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### 11. United States-Mexico-Canada Agreement.

- (a) Goods originating in the territory of a country named herein, pursuant to the United States-Mexico-Canada Agreement (USMCA), are subject to duty as provided herein, including any treatment set forth in subchapter XXIII of chapter 98 and subchapter XXII of chapter 99 of the tariff schedule. For the purposes of this note, as provided in the tariff schedule--
  - (i) Goods that originate in the territory of Mexico, Canada or the United States (hereinafter referred to as "USMCA country" or "USMCA countries" as further defined in subdivision (I)(xxiv) of this note) under the terms of subdivision (b) of this note and regulations issued by the Secretary of the Treasury (including Uniform Regulations provided for in the USMCA), and goods enumerated in subdivision (p) of this note, when such goods are imported into the customs territoryof the United States and are entered under a subheading for which a rate of duty appears in the "Special" subcolumn, followed by the symbol "S" in parentheses, are eligible for such duty rate, in accordance with section 202 of the United States-Mexico-Canada Agreement Implementation Act; and
  - (ii) Goods that originate in the territory of a USMCA country under the terms of subdivision (b) of this note and regulations issued by the Secretary of the Treasury, when such goods are imported into the customs territory of the United States and are entered under a subheading for which a rate of duty appears in the "Special" subcolumn, followed by the symbol "S+" in parentheses, or under a subheading whose article description provides for originating goods of one or more USMCA countries, as the case may be, are eligible for such duty rate, in accordance with section 202 of the United States-Mexico-Canada Agreement Implementation Act.
- (b) For the purposes of this note, a good imported into the customs territory of the United States from the territory of a USMCA country, as defined in subdivision (I) of this note, is eligible for the preferential tariff treatment provided for in the applicable subheading and quantitative limitations set forth in the tariff schedule as a "good originating in the territory of a USMCA country" only if--
  - (i) the good is a good wholly obtained or produced entirely in the territory of one or more USMCA countries;
  - (ii) the good is a good produced entirely in the territory of one or more USMCA countries, exclusively from originating materials;
  - (iii) the good is a good produced entirely in the territory of one or more USMCA countries using nonoriginating materials, if the good satisfies all applicable requirements set forth in this note (including the provisions of subdivision (o)); or
  - (iv) except for a good provided for in any of chapters 61 through 63—
    - (A) the good is produced entirely in the territory of one or more USMCA countries;
    - (B) one or more of the nonoriginating materials provided for as parts under the tariff schedule and used in the production of the good do not satisfy the requirements set forth in this note because—
      - both the good and its materials are classified under the same subheading or under the same heading that is not further subdivided into subheadings; or
      - (2) the good was imported into the territory of a USMCA country in unassembled form or disassembled form but was classified as an assembled good pursuant to general rule of interpretation 2(a) of the tariff schedule, and
    - (C) the regional value content of the good, determined in accordance with subdivision (c) of this note, is not less than 60 percent if the transaction value method is used, or not less than 50 percent if the net cost method is used,

and such good satisfies all other applicable provisions of this note.

For purposes of determining whether a remanufactured good is an originating good, a recovered material derived in the territory of one or more USMCA countries shall be treated as originating if the recovered material is used or consumed in the production of, and incorporated in, the remanufactured good.

- (c) [Format adjusted for alignment.]
  - (i) Regional value content.-- Except as provided in subdivision (c)(v) of this note, the regional value content of a good shall be calculated, at the choice of the importer, exporter or producer of such good, on the basis of—

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- (A) the transaction value method set out in subdivision (c)(ii) or
- (B) the net cost method set out in subdivision (c)(iii).
- (ii) <u>Transaction value method.</u>--- An importer, exporter or producer of a good may calculate the regional value content of the good on the basis of the following transaction value method:

$$RVC = ((TV-VNM)/TV) \times 100$$

where RVC means the regional value content of the good, expressed as a percentage; TV means the transaction value of the good adjusted to exclude any costs incurred in the international shipment of the good; and VNM means the value of nonoriginating materials, including materials of undetermined origin, used by the producer in the production of the good.

