



FOR IMMEDIATE RELEASE
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Blue Tiger International's update on new Executive Order and Temporary Final Rule issued April 18, 2020

Amongst all the challenges for importers, good news has prevailed and ... President Trump issued an Executive Order on National Emergency Authority to temporarily extend deadlines for certain estimated payments which authorizes the Secretary of Treasury to "temporarily extend deadlines, for importers suffering significant financial hardship due to COVID-19, for the estimated payments."

On April 18, 2020, President Trump's Executive Order providing authority to the Secretary of the Treasury, under 19 U.S.C. § 1318, to extend the deadline for payments of certain estimated duties, taxes, and fees for importers suffering significant financial hardship during the national emergency created by the COVID-19 novel coronavirus pandemic. Following the Executive Order, the Department of the Treasury and U.S. Customs and Border Protection ("CBP") issued a temporary postponement of the time to deposit certain estimated duties, taxes, and fees during the national emergency concerning the Novel Coronavirus Disease (COVID19) Outbreak (the "Temporary Final Rule"), which temporarily postpones for 90 days the deadline for importers with a significant financial hardship to deposit certain estimated duties, taxes, and fees that they would ordinarily be obligated to pay as of the date of entry, or withdrawal from warehouse, for consumption.

Importantly, the temporary postponement does not apply to entries subject to certain trade remedies, including antidumping and countervailing duties, and Section 301 (tariffs on Chinese goods), Section 232 (steel and aluminum tariffs), and Section 201 duties. The Temporary Final Rule also provides that "any entry summary that includes merchandise subject to those trade remedies is not eligible under this rule."

The theory and thought process is that in postponing the deadline to deposit certain duties, taxes, and fees for 90 days, affected businesses will be provided some relief. This is also meant as assistance for businesses to get through this time and protect the American worker. No application has to be made to gain this privilege, but records must be maintained that confirms the importers ability to qualify for relief.

The government's temporary postponement applies to merchandise entered, or withdrawn from warehouses, in March or April 2020, and no interest will accrue for the deposit of the estimated duties, taxes, and fees during the 90-day postponement. It is interpreted that the Temporary Final Rule defines "significant financial hardship" as follows:

The operation of such importer is fully or partially suspended during March or April 2020 due to orders from a competent governmental authority limiting commerce, travel, or group meetings because of COVID-19,

and as a result of such suspension, the gross receipts of such importer for March 13-31, 2020 or April 2020 are less than 60 percent of the gross receipts for the comparable period in 2019.

For more information: <https://www.cbp.gov/sites/default/files/assets/documents/2020-Apr/Temporary-Postponement-of-Payment-Period%20for-DTF-20-4-2020-1.pdf>

Learn More about Blue Tiger International visit our website www.bluetigerintl.com or contact Diane Martin, Director of Client Services at Dmartin@bluetigerintl.com.