

Over 3,500 Products No Longer Duty Free If GSP Expires Dec 31

by Michelle Kelley - Monday, October 23, 2017



If you import certain products from India, Turkey, Thailand, or any of the 120 countries designated as beneficiaries under the U.S. Generalized System of Preferences (GSP), you may soon be paying a lot more in duties. That's because GSP, the program that allows over 3,500 products from economically developing countries to enter the U.S. duty free, expires on December 31.

Déjà Vu

If this situation seems all too familiar, that's because it is. The same thing happened when GSP lapsed back in 2013. It wasn't until nearly two years later, in 2015, that Congress renewed the program and allowed duty free privileges to be retroactively applied to goods imported during the lapse. Many importers were relieved to receive a refund for duties paid on GSP-eligible goods and with the renewal, reinstated their sourcing from GSP countries for the duty savings.

Expiration Imminent

With GSP expiration less than three months away, renewal before the end of the year, although still possible, is looking more and more unlikely. U.S. importers should brace themselves for another lengthy lapse or cessation of the program entirely.

For importers that self-file, U.S. Customs recommends that you continue to flag GSP-eligible goods with special program indicator (SPI) “A”, even after the program expires. Should GSP be renewed, and preferential tariff treatment retroactively applied, it is more than likely that Customs will automatically refund duties paid during the lapse period.

If Mohawk files Customs entries on your behalf, we will continue to flag GSP-eligible goods with the special program indicator (SPI) “A” until further notice, as recommended by U.S. Customs. Should GSP be renewed, and preferential tariff treatment retroactively applied, it is more than likely that Customs will automatically refund duties paid during the lapse period.

[GSP Overview](#) (U.S. Customs & Border Protection)

[GSP Guidebook](#) (U.S. Trade Representative)

[List of GSP-Beneficiary Countries](#)



<http://mohawkglobal.com/global-news/over-3500-products-no-longer-duty-free-if-gsp-expires-dec-31/>