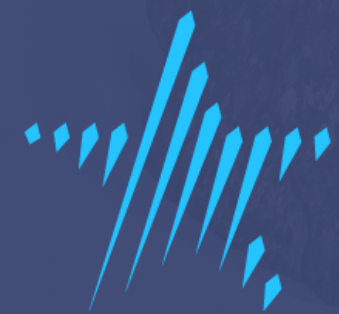


TUESDAY · 15 September 2026

FTAs: What's Happening Now?



Star USA

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Licensed Customs Broker*



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Today we'll focus on:

1. Tariff Baselines & the US/CA Trade War
2. Differences in understanding and applying Origin & Originating
3. Other questions on FTAs and related topics

POLL QUESTION

Rank these in order of impact to your
business or professional life

MFN Tariffs

IEEPA

Section 301 – China

Section 301 – Forced Labor

Section 232 – Metals

Section 232 – Automotive

Section 122

Section 338 – Canada

Spider-Man: Brand New Day

The Odyssey

Tariff Baselines

Since 2025

<u>Tariff Basis</u>	<u>Premise</u>	<u>Legal Standing</u>
IEEPA	International Emergency Economic Powers Act	Overtaken by the Supreme Court
Section 232	National Security	Upheld in the Courts
Section 301	Unfair Trade (China), Forced Labor	Section 301 on Chinese goods has been upheld; litigation ongoing for Forced Labor
Section 122	Payment Imbalance	Lost in court; relief is limited to specific plaintiffs
Section 338	Discriminating Practices	Never been used before; not yet challenged in courts

- Since 2025, tariffs have been a major focus and recurring element of the White House agenda
- Country of Origin now counts as possibly the single most significant factor in determining effective duty rates
- USMCA & other Free Trade Agreements provide little relief in the current state of tariffs

US/CA Trade War

Recent Events (so far)

July 1	USMCA failed to Renew	The US declined to renew the USMCA in a call on July 1. Both Canada and Mexico sought renewal
July 20, Aug 22 effect	Proclamations 11046, 11047, & 11048	50% tariffs, targeting spirits, dairy products, and motor vehicles under 338
Aug 25, Sep 8 effect	CA Counter-tariffs	Steel, dairy products, appliances, and farm equipment
Sep 8	Adjustments to 11046, -47, & -48	Added 116 HTS, removed 10
Sep 8, Sep 29 effect	Import Bans	Motorcycles, Whey products, Molasses, NAB, Alcoholic beverages

CA and MX officials opposed the U.S. “sunset clause” for USMCA, maintaining it would create uncertainty for investment and other economic activity

- Next scheduled renewal opportunity is July 1, 2027, but renewal can happen “at any time”
- Following the USMCA call, the US instituted new tariffs under Section 338 on [Spirits](#), [Dairy Products](#), and [Motor Vehicles](#)
- Canada responds with [counter-tariffs](#) on 648 HTS
- US adjusts scope on the July 20th tariffs and bans imports of certain Canadian goods

POLL QUESTION

How have you handled CAPE Refunds?
(select all that apply)