(iii) Net cost method.-- An importer, exporter or producer of a good may calculate the regional value content of a good on the basis of the following net cost method:

$$RVC = ((NC - VNM)/NC) \times 100$$

where NC means the net cost of the good; RVC means the regional value content, expressed as a percentage; and VNM is the value of nonoriginating materials, including materials of undetermined origin, used by the producer in the production of the good.

- (iv) Value of nonoriginating materials.
  - (A) In general.--The value of non-originating materials used by the producer in the production of a good shall not, for purposes of calculating the regional value content of the good under subdivision (c)(ii) or (c)(iii) of this note, include the value of nonoriginating materials used or consumed to produce originating materials that are subsequently used in the production of the good.
  - (B) <u>Special rule for certain components.</u>—The following components of the value of nonoriginating materials used by the producer in the production of a good may be counted as originating content for purposes of determining whether the good meets the regional value content requirement set forth in subdivision (c)(ii) or (c)(iii) of this note:
    - The value of processing the nonoriginating materials undertaken in the territory of one or more USMCA countries;
    - (2) The value of any originating materials used or consumed in the production of the nonoriginating materials undertaken in the territory of one or more USMCA countries.
- (v) Net cost method required in certain cases.—An importer, exporter or producer of a good shall calculate the regional value content of a good solely on the basis of the net cost method set out in subdivision (c)(iii) of this note if the rule for the good set forth in subdivision (o) of this note includes a regional value content requirement not based on the transaction value method described in subdivision (c)(ii) above.
- (vi) Net cost method allowed for adjustments.
  - (A) In general.---If an importer, exporter, or producer of a good calculates the regional value content of the good on the basis of the transaction value method described in subdivision (c)(ii) above and a USMCA country subsequently notifies the importer, exporter, or producer, during the course of a verification conducted in accordance with chapter 5 or 6 of the USMCA, that the transaction value of the good or the value of any material used in the production of the good must be adjusted or is unacceptable under article 1 of the Customs Valuation Agreement, the importer, exporter or producer may calculate the regional value content of the good on the basis of the net cost method described in subdivision (c)(iii).
  - (B) Review of adjustment.—Nothing in paragraph (vi)(A) above shall be construed to prevent any review or appeal available in accordance with article 5.15 of the USMCA with respect to an adjustment to or a rejection of—
    - (1) the transaction value of a good; or
    - (2) the value of any material used in the production of a good.

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- (vii) Calculating net cost.—The producer of a good may, consistent with regulations implementing this note, calculate the net cost of the good under subdivision (c)(iii) of this note by—
  - (A) Calculating the total cost incurred with respect to all goods produced by that producer, subtracting any sales promotion, marketing, and after-sales services costs, royalties, shipping and packing costs, and nonallowable interest costs that are included in the total cost of those goods, and then reasonably allocating the resulting net cost of those goods to the good;
  - (B) Calculating the total cost incurred with respect to all goods produced by that producer, reasonably allocating the total cost to the good, and subtracting any sales promotion, marketing and after sales service costs, royalties, shipping and packing costs, and nonallowable interest costs, that are included in the portion of the total cost allocated to the good, or
  - (C) Reasonably allocating each cost that is part of the total cost incurred with respect to the good so that the aggregate of those costs does not include any sales promotion, marketing, and after-sales services costs, royalties, shipping and packing costs, and nonallowable interest costs.
- (viii) <u>Value of materials used in production.</u>—For purposes of calculating the regional value content of a good under this note, applying the de minimis rules under subdivision (e) of this note, and calculating the value of nonoriginating components in a set under subdivision (i) of this note the value of a material used in the production of a good is—
  - (A) In the case of a material that is imported by the producer of the good—
    - (1) the transaction value of the material at the time of importation, including the costs incurred in the international shipment of the material; or
    - (2) if the transaction value of the material at the time of importation is not acceptable or if there is no transaction value in accordance with 19 U.S.C. 1401a, the value of the material must be determined in accordance with the Uniform Regulations with respect to the importation of that material and, if the costs referred to in subsection (x) are included in that value, those costs may be deducted from that value.
  - (B) In the case of a material acquired in the territory in which the good is produced—
    - (1) The price paid or payable by the producer in the USMCA country where the producer is located;
    - (2) The value as determined under subparagraph (A), as set forth in regulations prescribed by the Secretary of the Treasury providing for the application of transaction value in the absence of an importation by the producer; or
    - (3) The earliest ascertainable price paid or payable in the territory of the country; or
  - (C) In the case of a self-produced material, the sum of-
    - (1) All expenses incurred in the production of the material, including general expenses; and
    - (2) An amount for profit equivalent to the profit added in the normal course of trade or equal to the profit that is usually reflected in the sale of goods of the same class or kind as the material.
- (ix) Intermediate materials.
  - (A) In general.—Any self-produced material that is used in the production of a good may be designated by the producer of the good as an intermediate material for purposes of calculating the regional value content of the good under subdivision (c)(ii) or (c)(iii) above.
  - (B) <u>Materials used in production of intermediate materials</u>.—Subject to the regulations implementing this note, if a self-produced material is designated as an intermediate material under subparagraph (A) for purposes of calculating a regional value content requirement, no other self-produced material subject to a regional value content requirement used or consumed in the production of that intermediate material may be designated by the producer as an intermediate material.

