been lowered from 35 percent (MFN rate) to 20 percent.

Ethanol: It is worth noting that denatured ethanol (HS 22072000) received a tentative tariff rate of 5 percent in 2016, but the rate has been restored to 30 percent (MFN rate) in 2017.

Please visit the following website for SCDC's official announcement and complete list of tariff adjustments: http://gss.mof.gov.cn/zhengwuxinxi/zhengcefabu/201612/t20161223_2498029.html

BEGIN TRANSLATION OF EXCERPT

Notification of the State Council Duty Committee on Duty Adjustment Plan in 2017

No.31 (2016)

December 19, 2016

The General Administration of Customs,

The 2017 Duty Adjustment Plan has been reviewed and approved by the 7th session of the State Council Duty Committee. The Plan has been rectified by the State Council and will take effect as of January 1, 2017.

State Council Duty Committee

Appendix: 2017 Duty Adjustment Plan

I-Import duties

1-Most Favored Nation Tariff

1)- The Most Favored Nation Tariffs on IT products listed in the attachment of Amendment to the Tariff Schedule of the People's Republic of China to the World Trade Organization will continue to reduce for the first time between January 1 and June 30 of 2017. The second tariff reductions will take place as of July 1, 2017 (see Table 1).

2)-Tentative duties will apply to 822 imported commodities as of January 1, 2017. The commodity scope under tentative duty arrangement will be reduced to 805 items (see Table 2).

2-Tariff Rate Quota (TRQ)

1)-TRQ management will continue to apply to eight categories of commodities such as wheat and the tariff rates will remain unchanged. A one-percent TRQ rate will apply to three fertilizers including urea, compound fertilizer, and diammonium phosphate. A sliding tax will be levied on certain amount of out-quota import cotton (see Table 3).

3-Conventional tariff rates:

Based on the preferential trade or tariff agreements signed between China and certain countries or regions, conventional tariff rates will apply to certain countries or regions.

1)-Based on the Free Trade Agreements (FTA) signed between China and Australia, Pakistan, Switzerland, Costa Rica, Iceland, South Korea, New Zealand, and Peru, as well as Closer Economic Partnership Arrangement (CEPA), the conventional tariff rates for certain commodities will continue to be reduced (see Table 4).

4-Special preferential tariff rates

Special preferential tariff rates will continue to apply to least developed countries and the commodity scope and tariff levels will remain unchanged (see Table 5).

II-Export duties

Export tariff will apply to 213 commodities such as raw iron, of which 50 items will adopt a tentative duty of zero (see Table 6).

III-Tariff codes

In 2017, China's import and export tariff codes will be converted in line with "Commodity Name and Code Harmonized System (see Table 7). After the conversion and adjustment, the 2017 tariff codes include a total of 8,547 commodities.

Table: 2017 tentative duty rates on import commodities (limited to agricultural commodities)

EX 1	HS Code	Commodity	MFN rate (%)	2017 tentative duty rate (%)
	01061211	Whales, dolphins and porpoises; manatees and dugongs, pure-bred breeding	10	0
	03033110	Frozen Greenland halibut, excluding edible remnants	10	5
	03033200	Frozen plaice, excluding edible remnants	12	2
	03034100	Frozen albacore or longfin tunas, excluding edible remnants	12	6*
	03034200	Frozen yellowfin tunas, excluding edible remnants	12	6*
	03034400	Frozen bigeye tunas, excluding edible remnants	12	6*
	03034510	Frozen Atlantic Bluefin tunas, excluding edible remnants	12	6*
	03034520	Frozen Pacific Bluefin tunas, excluding edible remnants	12	6*
	03034600	Frozen southern Bluefin tunas, excluding edible remnants	12	6*
	03035100	Frozen herrings, excluding edible remnants	10	2
	03036300	Frozen cod, excluding edible remnants	10	2
	03036700	Frozen Alaska Pollack, excluding edible remnants	10	5*
	03038910	Frozen scabber fish, excluding edible remnants	10	5
<i>ex</i>	03061490	Frozen duracell crab (king crab)	10	5*
<i>ex</i>	03061612	Frozen boiled pandaius borealis	5	2*
	03063190	Live, fresh or chilled rock lobster and other sea crawfish	15	10*
	03063290	Live, fresh or chilled other lobsters	15	10*

