Macro Roundup Article

Headline: The Value of De Minimis Imports

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Tweet: Imports valued at <$800 enter the US duty-free, and have grown from $9.2B in 2016 to $54.5B in 2023, 19% of US e-commerce spending, and are not reflected in Census trade data. These imports are largely direct-to-consumer shipments from China.

Summary: Section 321 of the 1930 Tariff Act allows up to $800 in imports per person per day to enter the US duty-free and with minimal customs requirements. Fueled by rising direct-to-consumer trade, these "de minimis" shipments have exploded yet are not recorded in Census trade data. Who benefits from this type of trade, and what are the policy implications? We analyze international shipment data, including de minimis shipments, from three global carriers and US Customs and Border Protection. Lower-income zip codes are more likely to import de minimis shipments, particularly from China, suggesting that the tariff and administrative fee incidence in direct-to-consumer trade is pro-poor

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Primary Topic: Trade (not deficits)

Topics: Academic paper, Database, GDP, Trade (not deficits), Weekly

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