A

We directly applied for
refunds via CAPE

D

We have received some
refunds applied for

G

We have given refunds to
some customers

B

We indirectly applied for
refunds via CAPE

E

We have not yet received any
refunds we applied for

H

None of this applies to me

C

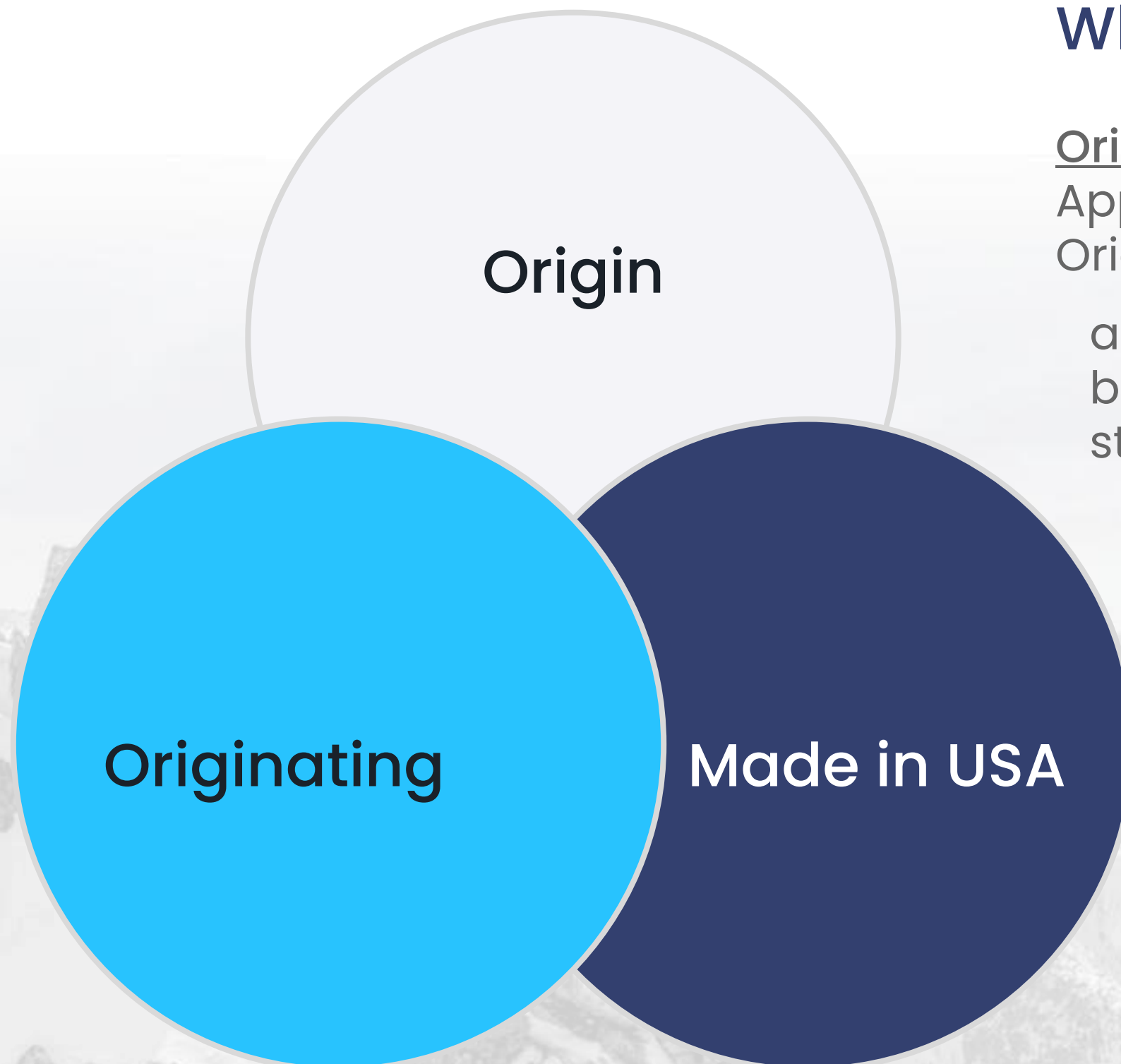
We have received all or pert
near all refunds applied for

F

We have received refunds
from some suppliers

F

The Origin of Goods



Which standard do I apply?

Origin

Applying 1 of 2 tests to determine the Origin status of your goods.

- a. For goods produced in US, CA, or MX: [19 CFR 102.11 Rules](#)
- b. For goods produced outside US, CA, or MX: [19 CFR 134](#) standard of "*substantial transformation*"

Originating

Under a Free Trade Agreement, *Originating* means the product meets the Rules of Origin established in that agreement. i.e., [USMCA Rules of Origin](#)

Made in USA

The Made in USA standard applies to products advertised or sold in the U.S. must be "[all or virtually all](#)" made in the U.S., as explained in [16 CFR Part 323](#)

DID YOU KNOW?

Originating is not the same as Origin, and neither are the same as Made in USA

Origin or Originating?

Where to go for Origin and Originating

Origin – US/CA/MX	19 CFR Part 102	Applies to goods manufactured in US, CA, or MX
Origin – Not US/CA/MX	19 CFR Part 134	Applies to goods manufactured outside US, CA, or MX
Originating	FTA Rules of Origin; HTSUS GNs	Applies to goods manufactured in one member country and imported into another member country
Made in USA	16 CFR Part 323	Applies to goods advertised or sold in the U.S.

Where to go?

Origin

- [19 CFR 102](#) – Goods manufactured in US, CA, or MX
- [19 CFR 134](#) – Goods manufactured outside US, CA, or MX

Originating under a Free Trade Agreement

- [General Notes of the HTSUS](#) – I may use this for some imports into the U.S.
- [US Trade Representative](#) – I do use this for imports and exports into/from the U.S.
- [19 CFR 182 – USMCA](#) – I use this for additional U.S.-specific rules, standards, explanations, examples, and guidance under USMCA

Origin – US/CA/MX

How to apply the standards

What do you need to know?

