



Voluntary Report - Voluntary - Public Distribution

Date: April 11, 2025

Report Number: CH2025-0079

Report Name: SCTC 2025 Announcement Number 6 Increases Retaliatory Tariffs to 125 Percent for All Goods from the United States

Country: China - People's Republic of

Post: Beijing

Report Category: Agriculture in the News, FAIRS Subject Report, Trade Policy Monitoring, Trade Policy Incident Report

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Report Highlights:

On April 11, 2025, the State Council Tariff Commission (SCTC) announced that China will impose additional retaliatory tariffs on all U.S. goods. According to SCTC 2025 Announcement No. 6, the retaliatory duties would be increased to 125 percent on top of the current applicable tariff basis. The announcement includes text that, "Given that at the current tariff level, there is no market acceptance for U.S. goods exported to China, if the United States continues to impose (new) tariffs on Chinese goods exported to the United States, China will ignore it." The announcement further states that the same parameters as announced on April 4, 2025, in SCTC Announcement No. 4 for product shipping and delivery dates as well as exclusions and bonded trade will apply. This report provides an unofficial translation of the SCTC announcement and press release; a table of current tariffs applied to U.S. agricultural, fishery, and forestry products; and the original Chinese text.

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT POLICY FAS China provides this analysis and reporting as a service to the United States agricultural community, and to our farmers, ranchers, rural communities, and agribusiness operations in support of a worldwide agricultural information system and a level playing field for U.S. agriculture.

This report updates information from FAS China GAIN report China: "MOF SCTC Announces 34 Percent Tariff on All Goods Originating from the United States" (<u>CH2025-0073</u>) dated April 7, 2025 and the GAIN report "SCTC and GACC Announcements and Guidance on Additional Tariffs for All Goods from the United States" (<u>CH2025-0076</u>) dated April 10, 2025.

U.S. exporters are strongly advised to collaborate with their Chinese importers to confirm the exact tariff and/or retaliatory tariff rate, value-added tax rate, and any consumption tax rate for the commodity that is being exported to China.

China's tax and tariff policies on imported food and agricultural goods are dynamic with changes occurring frequently and with little implementation lead time.

On April 11, 2025, the Ministry of Finance of the People's Republic of China (PRC) SCTC published 2025 Announcement No. 6 (<u>link in Chinese</u>) which increases to 125 percent the new retaliatory tariffs first announced on April 4 on all U.S. products, including agricultural products. The announcement also includes text that says, "Given that at the current tariff level there is no market acceptance for U.S. goods exported to China, if the United States continues to impose (new) tariffs on Chinese goods exported to the United States, China will ignore it."

SCTC Announcement No. 4 provided that all goods departing the United States on April 9 or before must also be imported into China before midnight on May13 to avoid the additional duties (now 125 percent). Following that same assumption, any good exported from the United States on April 10 or later will be assessed the additional 125 percent duty irrespective of when it is imported into China.

According to the announcements, any product arriving at a bonded zone will not be assessed the additional duty as regulations governing that trade practice remain unchanged. Similarly, these Announcements do not change any retaliatory Section 301 tariff exclusions or other tariff exemption policies of the Chinese government. The Announcements, like the March 4, 2025, announcement, indicate that these additional duties of 125 percent in Announcements No. 4, 5, and 6, or the 10 to 15 percent respectively for the March 4 retaliation listed in 2025 Announcement No. 2, <u>will not be excluded, exempted, or reduced</u>.

For additional background on recent tariff reporting, please see the FAS China GAIN Reporting:

- Compendium of Tariffs on United States Agricultural and Related Products (CH2025-0050),
- SCTC Announces Retaliatory Tariffs on U.S. Agricultural Products (CH2025-0044),
- SCTC Announces Adding 34 Percent Tariff on All Goods Originating from United States (CH2025-0073).