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- (x) <u>Further adjustments to the value of materials</u>.—The following expenses, if included in the value of a nonoriginating material or material of undetermined origin calculated under subdivision (c)(viii) of this note, may be deducted from the value of the nonoriginating material:
  - (A) The costs of freight, insurance, packing, and all other costs incurred in transporting the material to the location of the producer.
  - (B) Duties, taxes, and customs brokerage fees on the material paid in the territory of one or more USMCA countries, other than duties or taxes that are waived, refunded, refundable, or otherwise recoverable, including credit against duty or tax paid or payable.
  - (C) The cost of waste and spoilage resulting from the use of the material in the production of the good, less the value of renewable scrap or byproducts.

#### (d) Accumulation.

- (i) <u>Producers.</u>—A good that is produced in the territory of one or more USMCA countries, by one or more producers, is an originating good if the good satisfies the requirements of subdivision (b) of this note and all other applicable requirements.
- (ii) <u>Originating materials used in production of goods of a USMCA country.</u>—Originating materials from the territory of one or more USMCA countries that are used in the production of a good in the territory of another USMCA country shall be considered to originate in the territory of such other USMCA country.
- (iii) <u>Production undertaken on nonoriginating materials used in the production of goods.</u>—In determining whether a good is an originating good under this note, production undertaken on nonoriginating material in the territory of one or more USMCA countries by one or more producers may contribute to the originating status of the good, regardless of whether that production is sufficient to confer originating status to the nonoriginating material.
- (e) De minimis amounts of nonoriginating materials.
  - (i) In general.—Except as provided in subparagraphs (e)(ii) through (iv) below, a good that does not undergo a change in tariff classification or satisfy a regional value content requirement set forth in subdivision (o) of this note is an originating good if—
    - (A) the value of all nonoriginating materials that are used in the production of the good, and do not undergo the applicable change in tariff classification set forth in subdivision (o) of this note—
      - does not exceed 10 percent of the transaction value of the good, adjusted to exclude any costs incurred in the international shipment of the good; or
      - (2) does not exceed 10 percent of the total cost of the good;
    - (B) the good meets all other applicable requirements of this note; and
    - (C) the value of such nonoriginating materials is included in the value of nonoriginating materials for any applicable regional value content requirement for the good.
  - (ii) Exceptions for dairy and other products.—Subdivision (e)(i) does not apply to the following:
    - (A) a nonoriginating material of headings 0401 through 0406, or a nonoriginating dairy preparation containing over 10 percent by dry weight of milk solids of subheading 1901.90 or 2106.90, used or consumed in the production of a good of headings 0401 through 0406;
    - (B) a nonoriginating material of headings 0401 through 0406, or nonoriginating dairy preparations containing over 10 percent by dry weight of milk solids of subheading 1901.90 or 2106.90, used or consumed in the production of any of the following goods:
      - (1) infant preparations containing over 10 percent by dry weight of milk solids, of subheading 1901.10;

