

# The Basics of Export Compliance Summer Webinar Series

## Classifying Your Product

June 24, 2014

**Phone dial-in (for audio):**

888-455-8222

**Passcode:** 1513016



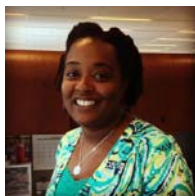
U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU  
census.gov

## Today's Trainers

**Presenter:** *Mayumi Escalante*  
Commodity Area Supervisor  
U.S. Census Bureau



**Assistants:**  
*Crystal Carmon*      *Josefina Hicho*  
*Topical Questions*      *Technical Assistance*



**Phone dial-in (for audio):**

888-455-8222

**Passcode:** 1513016



U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU  
census.gov

# Topic Overview

- Live Demonstration – Schedule B Search
- The Harmonized System and Schedule B
- Classification Rules and Resources

**Phone dial-in (for audio):**  
888-455-8222  
**Passcode:** 1513016

# www.census.gov/scheduleb

U.S. Department of Commerce | (Page) | Index A-Z | Glossary | FAQs

United States  
**Census**  
Bureau

Topics: Production, Economy | Geography: Maps, Geographic Data | Library: Bibliographies, Publications | Data: Trade, Development | About the Bureau: Research, Settings | Newsroom: News, Events, Blogs

you are here: [CBSA8201](#) > [SCHEDULE B](#) > [SCHEDULE B](#) > [SCHEDULE B](#) > [SCHEDULE B](#)

## Foreign Trade

Main | About Foreign Trade | Data | AES | Regulations | Reference | Definitions | Schedule B | FAQs

### Important Links

- Global Reach Blog
- Newsletters
- AESDirect
- DropBox
- Guide to Foreign Trade
- Foreign Trade Products
- Download Subscription
- USA Trade Online

### Related Sites

- Business and Industry
- Briefing Room
- North American Industry Classification System (NAICS)

### Economic Indicator Database

April 2014 Trade Numbers  
Deficit: \$47.2 Billion  
Exports: \$195.2 Billion  
Imports: \$242.4 Billion

### Schedule B

The export statistics are initially collected and compiled in terms of approximately 8,000 commodity classifications in Schedule B: Statistical Classification of Domestic and Foreign Commodities Exported from the United States.

#### Sections

[Search](#) | [Browse](#) | [Download](#) | [Obsolete Codes](#)

#### Schedule B Search

Use our new, enhanced search at <http://uscensusprod3ceonline.com> (Note). For more information, read our [announcement](#).

#### Browse

Browse through the chapters of the Schedule B book.

- 2014 [Look through HTML or PDF versions of Schedule B book content.](#)
- 2013 [Look through HTML or PDF versions of Schedule B book content.](#)
- 2012 [Look through HTML or PDF versions of Schedule B book content.](#)

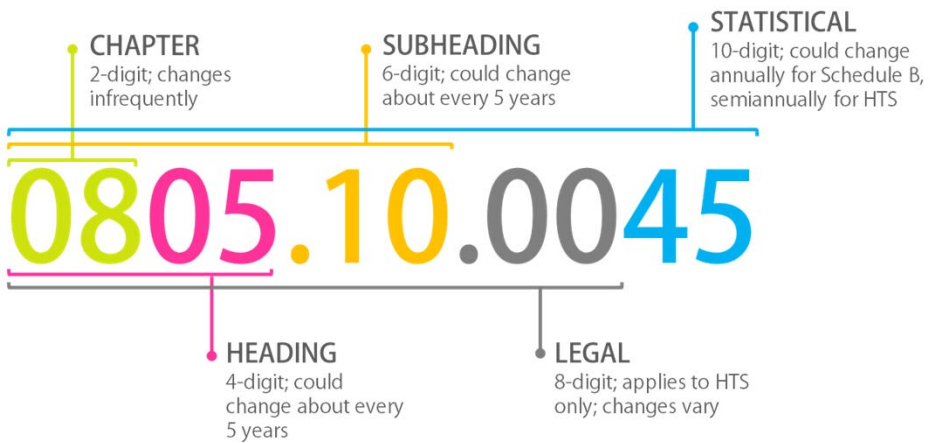
Note: Please check back periodically for the most recent files.

#### Download

# Do you have questions about the Schedule B Search Engine?

Type any questions in your chat window, and send to: All Panelists

## International Harmonized System and HS-based Classification



## Schedule B vs. Harmonized Tariff Schedule

Schedule B No. and Headings	Commodity Description	Unit of Quantity	Second Quantity
92	Musical Instruments; Parts and Accessories of Such Articles		
92.01	- Pianos, including player pianos; harpsichords and other keyboard stringed instruments:		
9201.10.0000	-- Upright pianos	No.	

Heading/ Subheading	Stat. Suf- fix	Article Description	Unit of Quantity	Rate	
				General	1
9201		Pianos, including player pianos; harpsichords and other keyboard stringed instruments:			
9201.10.00		Upright pianos.....		4.7%	Free CL, KR, P,P
	05	Used.....	No.		
	11	Other: Containing a case measuring less than 111.76 cm in height.....	No.		



U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU  
census.gov

7

## Do you have questions about the Schedule B or the Harmonized Tariff Schedule?

Type any questions in your chat window,  
and send to: All Panelists



U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU  
census.gov

## General Rule of Interpretation 1

1. The table of contents, index, and chapter titles offer guidance, but choose your **4-digit heading** based on the heading descriptions and section and/or chapter notes.

