

From: HYMEL, MERLIN

Sent: Tuesday, August 19, 2008 7:32 AM

Subject: TPP: GUIDANCE: Softwood Lumber Act of 2008 Implementation Instructions

GUIDANCE:

PASS TO: Copies of this memorandum should be made available to Port Directors, Assistant Port Directors, Supervisory Import Specialists, Import Specialists, Importers, Brokers and other interested parties.

CONTACT: Questions regarding CBP policy and procedures can be directed to Mr. Joseph M. Rees at (202) 863-6065. Questions regarding the ABI system should be directed to Mr. Anthony Casucci at (703) 650-3053. Questions can also be sent to SWL2008@dhs.gov.



AUG 18 2008

MEMORANDUM FOR: DIRECTORS, FIELD OPERATIONS

FROM: Executive Director, Trade Policy and Programs
Office of International Trade

SUBJECT: **Guidance:** Softwood Lumber Act of 2008 Implementation
Instructions

Background

The Softwood Lumber Act of 2008 (SLA 2008), Title VIII of the Tariff Act of 1930, as added by section 3301 of Title III, Subtitle D, of the Food, Conservation, and Energy Act of 2008 (Public Law 110-246) was enacted June 18 and will be implemented on August 18, 2008. The Act applies to softwood lumber as described that is imported into the U.S. on or after August 18, 2008. The final text of the SLA 2008 can be found at:

<http://thomas.loc.gov/cgi-bin/bdquery/z?d110:h.r.06124>

The SLA 2008 applies to shipments of softwood lumber and softwood lumber products, as defined in the SLA 2008, from any country into the United States. The scope of the SLA 2008 is defined in the interim rule. Although specific HTS numbers are listed in the text of the SLA 2008, for purposes of determining if a product is covered by the program, the article descriptions should be used. Please note that the SLA 2008 uses the term "country of export" and defines that term as "the country (including any political subdivision of the country) from which softwood lumber or a softwood lumber product is exported before entering the United States." Country of export is not to be confused with country of origin.

Entry Summary Requirements

Importers must provide the following information for products subject to the SLA 2008 at the time of entry summary filing:

- (1) Export price - each importer must provide the export price, expressed in U.S. dollars, on the entry summary at the line level. The export price is fully defined in the interim rule.

(2) **Estimated Export charge** - each importer must provide the export charge, if any, as calculated by applying the percentage determined and published by Department of Commerce (found at <http://ia.ita.doe.gov/sla2008/sla-index.html>) to the export price. Any applicable export charge must be expressed in U.S. dollars and reported on the entry summary with the relevant line.

(3) **Importer declaration** - each importer must provide a softwood lumber declaration on the electronic entry summary by entering the letter code "Y" on the relevant line of the entry summary. The letter code "Y" represents the importer's declaration to CBP that:

(A) The importer has made inquiry, including seeking appropriate documentation from the exporter and consulting the determinations published by the Department of Commerce; and

(B) To the best of the person's knowledge and belief:

(1) The export price provided is determined in accordance with the definition set forth in the SLA 2008;

(2) The export price provided is consistent with the export price provided on the export permit, if any, granted by the country of export; and

(3) The exporter has paid, or committed to pay, all export charges due in accordance with the volume, export price, and export charge rate or rates, if any.

On the CBP Form 7501 the export price will be indicated directly beneath the HTS number and the "Y" indicator, followed by the estimated export charge, if any, will be directly to the right of the export price (see attachment).

The electronic transmission of the CBP Form 7501, with the importer declaration therein, and any substantiating documentation, are subject to the recordkeeping provisions set forth in part 163 of title 19 to the CFR.

Also, if the importer claims that a shipment of softwood lumber home packages or kits is exempt per section 804(c)(7), the importer is required to retain, and produce upon demand by CBP, the following documentation:

(A) A copy of the appropriate home design, plan, or blueprint matching the customs entry in the United States.

(B) A purchase contract from a retailer of home kits or packages signed by a customs not affiliated with the importer.

(C) A listing of all parts in the package or kit being entered into the United States that conforms to the home design, plan, or blueprint for which such parts are being imported.

(D) If a single contract involved multiple entries, an identification of all the items required to be listed that are included in each individual shipment.

Again, there is no requirement to present physical copies of the softwood lumber home packages and kits documentation to CBP at the time of filing the CBP Form 7501; however, copies, along with any substantiating documentation, must be maintained in accordance with the applicable recordkeeping provisions.

De Minimus Provision

There is no de minimus provision in the SLA 2008. All shipments of softwood lumber products, as defined in the SLA 2003, regardless of value, must comply with these requirements.

Termination of the SLA 2008

The SLA 2008 requirements are applicable for as long as Title VIII of the Tariff Act of 1930, as amended, remains in effect.

Other entry requirements may be applicable to certain imports of softwood lumber from Canada. Importers are advised to refer to 19 CFR 12.140 for information regarding applicability and entry requirements.

Currently, the program updates to the Automated Commercial System (ACS) to allow for the electronic transmission of the SLA 2008 requirements have been completed.

Copies of this memorandum should be made available to Port Directors, Assistant Port Directors, Supervisory Import Specialists, Import Specialists, Importers, Brokers and other interested parties.

Questions regarding CBP policy and procedures can be directed to Mr. Joseph M. Rees at (202) 863-6065. Questions regarding the ABI system should be directed to Mr. Anthony Casucci at (703) 650-3053. Questions can also be sent to SWL2008@dhs.gov.



Brenda B. Smith

cc: Trade Operations Division, Office of Field Operations