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- (2) mixes and doughs containing over 25 percent by dry weight of butterfat, not put up for retail sale, of subheading 1901.20;
- (3) a dairy preparations containing over 10 percent by dry weight of milk solids, of subheading 1901.90 or 2106.90;
- (4) a good of heading 2105;
- (5) beverages containing milk of subheading 2202.90;
- (6) animal feeds containing over 10 percent by dry weight of milk solids of subheading 2309.90.
- (C) A nonoriginating material or heading 0805, or any of subheadings 2009.11 through 2009.39, used or consumed in the production of a good of subheadings 2009.11 through 2009.39, or a fruit or vegetable juice of any single fruit or vegetable, fortified with minerals or vitamins, concentrated or unconcentrated, of subheading 2106.90 or 2202.90.
- (D) A nonoriginating material of chapter 9 used or consumed in the production of instant coffee, not flavored, of subheading 2101.11.
- (E) A nonoriginating material of chapter 15 used or consumed in the production of a good of heading 1501 through 1508, 1512, 1514 or 1515.
- (F) A nonoriginating material of heading 1701 used or consumed in the production of a good of any of headings 1701 through 1703.
- (G) A nonoriginating good of chapter 17 or heading 1805 used in the production of a good of subheading 1806.10.
- (H) Nonoriginating peaches, pears, or apricots of chapter 8 or 20, used in the production of a good of heading 2008.
- (I) A nonoriginating single juice ingredient of heading 2009 used or consumed in the production of a good of—
  - (1) subheading 2009.90, or tariff item 2106.90.54 (concentrated mixtures of fruit or vegetable juice, fortified with minerals or vitamins); or
  - (2) tariff items 2202.99.37 (mixtures of fruit or vegetable juices, fortified with minerals or vitamins).
- (J) A nonoriginating material of any of headings 2203 through 2208 used or consumed in the production of a good provided for under heading 2207 or 2208.
- (iii) Goods provided for under chapters 1 through 27.—Subparagraph (i) of this subdivision does not apply to a nonoriginating material used or consumed in the production of a good provided for in chapters 1 through 27 unless the nonoriginating material is provided for in a different subheading than the subheading of the good for which origin is being determined.
- (iv) Textile or apparel goods.
  - (A) Goods classified under chapters 50 through 60.—Except as provided in subparagraph (C) below, a textile or apparel good provided for in any of chapters 50 through 60 or heading 9619 that is not an originating good because certain nonoriginating materials used in the production of the good do not undergo an applicable change in tariff classification set forth in subdivision (o) of this note, shall be considered to be an originating good if the total weight of all such materials, including elastomeric yarns, is not more than 10 percent of the total weight of the good and the good meets all other applicable requirements of this note.
  - (B) Goods classified under chapters 61 through 63.—Except as provided in subparagraph (C) below, a textile or apparel good provided for in chapter 61, 62 or 63 that is not an originating good because certain fibers or yarns used in the production of the component of the good that determines the tariff classification of the good do not undergo an applicable change in tariff classification set forth in subdivision (o) of this note shall be considered to be an originating good if the total weight of all such fibers or yarns in the component, including elastomeric yarns, is not more than 10 percent of the total weight of the component and the good meets all other applicable requirements of this note.