### Section I - Chapter 1

#### Live Animals

##### Note

1. This chapter covers all live animals except:
  - (a). Fish and crustaceans, molluscs and other aquatic invertebrates, of heading 0301, 0306, 0307 or 0308.
  - (b). Cultures of micro-organisms and other products of heading 3002; and
  - (c). Animals of heading 9508.

## General Rule of Interpretation 2

2. Applies to unfinished or disassembled goods, and mixtures and combinations:

- A. Unfinished or disassembled goods are classified as the complete articles as long as they have the same essential character.
- B. Mixtures and combinations are classified based on the essential character unless the mixture is specifically referenced.



## Essential Character

The essential character of a product is its **nature, purpose or function.**

Depending on the commodity, essential character may be determined by:

- Bulk
- Quantity
- Value
- Volume
- Weight



**Do you have questions about  
Essential Character or the  
GRIs so far?**

Type any questions in your chat window,  
and send to: All Panelists

## General Rule of Interpretation 3

3. For goods that can be classified in two or more areas:
  - A. Choose the heading with the most specific or detailed description.
  - B. Choose the heading that best describes the essential character.
  - C. Choose the last heading in numerical order.



<u>Heading</u>	<u>Description</u>
1001	Wheat and meslin
1002	Rye
1003	Barley

## General Rule of Interpretation 4

4. Classify under the heading of the most similar good. (should be used infrequently)



## General Rule of Interpretation 5

### 5. Containers:



- A. Specially fitted containers, such as cases for cameras or instruments, are not classified when they are shipped together with the goods.
- B. Disposable packing materials and containers, such as bubble wrap and cardboard boxes, are not classified when they are used for packaging.

## General Rule of Interpretation 6

6. Choose your 6-digit subheading based on the descriptions and related notes, and paying attention to indents.

01.02      ✓ - Live bovine animals:  
              ✓ -- Cattle:  
0102.21    --- Purebred breeding animals:  
              --- - Dairy:  
0102.21.0010    ---- Male  
0102.21.0020    --- - Female  
              ---- Other:  
0102.21.0030    ---- Male  
0102.21.0050    ---- Female  
0102.29.0000 ✓ --- Other



## Do you have questions about the General Rules of Interpretation?

Type any questions in your chat window,  
and send to: All Panelists



U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU  
census.gov

### Additional U.S. Rule of Interpretation

1. Except where specifically noted, the following rules apply:



A. End use is determined by use in the U.S. immediately prior to export.

B. Goods that are specifically provided for in the Schedule B must be classified as such and not as “parts”.



C. Mixtures of two or more textile materials are classified first as the predominant material by weight, or last as the material covered by the last heading in numerical order.



U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU  
census.gov

18

## Classification Resources

### *World Customs Organization (WCO)*

- **Explanatory Notes** – <http://www.wcoomd.org>

### *Customs and Border Protection (CBP)*

- **Customs Rulings Online Search System (CROSS)** – <http://rulings.cbp.gov/>
- **Informed Compliance Publications: “Tariff Classification”** – <http://www.cbp.gov/trade/rulings/informed-compliance-publications>

### *United States International Trade Commission (USITC)*

- **HTS Online Reference Tool** – <http://hts.usitc.gov/>

## Foreign Trade Division



### **Commodity Analysis Branch**

**Phone:** 1-800-549-0595 (Option 2)

**Fax:** 301-763-4347

**Email:** [ftd.scheduleb@census.gov](mailto:ftd.scheduleb@census.gov)

**Website:** [census.gov/trade](http://census.gov/trade)

**Blog:** [globalreach.blogs.census.gov](http://globalreach.blogs.census.gov)

## Upcoming Webinars

All Webinars are FREE and begin at 2pm EST

- Learn about the Export Administration Regulations – *Bureau of Industry and Security*  
July 8, 2014
- Complying with the International Traffic in Arms Regulations – *State Department*  
July 22, 2014
- Sanctions and Embargoes: What it means to you? – *Office of Foreign Assets Control*  
August 5, 2014
- Utilizing the Features in the Automated Export System – *US Census Bureau*  
August 26, 2014

For more information or to sign up: [census.gov/foreign-trade/outreach](http://census.gov/foreign-trade/outreach)



U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU  
census.gov

21

## Upcoming Seminars and Workshops

- Little Rock, AR – July 9-10
- Buffalo, NY – August 20-21
- Dallas, TX – September 9-10
- Cleveland, OH – October 1-2
- New Orleans, LA – October 22-23
- San Diego, CA – November 4-5 (English)
- San Diego, CA – November 6-7 (Spanish)
- Newark, NJ December 10-11

To register, visit:

[census.gov/foreign-trade/aes/meetingsandpresentations/index.html](http://census.gov/foreign-trade/aes/meetingsandpresentations/index.html)



U.S. Department of Commerce  
Economics and Statistics Administration  
U.S. CENSUS BUREAU  
census.gov

22

## Evaluation

**Please take a few minutes to  
complete the evaluation form.**

Look for the link in your chat window.

## Last Call

**Do you have any remaining  
questions about today's topics?**

Follow the Operator's instructions.

## Foreign Trade Division



### Commodity Analysis Branch

**Phone:** 1-800-549-0595 (Option 2)

**Fax:** 301-763-4347

**Email:** [ftd.scheduleb@census.gov](mailto:ftd.scheduleb@census.gov)

**Website:** [census.gov/trade](http://census.gov/trade)

**Blog:** [globalreach.blogs.census.gov](http://globalreach.blogs.census.gov)