

What is the FTA Tariff Tool?

Understand the tariff rates the United States' Free Trade Agreement partners have implemented and maintain.



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The FTA Tariff Tool is an online resource to help you determine the tariff, or tax at the border, that certain foreign countries will collect when your product crosses into their country. In trade agreements, countries commit to lowering tariff rates over time to zero. The FTA Tariff Data Tool is a database with all the rates the United States' Free Trade Agreement (FTA) partners have committed to implementing and maintaining.

To use the FTA Tariff Tool it will help to have a few key pieces of information:

- What is your product's HS Code? You need to know your product's HS code. The HS code can be a 6, 8- or 10-digit number used for a category of products. Unfortunately, the HS code terminology can be somewhat arcane. For example, a computer is referred to as an automated data processing machine in HS code terminology. However, the Census Bureau has developed a cross-reference of everyday terms to HS/schedule B Terminology, and they provide phone support as needed.
- **Does your product meet the rule of origin?** Under FTAs tariffs are eventually eliminated for almost all products that meet the agreement's rule of origin. A rule of origin specifies how a product receives originating status in order to take advantage of the agreement's tariff reductions and related provisions.

With this information, you can use the <u>FTA Tariff Tool</u> to look up the tariff rate for your product today, as well as identify when in the future the tariff rate will go down further or be eliminated altogether.

Please note: The FTA Tariff Tool only displays the preferential tariff rates negotiated under the U.S. trade agreements. In some instances, FTA partner countries may have unilaterally reduced their most-favored nation (MFN) tariff rate below the FTA rate. In these instances, U.S. exports would receive the MFN rate and not receive preferential treatment into that market. Additionally, the FTA Tariff Tool does not account for changes

to the tariff nomenclature since the trade agreements were concluded.

Additional limitations to the FTA Tariff Tool are that it only includes trading partners with which the U.S. has a trade agreement, and product descriptions for tariff schedules not published in English are in a foreign language, such as Spanish or French. Please direct questions to: FTATariffTool@trade.gov.