Classification Changes Finalized for Drink Mixes, Garments, Stretcher and Mattress Covers

April 7, 2020
Sandler, Travis & Rosenberg Trade Report

The following final revocations and modifications of U.S. Customs and Border Protection rulings are included in the April 1, 2020, Customs Bulletin and Decisions. These revocations and modifications will be effective with respect to goods entered or withdrawn from warehouse for consumption on or after May 31.

For more information on how to seek or utilize classification and other rulings, please contact customs attorney Deb Stern at (305) 894-1007.

Click here to register for ST&R’s upcoming webinar on apparel classification.

Drink Mixes

CBP is reclassifying various types of drink mixes as other food preparations under HTSUS 2106 because it no longer believes they have the character of flavored or colored sugars under HTSUS 1701 and 1702. New duty rates range from 6.4 percent to 28.8 cents/kg + 8.5 percent.

The mixes are imported in the form of a powder and come in various flavors. The majority contain 80 percent sugar or more, while the rest contain between 60 and 80 percent sugar. However, CBP states that these mixes also contain other ingredients (e.g., citric acid, turmeric, cinnamon, corn starch, calcium phosphate, silicon dioxide, vitamin C, emulsifiers, preservatives, neutralizing agents, and stabilizers) that make them more than mere sweeteners.

CBP is issuing ruling HQ H157219 to revoke 23 rulings and modify 11 others, dating back as far as 1989, to reflect this change.

Garments with Overlays

CBP is revoking or modifying a number of rulings to clarify the proper classification analysis with regard to apparel that consists of more than one fabric.
- Rulings HQ 950007, NY N257834, NY N257469, NY N243946, NY N242436, NY N235714, NY N208296, NY N173438, NY N138899, NY N138900, and NY N043115 are being modified to remove discussion of the essential character and clarify that the subject garments with overlays should have been classified on the basis of General Rule of Interpretation 1 rather than GRI 3(b). The tariff classifications provided in these rulings remain unchanged.

- Ruling HQ 960960 concerning similar articles is being modified to remove a parenthetical that describes the term “overlay” as that “which is merely a decorative addition to the garment.” CBP states that this is an incorrect statement because an overlay may be mere trimming (decorative) or more than mere trimming (integral).

- Ruling NY N255267 is being revoked to (a) clarify that the subject woman’s pullover with open work knit fabric overlay is properly classified by applying GRI 3(b) with the essential character being imparted by the overlay rather than the body fabric and (b) reclassify the pullover under HTSUS 6110.30.30 rather than HTSUS 6110.20.2079.

- Ruling NY N254620 is being revoked to (a) specify that the subject boy’s cardigans are properly classified on the basis of their knit body fabric by applying GRI 1 rather than on the basis of their overlay fabric by applying GRI 3(c) and (b) reclassify the cardigans under HTSUS 6110.20.20 rather than HTSUS 6211.32.0081.

Stretcher and Gurney Covers

CBP is reclassifying two stretcher covers and one gurney cover made of non-woven polypropylene fabric as bed linen under HTSUS 6302.32.20 (11.4 percent duty) rather than as other made up textile articles under HTSUS 6307.90.9989 (7 percent duty). CBP explains that these items meet the definition of bed linen given by the Court of Appeals for the Federal Circuit in *Medline Indus. v. U.S.*, which overturned a lower court ruling that heading 6302 is limited to those items found on all beds. Ruling NY B89677 will revoke ruling NY B89677 and modify ruling NY I88978 to reflect this change.

Stuffed Mattress Covers

In ruling NY N303580 CBP ruled that El Salvador was the country of origin of stuffed mattress covers. The raw materials for these covers originate in the U.S., China, Mexico, and El Salvador and the cutting, sewing, and assembly operations are performed in El Salvador, along with folding, packaging, boxing, marking, and loading into a container for export. CBP stated that the most important assembly or manufacturing process is the cutting, sewing, and assembly of the fabric panels and zippers, which are performed in El Salvador.

However, CBP now states that (a) the country of origin of some styles of the mattress covers is the U.S. or China pursuant to 19 CFR 102.21(e)(2)(ii), which provides that the country of origin is where the fabric comprising the good was formed by a fabric-making process, and (b) the country of origin of several other styles is El Salvador under 19 CFR 102.21(c)(5), which provides that the country of origin is conferred by the last country in which an important assembly or manufacturing process occurred.

Ruling HQ H304571 will modify ruling NY N303580 to reflect this change.
To get news like this in your inbox daily, subscribe to the Sandler, Travis & Rosenberg Trade Report.