

Softwood lumber dispute

ADD/CVD Fact Sheet

Key Dates

Countervailing duty (CVD)

The United States International Trade Commission (USITC) will vote on CVD by April 24, 2017.

Anti-dumping duty (ADD)

The Department of Commerce (DOC) will vote on ADD by May 4, 2017.

Payment options for paying ADD/CVD

Option1

Importers pay the U.S. Customs and Border Protection (CBP) agency directly through their Automated Clearing House (ACH) account. This may involve daily ACH filings, or Periodic Monthly Statement (PMS) filings.

The advantage of filing via ACH PMS is cost savings. By using PMS processing, importers can deposit duties on the 15th business day of the month following the month in which the goods are released.

More information about ACH: <https://www.cbp.gov/trade/automated/ach>

More information about PMS: <https://www.cbp.gov/document/guidance/periodic-monthly-statement>

Option2

Livingston may extend credit. This may involve deposit on account with Livingston or arrangements for wire transfer of funds to Livingston.

If you have questions about either payment option, please contact your Livingston CSM or CFS representative.

Retroactive collection of CVD/ADD

The U.S. Lumber Coalition has asked the DOC to determine whether any decision made concerning countervailing or anti-dumping duties will be retro-active for up to 90 days.

If duties are deemed retroactive, CVD can be assessed as far back as January 24, 2017 and ADD as far back as February 3, 2017.

Potential impact to continuous bond

Based on the proposed margins for ADD/CVD, a bond may be deemed insufficient by either the surety or CBP. If deemed insufficient, the existing bond will be terminated and a new bond written for a higher liability amount.

In November 2011, changes were made to the bond conditions, which include No Single Entry Bonds for anything under ADD or CVD. Details are as follows:

The final ruling on the change of regulations regarding the practice of accepting bonds during the provisional measures period in Antidumping (ADD) and Countervailing Duty (CVD) investigations is as follows:

The Department of Commerce has amended its regulations governing the effect of an affirmative preliminary determination in ADD or CVD proceedings to establish that the provisional measures will normally take the form of a cash deposit. Requiring that provisional measures take the form of a cash deposit will help to strengthen the administration of the nation's ADD and CVD laws by making importers directly responsible for the payment of ADD and CVD duties.

This Final Rule went into effect November 2, 2011 and applies to all investigations initiated on the basis of petitions filed on or after this effective date.

If your bond is deemed insufficient, the surety company may require the following documents in order to underwrite a bond with a higher limit of liability due to ADD/CVD

- Completed Surety Bond Application
- Completed ADD/CVD questionnaire
- Copy of most current fiscal year end financial statement
- Collateral

Softwood Lumber Act of 2008

There will be no changes to the Softwood Lumber Act (SLA) of 2008. It will stay in place for as long as Title VIII of the Tariff Act of 1930 remains in effect. SLA of 2008 requirements can be found at this link: <https://www.cbp.gov/trade/trade-community/outreach-programs/entry-summary/public-laws-impacting-trade/public-law-110-246/softwood-lumber-act-2008/softwood-act08>

Non-reimbursement certificates

Until such time as the ADD portion has been ruled on, CBP does not require any type of non-reimbursement statement be signed.

Deducting Countervailing Duty and/or Antidumping Duties

If the invoice specifically states that the AD/CVD is included, it can be deducted from the value if the same is included in the invoice to the client.

The signed non-reimbursement statement will be the assurance to the U.S. government that the duties are actually included in the price and won't be charged back. The Terms of Sale must reflect this and should state: CIF DDP / ADD & CVD included.

Learn more here: [HQ 545304](#).

Softwood Lumber permits

Softwood Lumber permits are required under the Government of Canada export law, which states that a Softwood Lumber Permit is required for exports of any softwood lumber from Canada.

For more information, visit: [Global Affairs Canada](#).