China applies several types of tariffs and a value added tax on U.S. agricultural products, including:

- Most Favored Nation (MFN) Tariffs as part of China's WTO Status. **Note**: Most duties are a percent but a select few (e.g., HS 02071411 Frozen Chicken Cuts) are based on a currency per kilogram basis. **End Note**.
- Retaliatory Section 232 tariffs.
- Retaliatory Section 301 tariffs Note: Eligible for a market-based exclusion End Note.
- Retaliatory SCTC Announcement No. 2 tariffs published March 4, 2025 of 10 to 15 percent on 740 tariff line items in response to U.S. actions for fentanyl.
- Retaliatory SCTC Announcement No. 4 tariffs published on April 4, 2025 of 34 percent on all U.S. goods in response to U.S. reciprocal tariff actions. On April 9, the tariff was adjusted to 84 percent in SCTC Announcement No. 5, on all U.S. goods and on April 11, the retaliatory tariff was increased to 125 percent in SCTC Announcement No. 6.
- Antidumping Duties (AD) on select U.S. agricultural products such as Distillers Dried Grains with or without Solubles from individual U.S. suppliers of 42.2 to 53.7 percent. **Note:** AD tariffs on DDGS are for HS Codes: 23033000.11 and 23033000.19. **End Note.**
- Countervailing Duties (CVD) on select U.S. agricultural products such as Distillers Dried Grains with or without Solubles (DDGS) from individual U.S. suppliers of 11.2 to 12 percent. **Note:** CVD tariffs on DDGS are for HS Codes: 23033000.11 and 23033000.19. **End Note.**
- Value Added Taxes (VAT) of 9 percent on most unprocessed agricultural products and 13 percent on most processed agricultural products. **Note:** VAT duties are assessed *ad valorem* after the cost of goods and any insurance, freight, and other duties are assessed. (i.e., the VAT rate is applied to the tariff-inclusive value of the shipment). Most unprocessed agricultural products e.g., Fresh or Chilled Boneless Bovine Meat under HS 02013000 and Other Soybeans under HS 12019019 incur a 9 percent VAT. Processed items like Whey and Modified Whey under HS 04041000 and Beer made from Malt under HS 22030000 incur a 13 percent VAT. End Note.
- Consumption Taxes. Note: Certain agriculture-related goods, typically cigarettes and alcoholic beverages, are subject to a consumption tax at customs, calculated based on price and/or quantity. End Note.

With the exception of AD/CVD tariffs and the VAT, the attached excel table attempts to document duties that China may assess on U.S. agricultural products, fishery products, and forestry products.

The original text in Chinese from the SCTC announcement is attached.

BEGIN TRANSLATION

http://gss.mof.gov.cn/gzdt/zhengcefabu/202504/t20250411 3961823.htm

Announcement of the State Council Tariff Commission on Adjusting the Tariff Measures on Imports from the United States Tax Commission Announcement No. 6 of 2025

On April 10, 2025, the US government announced that the "reciprocal tariff" on Chinese goods exported to the US would be further increased to 125%. The U.S.'s imposition of abnormally high tariffs on China seriously violates international economic and trade rules, basic economic laws and common sense, and is completely a unilateral bullying and coercion.

In accordance with the Tariff Law of the People's Republic of China, the Customs Law of the People's Republic of China, the Foreign Trade Law of the People's Republic of China and other laws and regulations and the basic principles of international law, and with the approval of the State Council, starting from April 12, 2025, the tariff increase measures on imported goods originating from the United States will be adjusted. The relevant matters are as follows:

1. Adjust the tariff rate stipulated in the "Announcement of the State Council Tariff Commission on Adjusting the Tariff Measures on Imports Originating in the United States" (Tax Commission Announcement No. 5 of 2025) from 84% to 125%. Given that at the current tariff level, there is no market acceptance for U.S. goods exported to China. If the U.S. continues to impose tariffs on Chinese goods exported to the U.S., China will ignore it.

2. Other matters shall be implemented in accordance with the "Announcement of the Tariff Commission of the State Council on the Imposition of Additional Tariffs on Imported Goods Originating in the United States" (Tax Commission Announcement No. 4 of 2025).

State Council Tariff Commission April 11, 2025

Related articles:

• The State Council Tariff Commission issued an announcement to adjust the tariff measures on imported goods originating from the United States

Release date: April 11, 2025

END TRANSLATION

Attachments:

250411 Table 1 China Agricultural Fishery and Forestry 125 Tariffs on US Commodities.xlsx

250411 SCTC 2025 Announcement 6 Original Chinese Text.pdf