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- (C) Goods containing nonoriginating elastomeric yarns.
  - (1) Goods classified under chapters 50 through 60 or heading 9619.—A textile or apparel good described in subparagraph (A) above and containing nonoriginating elastomeric yarns shall be considered to be an originating good only if the nonoriginating elastomeric yarns contained in the good do not exceed 7 percent of the total weight of the good.
  - (2) Goods classified under chapters 61 through 63.—A textile or apparel good described in subparagraph (B) shall be considered to be an originating good only if the nonoriginating elastomeric yarns contained in the component of the good that determines the tariff classification of the good do not exceed 7 percent of the total weight of the component.
- (f) Fungible goods and materials.
  - (i) <u>Fungible materials used in production.</u>—Subject to subparagraph (f)(iii) below, if originating and nonoriginating fungible materials are used or consumed in the production of a good, the determination of whether the materials are originating may be made on the basis of any of the inventory management methods set forth in regulations implementing this note.
  - (ii) Fungible goods commingled and exported.—Subject to subparagraph (f)(iii) below, if originating and nonoriginating fungible goods are commingled and exported in the same form, the determination of whether the goods are originating may be made on the basis of any of the inventory management methods set forth in regulations implementing this note. An importer may claim that a fungible material or good is originating if the importer, producer, or exporter has physically segregated each fungible material or good as to allow their specific identification.
  - (iii) <u>Use of inventory management method.</u>—A person that selects an inventory management method for purposes of paragraph (f)(i) or (f)(ii) of this subdivision shall use that inventory management method throughout the fiscal year of the person.
- (g) Accessories, spare parts, tools and instructional or other information materials.
  - i) In general.—Subject to paragraph (g)(ii) below, accessories, spare parts, tools or instructional or other information materials delivered with a good shall—
    - (A) be treated as originating if the good is an originating good;
    - (B) be disregarded in determining whether a good is a good wholly obtained or produced entirely in the territory of one or more USMCA countries or satisfies a process or change in tariff classification set forth in subdivision (o) of this note; and
    - (C) be taken into account as originating or nonoriginating materials, as the case may be, in calculating any applicable regional value content of the good set forth in subdivision (o) of this note.
  - (ii) Conditions.—Paragraph (g)(i) of this subdivision shall apply only if—
    - (A) the accessories, spare parts, tools or instructional or other information materials are classified with and delivered with, but not invoiced separately from, the good; and
    - (B) the types, quantities and value of the accessories, spare parts, tools or instructional or other information materials are customary for the good.
- (h) [Format adjusted for alignment.]
  - (i) <u>Packing materials and containers for shipment.</u>—Packing materials and containers for shipment shall be disregarded in determining whether a good is an originating good.
  - (ii) Packaging materials and containers for retail sale. -- Packaging materials and containers in which a good is packaged for retail sale, if classified with the good, shall be disregarded in determining whether all of the nonoriginating materials used in the production of the good undergo the applicable process or change in tariff classification requirement set forth in subdivision (o) of this note, or whether the good is a good wholly obtained or produced entirely in the territory of one or more USMCA countries. If the good is subject to a regional value content requirement set forth in that Annex, the value of such packaging materials and containers shall be taken into account as originating or nonoriginating materials, as the case may be, in calculating the regional value content of the good.

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- (iii) Indirect materials.—An indirect material shall be treated as an originating material without regard to where it is produced.
- (iv) <u>Transit and transshipment.</u>—A good that has undergone production necessary to qualify as an originating good under subdivision (b) of this note shall not be considered to be an originating good if, subsequent to that production, the good--
  - (A) undergoes further production or any other operation outside the territory of a USMCA country, other than—
    - unloading, reloading, separation from a bulk shipment, storing, labeling or marking, as required by a USMCA country, or
    - (2) any other operation necessary to preserve the good in good condition or to transport the good to the territory of the importing USMCA country; or
  - (B) does not remain under the control of customs authorities in a country other than a USMCA country.
- (i) Goods classifiable as goods put up in sets.-- Notwithstanding the rules set forth in subdivision (o) of this note, goods classifiable as goods put up in sets for retail sale as provided for in rule 3 of the general rules of interpretation of the tariff schedule shall not be considered to be originating goods unless—
  - (A) each of the goods in the set is an originating good; or
  - (B) the total value of the nonoriginating goods in the set does not exceed 10 percent of the value of the set. [Compiler's note: numbering of subdivisions as set forth in proclaimed text.]
- (j) Nonqualifying operations.—A good shall not be considered to be an originating good merely by reason of—
  - (i) mere dilution with water or another substance that does not materially alter the characteristics of the good; or
  - (ii) any production or pricing practice with respect to which it may be demonstrated, by a preponderance of the evidence, that the object of the practice was to circumvent the requirements of this note.
- (k) Special rules for automotive goods.
  - (i) An automotive good and other motor vehicles and parts described herein shall be subject to applicable requirements set forth in this paragraph, including, with respect to a passenger vehicle or light truck that has been authorized to use the alternative staging regime described under subparagraph (viii), applicable requirements for the duration of the alternative staging period specified in the approval.
  - (ii) Definitions.—In this subdivision:
    - (A) Advanced technology vehicle.—The term "advanced technology vehicle" means:
      - (1) an electric vehicle, including a hybrid electric vehicle, a fuel cell vehicle or other type of advanced propulsion vehicle (e.g., zero emission vehicle); or
      - (2) an autonomous vehicle of headings 8703 or 8704 classified as a Level 4 or Level 5 automated vehicle in accordance with SAE International SAEJ3016-2016 (Taxonomy and Definitions for Terms Related to Driving Automation Systems for On-Road Motor Vehicles), as amended;
    - (B) <u>Alternative staging regime</u>.—The term "alternative staging regime" means the application, pursuant to subdivision (k)(viii) of this note, of the requirements of article 8 of the automotive appendix to the production of covered vehicles to allow producers of such vehicles to bring such production into compliance with the requirements of Article 2 through 7, inclusive, of that appendix, under the terms provided in applicable regulations.
    - (C) <u>Alternative staging regime period</u>.—The term "alternative staging regime period" means the period during which the alternative staging regime is in effect.

