



# News Release

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## **ACC TESTIFIES ON TARIFF RELIEF PROVIDED BY MTB ACT OF 2018**

*Seventy-Six Percent of Chemicals and Plastics Imports Covered By MTB  
Are Still Impacted by China 301 Tariffs, ACC Says*

WASHINGTON (April 8, 2019) – The American Chemistry Council (ACC) today [testified on the economic impacts](#) of the Miscellaneous Tariff Bill (MTB) Act of 2018 on the U.S. chemicals industry as part of a U.S. International Trade Commission (USITC) [fact-finding investigation](#) into the effects of temporary duty suspensions on the U.S. economy. The MTB Act, which President Trump signed into law last September, temporarily reduced or eliminated import duties on \$1.1 billion in products that are not available in the United States, including a number of critical inputs to U.S. manufacturing processes – some produced exclusively in China. However, the Section 301 tariffs on many of those same imports still remain in force, preventing U.S. chemicals manufacturers and others from capitalizing the full tariff relief intended by the MTB.

“The additional tariffs that the Administration imposed over the past year have undermined the competitiveness of U.S. chemical manufacturers and their ability to employ global supply chains,” said Ed Brzytwa, ACC director of international trade, testifying before officials at USITC. “While the MTB is lessening the pain of the Section 301 tariffs, it does not mitigate the China Section 301 tariff burden that many U.S. chemical manufacturers face,” Brzytwa said. China is one of the largest partners for chemicals trade with the United States.

Last year, the Administration imposed additional tariffs on \$15 billion in imports of chemicals and plastics from China, on top of the Most Favored Nation (MFN) tariff rate already in place.

“Seventy-six percent of the chemicals and plastics covered by the MTB are also on the China Section 301 Lists,” Brzytwa noted. “Although the MTB may suspend or reduce existing MFN tariffs, it does not suspend or reduce these additional tariffs. Our assessment is that, for the firms benefitting from the MTB, the situation would have been much worse had the MTB not been enacted in 2018,” Brzytwa said. The last MTB passed by Congress expired at the end of 2012.

In both his [oral testimony](#) and in [public comments](#) filed in March, Brzytwa recommended strengthening the tariff relief provided by the MTB. “We would recommend that the MTB duty suspensions be applied to any Section 301 or Section 232 additional tariffs that the Administration imposes on imports from U.S. trading partners. This would ensure that U.S. chemical manufacturers receive the full benefit of the MTB reductions and suspensions, as opposed to a partial benefit,” Brzytwa concluded.

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*The American Chemistry Council (ACC) represents the leading companies engaged in the business of chemistry. ACC members apply the science of chemistry to make innovative products and services that make people's lives better, healthier and safer. ACC is committed to improved environmental, health and safety performance through Responsible Care®; common sense advocacy designed to address major public policy issues; and health and environmental research and product testing. The business of chemistry is a \$526 billion enterprise and a key element of the nation's economy. It is among the largest exporters in the nation, accounting for ten percent of all U.S. goods exports. Chemistry companies are among the largest investors in research and development. Safety and security have always been primary concerns of ACC members, and they have intensified their efforts, working closely with government agencies to improve security and to defend against any threat to the nation's critical infrastructure.*

