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Companies await rulings on tariff exemptions

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An article in *The Wall Street Journal*^[1] delves into the situation thousands of companies in the United States are currently facing: waiting for exemption to tariffs that have swallowed up their entire profit margin. According to the article, “Since the appeals process opened June 30, the companies have filed more than 31,000 requests for exemptions from the \$200 billion tranche of tariffs implemented last year on Chinese goods. The U.S. Trade Representative’s office has ruled on 439 requests so far, denying 86% of them.”

Trade talks on Oct. 10 have halted a planned increase in tariffs that was set to go into effect Oct. 15, but nothing has yet been said regarding existing tariffs. According to a White House press conference, the talks represent “Phase 1” of a multi-phase process that will address a variety of issues, including intellectual property, currency issues, tariffs and other issues of contention. President Trump said he hoped to “have it all papered” within four to five weeks. How any deal would affect companies that have been waiting for months to resume profitable trade with China is unclear.

¹ Anthony DeBarros and Josh Zumbrun, “Companies Struggle While Awaiting Rulings on Tariff Exemptions,” *The Wall Street Journal*, October 10, 2019, <https://on.wsj.com/31uIRII> (accessed October 22, 2019).

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