<i>ex</i>	03063399	<i>Live duracell crab (king crab)</i>	14	7*
<i>ex</i>	03079190	<i>Live, fresh or chilled geoduck</i>	14	10*
	04041000	Whey and modified whey	6	2
	05119111	Fertilized fish eggs	12	0
	08013100	In shell cashews, fresh or dried	20	10
	08021100	In shell almonds, fresh or dried	24	10
	08024190	Other in shell chestnuts, fresh or dried	25	20
	08024290	Other shelled chestnuts, fresh or dried	25	20
	08025100	In shell Pistachios, fresh or dried	10	5
	08025200	Shelled pistachios, fresh or dried	10	5
	08026190	Macadamia nuts (in-shell)	24	19
	08026200	Macadamia nuts (shelled)	24	19
	08029020	Gingko nuts, fresh or dried	25	20
<i>ex</i>	08029090	Pecan (whether or not shelled or peeled)	24	10
	08044000	Fresh or dried avocados	25	10
	08104000	Fresh cranberries	30	15
	12119036	Liquorice roots	6	0
	12122190	Other seaweeds and algae fit for human consumption	15	2
	12122910	Sargass	15	2
	12122990	Other seaweeds and algae unsuitable for human consumption	15	2
<i>ex</i>	12149000	Other Lucerne (alfalfa), excluding meal and pellets	9	7
<i>ex</i>	12149000	Mixed natural forage grass of gramineae and legume families, other than Lucerne (alfalfa)	9	4
	13021200	Saps and extracts of liquorice	6	0
<i>ex</i>	13021990	Matrine, saps and extracts	20	3
<i>ex</i>	14049090	Coco coir (sripe/piece)	15	8
	15021000	Bovine animal tallow	8	4
	15029000	Other bovine animal tallow	8	4
<i>ex</i>	15042000	<i>Fish oil capsules</i>	12	6*
<i>ex</i>	15119020	Palm stearin (melting point 50°C-56°C)	8	2
	15200000	Glycerol, crude; glycerol waters and glycerol lyes	20	6
	18010000	Whole or broken cocoa beans, raw or roasted	8	2
	19011010	Formula milk powder prepared for infant use, put up for retail sale	15	5
	19011090	Other food prepared for infant use, put up for retail sale	15	5
	19019000	Malt extract; food preparations of flour, groats, meal, starch or malt extract, not elsewhere specified or included	10	5
	21031000	Soy sauce	28	15
<i>ex</i>	21069090	Special infant milk powder of partial hydrolysis formula of lactoprotein, deep hydrolysis formula of lactoprotein, amino acid formula	20	5
	22029900	<i>Non alcoholic beverages</i>	35	20*
	22090000	Vinegar and substitutes for vinegar obtained from acetic acid	20	15
	23091010	<i>Dog or cat food in airtight containers for retail sale</i>	15	4*

	23091090	Other dog or cat food in retail packages	15	4*
	23099090	Other preparations of a kind used in animal feeding	6.5	4
ex	24039100	Reconstituted tobacco	57	40
ex	35030010	Gelatin	12	5
	35051000	Dextrins and other modified starches	12	6
	38231200	Oleic acid	16	8
ex	38231900	Plant acid oil	16	5
	41041111	Wet-blue bovine hides and skins, full grains, unsplit or grain splits	7	3
	41041911	Other wet-blue bovine hides and skins	6	3
	41041920	Other wet hides and skins of equine animals	7	5
	41044100	Bovine hides and skins in dry state (crust), full grains, unsplit or grain splits	5	3
	41051010	Wet-blue skins of sheep or lambs	14	10
ex	41062100	Wet-blue skins of goats	14	10
	41063110	Wet-blue skins of swine	14	10
	41071210	Whole hides and skins of bovine animals, grain splits	8	6
	43011000	Whole mink fur, with or without head, tail or paws	15	10
	43016000	Whole fox fur, with or without head, tail or paws	20	15
	44089012	Veneer sheets of temperate non-coniferous wood	3	1
ex	44089019	Veneer sheets for furniture	3	1
ex	44089029	Sheets for plywood of wood, peeled	3	1
	45011000	Natural cork, raw or simply prepared	6	1
	52101100	Unbleached cotton plain weave, mixed with manmade fibers, weight $\leq 200\text{g/m}^2$	12	6
	52101990	Other unbleached cotton weave, mixed with manmade fibers, weight $\leq 200\text{g/m}^2$	12	6
	52111100	Unbleached cotton weave, mixed with manmade fibers, weight $> 200\text{g/m}^2$	12	6
	52111200	Unbleached cotton weave of 3-thread or 4-thread twill, mixed with manmade fibers, weight $> 200\text{g/m}^2$	12	6
	52122100	Other unbleached cotton cloth, mixed, weighing more than 200g/m^2	12	6
	53012100	Flax, broken or scutched	6	1
	53013000	Flax tow and waste	6	1
	53062000	Flax yarn, multiple (folded) or cabled	10	5
ex	56013000	Textile fibers spun by two or more organic polymer, cross-section is structure of skin-core or parallel or island, of a length not exceeding 5mm	10	5

¹ "ex" indicates tentative duties applicable based on the commodity names. All others tentative duties are based on the HS code listed.

***Indicates a new tentative duty rate for 2017.**

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