

SPC&B Update

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Mobile Phone Case Decision Could Yield Duty Savings
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Mobile Phone Case Decision From the CIT Could Yield Significant Savings for Importers

In a decision with potentially far-reaching impact for importers, the Court of International Trade recently held that certain plastic protective cases for mobile phones, tablets and similar electronic devices were not classifiable as containers in HTSUS heading 4202, at a hefty 20% duty rate. Rather, the cases were properly classified as articles of plastic under Heading 3925, with a significantly lower rate of 5.3%.

The court held that although the cases are similar to containers, since they provide protection, they neither organize nor store, and they provide only minimal carrying functionality. Furthermore, unlike the containers of Heading 4202, the cases at issue allow the electronic devices they enclose to remain fully functional. Thus, the court concluded that the cases were not classifiable as "similar containers" to those listed under Heading 4202.

Consequently, importers of similar cases may be entitled to refunds and/or have the ability to reclassify their cases to achieve the lower duty rate. To determine whether your company's cases for mobile phones, tablets or other electronic devices, may be eligible for reclassification, please contact us. Further, if you have imported such cases in the past under the 4202 heading, please let us know, since we can amend your entries or file protests to ensure that you receive any savings to which you are entitled.

For further information on tariff classification issues, please contact Gail T. Cumins at gcumins@spcblaw.com, Alli Baron at abaron@spcblaw.com, or Donna Shira at dshira@spcblaw.com, or call us at 212-425-0055.

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