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- (D) <u>Automotive appendix.</u>—The term "automotive appendix" means the Appendix to Annex 4-B of the USMCA (relating to the product-specific rules of origin for automotive goods, as reflected in subdivision (o) of this note).
- (E) Automotive good.—The term "automotive good" means—
  - (1) a covered vehicle; or
  - (2) a part, component or material listed in table A.1, A.2, B, C, D or E of the automotive appendix, subject to any provisions that may be included in regulations issued by the Secretary of the Treasury.
- (F) <u>Automotive rules of origin</u>.—The term "automotive rules of origin" means the rules of origin for automotive goods set forth in the automotive appendix.
- (G) Class of motor vehicles.—The term "class of motor vehicles" means one of the following categories of motor vehicles:
  - (1) motor vehicles of subheading 8701.20, motor vehicles for the transport of 16 or more persons of subheadings 8702.10 or 8702.90, or motor vehicles of subheadings 8704.10, 8704.22, 8704.23, 8704.32 or 8704.90, or headings 8705 or 8706:
  - (2) motor vehicles of subheadings 8701.10 or 8701.30 through 8701.90;
  - (3) motor vehicles for the transport of 15 or fewer persons of subheading 8702.10 or 8702.90, or motor vehicles of subheadings 8704.21 or 8704.31; or
  - (4) motor vehicles of subheadings 8703.21 through 8703.90.
- (H) Commissioner.—The term "Commissioner" means the Commissioner of U.S. Customs and Border Protection.
- (I) Covered vehicle.—The term "covered vehicle" means a passenger vehicle, light truck or heavy truck.
- (J) Interagency committee. —The term "interagency committee" means the interagency committee established under section 202A(b)(1) of the USMCA Implementation Act.
- (K) Model line.—The term "model line" means a group of motor vehicles having the same platform or model name.
- (L) <u>Motor vehicle assembler.</u>—The term "motor vehicle assembler" means a producer of motor vehicles and any related persons or joint ventures in which the producer participates.
- (M) New building.—The term "new building" means a new construction, including at least the pouring or construction of new foundation and floor, the erection of a new structure and roof, and installation of new plumbing, electrical and other utilities to house a complete vehicle assembly process.
- (N) Passenger vehicle; light truck; heavy truck.—For purposes of this note, the term "passenger vehicle", "light truck" and "heavy truck" have the meanings given those terms herein. For purposes of this note, the term "off-road use" refers to vehicle that does not meet U.S. federal safety and emissions standards permitting unrestricted on-road use, or the equivalent Mexican and Canadian on-road standards.
  - (1) <u>Passenger vehicle</u>.—The term "passenger vehicle" means a vehicle of subheading 8703.21 through 8703.90,except for:
    - (I) a vehicle with a compression-ignition engine classified in subheadings 8703.31 through 8703.33 or a vehicle of subheading 8703.90 with both a compression-ignition engine and an electric motor for propulsion;
    - (II) a three or four-wheeled motorcycle;
    - (III) an all-terrain vehicle, meaning a vehicle that does not meet U.S. federal safety and emissions standards permitting unrestricted on-road use or the equivalent Mexican and Canadian on-road standards; or