1. HTSUS

1. 8305.10.0010 *Fittings or looseleaf binders or files...of base metals; ...
Ring binder mechanisms*
2. Location of Last Manufacture

2. MX
3. Origin Standard

3. The standard for establishing Country of Origin is a Tariff Shift at the
subheading level.

	including another heading within that group.
8305.10-8305.90	A change to subheading 8305.10 through 8305.90 from any other subheading, including another subheading within that group.

Origin – Not US/CA/MX

How to apply the standards

What do you need to know?

- | | | |
|---------------------------------|-----------------|--|
| 1. HTSUS | 1. 8305.10.0010 | <i>Fittings or looseleaf binders or files...of base metals; ...
Ring binder mechanisms</i> |
| 2. Location of Last Manufacture | 2. DE | |
| 3. Origin Standard | 3. | The standard for establishing Country of Origin is “substantial transformation” |

Originating

How to apply the standards

What do you need to know?

1. HTSUS

1. 8305.10.0010 *Fittings or looseleaf binders or files...of base metals; ...
Ring binder mechanisms*

2. Location of Last Manufacture 2. CA

3. Rule of Origin

3. The standard for determining Originating status under **USMCA** is:

- a) Tariff Shift at the **Chapter** level, or
- b) Tariff shift from 8305.90, provided there is a Regional Value Content of
 - 60% under the Transaction Value Method; or
 - 50% under the Net Cost Method

8305.10-8305.20 A change to subheading 8305.10 through 8305.20 from any other chapter;
or

A change to subheading 8305.10 through 8305.20 from subheading 8305.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

- (a) 60 percent where the transaction value method is used; or
- (b) 50 percent where the net cost method is used.

Similar rules applies for KORUS, DR-CAFTA, and AUSFTA

Originating

How to apply the standards

What do you need to know?

1. HTSUS

1. 8305.10.0010 *Fittings or looseleaf binders or files...of base metals; ...
Ring binder mechanisms*
2. Location of Last Manufacture

2. SG

3. Rule of Origin

830510	- Fittings for loose-leaf binders or files	Change to subheading 830510 from any other subheading.
830520	Staples in strips	Change to subheading 830520 from any other

3. The standard for determining Originating status under US-Singapore FTE is:
- a) Tariff Shift at the subheading level

Today we discussed:

- ◆ Current tariff baselines
- ◆ State of the US/CA Trade War
- ◆ Origin vs. Originating

THANK YOU!

Add'l Resources

Free Resources to continue learning:

- ◆ USTR – [List of Trade Agreements by Country](#)
- ◆ USTR – USMCA – [Text of the Agreement](#)
- ◆ USITC – [HTSUS and General Notes](#)
- ◆ eCFR – [19 CFR Part 182 – USMCA](#)
- ◆ CBP – [USMCA Fact Sheets](#)
- ◆ CBP – [USCMA Overview](#)
- ◆ Star USA – [USMCA: Unlocking the Benefits](#)
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A few recurring questions we're hearing

- ◆ *Does USMCA help with Section 338?*
 - ◆ *No, not at all*

Do FTAs help with Section 301 Forced Labor?

- ◆ *USMCA generally helps*
- ◆ *DR-CAFTA & Jordan FTAs have carve-outs for some textiles*



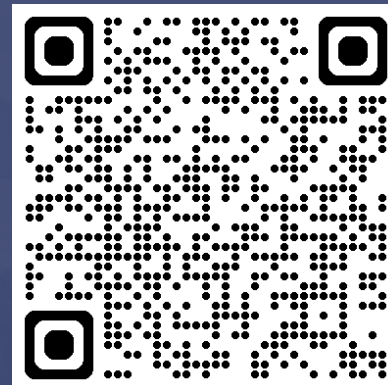
- ◆ *Will GSP ever come back?*
 - ◆ *Expired in 2021, it requires Congressional approval to reinstate and that's seems highly unlikely right now*
- ◆ *What's the deal with the US-EU Trade Agreement?*
 - ◆ *While not a ratified FTA, the US agreed to cap tariffs at 15% on EU goods, while the EU reduced tariffs to 0% on most U.S. goods*
- ◆ *How to navigate the US-CA Trade War?*

Thank You!

| Stick around for some Q&A!

HTS Classification:
Catching Mistakes Before
They Become Costly

☒ Tuesday, October 13 at **1pm EST!**



 **CE Code for Today's Webinar**

**1 LCB/CCS/CES credit available from
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