



RETAIL INDUSTRY LEADERS ASSOCIATION

99 M Street, SE
Suite 700
Washington, DC 20003

www.rila.org

March 17, 2025

Robert F. Altneu, Director
Regulations & Disclosure Law Division
Regulations & Rulings, Office of Trade
U.S. Customs and Border Protection
90 K Street NE, 10th Floor
Washington, DC 20229

RE: Notice of Proposed Rulemaking Concerning Entry of Low-Value Shipments (USCBP-2025-002)

Dear Director Altneu:

The Retail Industry Leaders Association (RILA) appreciates the opportunity to provide comments in response to U.S. Customs and Border Protection's (CBP) notice of proposed rulemaking concerning the "Entry of Low-Value Shipments" (USCBP-2025-002). As CBP continues its vital work to facilitate legitimate trade, enforce our customs laws, and protect the U.S. economy to ensure consumer safety and to create a level playing field for American businesses, we write in support of CBP's proposal to revise current processes for entering low-value shipments and require additional data elements to allow CBP to better target high-risk shipments more effectively, and to assist in verifying eligibility for duty- and tax-free entry of low-value shipments.

RILA is the U.S. trade association for leading retailers. We convene decision-makers, advocate for the retail industry, and promote operational excellence and innovation. Our aim is to elevate a dynamic industry by transforming the environment in which retailers operate. RILA members include more than 200 retailers, product manufacturers, and service suppliers, which together account for more than \$2.7 trillion in annual sales, millions of American jobs, and hundreds of thousands of stores, manufacturing facilities, and distribution centers domestically and abroad.

Leading retailers share CBP's observations that over the three decades, "there have been significant changes in the trade environment and supply chains, substantial increases in the volume of shipments, and advancements to CBP's capabilities that necessitate the modernization"¹ of the regulations governing the entry of low-value shipments. When the de minimis threshold was raised to \$800 by the passage of the Trade Facilitation and Trade Enforcement Act (TFTEA), Congress noted that this change would "provide significant economic benefits to businesses and consumers in the United States and the economy of the United States through cost savings and reductions in trade transaction costs."² While we believe those benefits

¹ 90 Fed. Reg. 3048 (Jan. 14, 2025).

² *Trade Facilitation and Trade Enforcement Act of 2015* Conference Report, H. Rept. 114-376, at p. 103 (Dec. 9, 2015).

still exist, we are increasingly concerned that certain practices by large marketplaces are undermining U.S. businesses and creating risks for American consumers.

As CBP points out in its proposed rule, the lack of "actionable data collected pursuant to the current regulations inhibits CBP's ability to identify and interdict high-risk shipments that may contain illegal drugs . . . , merchandise that poses a risk to public safety, counterfeit or pirated goods, or other contraband."³ In short, the lack of actionable data makes it more difficult for CBP to segment risk and ensure that low-value shipments are held to the same high standards that other imports must meet. This creates an unlevel playing field for retailers who invest heavily in robust compliance programs to ensure that their products are safe for the American public and gives a competitive advantage to low-value imports sold on marketplaces that are less likely to be scrutinized by CBP.

For these reasons and others, leading retailers support CBP's proposed changes to clarify how the \$800 value limit is applied when multiple low-value shipments are imported by one person the same day; who the "one person" is that is eligible for the administrative exemption; the existing requirements for merchandise subject to antidumping and countervailing duties (AD/CVD); and that the administrative exemption is "a privilege and not an absolute right."⁴ We believe these are commonsense clarifications so that CBP and the importing community understand when and how the administrative exemption may be used.

Further, we support CBP's proposals to incorporate its learnings from the Entry Type 86 and Section 321 Data pilots into regulations governing the entry of low-value shipments. The pilots were appropriate when launched, but in our view, these programs should not exist in perpetuity. We support more data requirements to ensure CBP can effectively ensure low-value shipments comply with U.S. laws, do not undermine U.S. businesses, do not mislead consumers, and are safe for all Americans. And with more than half of all low-value shipments entering the U.S. via Entry Type 86, it is logical at this stage to incorporate the requirements into CBP's regulations and end the Type 86 pilot program and further end the Section 321 Data pilot for data elements and filers covered by a final rule.⁵

While not specifically covered by this proposed rulemaking, we recommend that CBP also more broadly consider procedural elements of reporting and duty collection for low-value shipments. We note that other trading partners, such as the European Union, are also considering reforms to customs procedures for low-value shipments. To the extent practicable, we encourage CBP to collaborate with its counterparts in other countries to build harmonized systems, such as making e-commerce platforms "deemed importers" and simplifying customs procedures and duty collection (e.g., creating tariff "buckets"). CBP could also explore a pathway for achieving "trusted trader" status to incentivize a race to the top for marketplaces with the best policies and practices.

³ 90 Fed. Reg. at 3050.

⁴ Id. at 3054.

⁵ Id. at 3053.



Leading retailers support CBP's proposed rulemaking concerning the entry of low-value shipments to ensure that CBP has the needed data to enforce our laws, protect Americans from dangerous and illicit products, and level the playing field for U.S. companies.

Thank you for the opportunity to provide input on behalf of our membership.

Sincerely,

A handwritten signature in cursive script that reads "Blake Harden".

Blake Harden
Vice President, International Trade
Retail Industry Leaders Association