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- (IV) a motorhome or entertainer coach, meaning a vehicle built on a self-propelled motor vehicle chassis that is solely or principally designed as temporary living quarters for recreational, camping, entertainment, corporate or seasonal use.
- (2) <u>Light truck.</u>—The term "light truck" means a vehicle of subheading 8704.21 or 8704.31, except for a vehicle that is solely or principally for off-road use.
- (3) <u>Heavy truck.</u>—The term "heavy truck" means a vehicle of subheading 8701.20, 8704.22, 8704.23, 8704.32, 8704.90 or 8706, except for a vehicle that is solely or principally for off-road use. For purposes of this note, a "good of heading 8706" means a chassis fitted with engines for a vehicle under subheading 8701.20, 8704.22, 8704.23, 8704.32 or 8704.90, except for a vehicle that is solely or principally designed for off-road use.
- (O) <u>Refit</u>.—The term "refit" means a plant closure, for purposes of plant conversion or retooling, that lasts at least three months.
- (P) Super-core.—The term "super-core" means the parts listed in the left column of Table A.2 of the automotive appendix, which are considered as a single part for the purposes of performing a regional value content calculation in accordance with the provisions of this note and of article 5.2 of the USMCA automotive appendix concerning averaging.
- (iii) Staging of regional value content requirements.---
  - (A) Notwithstanding subdivision (o) of this note, the regional value content requirement for a passenger vehicle or a light truck is:
    - (1) 66 percent under the net cost method, beginning on July 1, 2020;
    - (2) 69 percent under the net cost method, beginning on July 1, 2021;
    - (3) 72 percent under the net cost method, beginning on July 1, 2022; and
    - (4) 75 percent under the net cost method, beginning on July 1, 2023, and thereafter.
  - (B) Notwithstanding subdivision (o) of this note, the regional value content requirement for a part listed in Table A.1 of the automotive appendix that is for use in a passenger vehicle or light truck is:
    - (1) 66 percent under the net cost method or 76 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on July 1, 2020;
    - (2) 69 percent under the net cost method or 79 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on July 1, 2021;
    - (3) 72 percent under the net cost method or 82 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on July 1, 2022; or
    - (4) 75 percent under the net cost method or 85 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on July 1, 2023, and thereafter.
  - (C) Notwithstanding subdivision (o) of this note, a part listed in Table A.1 of the automotive appendix that is for use in a passenger vehicle or light truck is originating only if it satisfies the regional value content requirement insubdivision (k)(iii)(B), except for batteries of subheading 8507.60 that are used as the primary source of electrical power for the propulsion of an electric passenger vehicle or light truck.
  - (D) Notwithstanding subdivision (o) of this note, the regional value content requirement for a part listed in Table B of the automotive appendix that is for use in a passenger vehicle or light truck is:
    - 62.5 percent under the net cost method or 72.5 percent under the transaction value method, if thecorresponding rule in subdivision (o) includes a transaction value method, beginning on July 1, 2020;

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- (2) 65 percent under the net cost method or 75 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on July 1, 2021;
- (3) 67.5 percent under the net cost method or 77.5 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on January 1, 2022; or
- (4) 70 percent under the net cost method or 80 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on January 1, 2023, and thereafter.

Notwithstanding any regional value content requirement in this subparagraph, a part listed in Table B of the automotive appendix is originating if it meets the applicable change in tariff classification requirement provided in subdivision (o) of this note.

- (E) Notwithstanding subdivision (o) of this note, the regional value content requirement for a part listed in Table C of the automotive appendix that is for use in a passenger vehicle or light truck is:
  - (1) 62 percent under the net cost method or 72 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on July 1, 2020;
  - (2) 63 percent under the net cost method or 73 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on July 1, 2021;
  - (3) 64 percent under the net cost method or 74 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on July 1, 2022; or
  - (4) 65 percent under the net cost method or 75 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on July 1, 2023, and thereafter.

Notwithstanding any regional value content requirement in this subparagraph, a part listed in Table C of the automotive appendix is originating if it meets the applicable change in tariff classification requirement provided in subdivision (o) of this note.

- (F) For the purposes of calculating the regional value content under paragraphs (A) through (E) of this subdivision, the provisions of subdivision (c)(i) (regional value content), (c)(viii) (value of materials used in production), (c)(x)(further adjustments to the value of materials) and (c)(ix) (intermediate materials) and subdivision (N) on averaging apply.
- (G) For the purposes of this note, a passenger vehicle or light truck is originating only if the parts listed in column 1 of Table A.2 of the automotive appendix, as may be further described in applicable regulations, including provisions of the Uniform Regulations, used in the production of a passenger vehicle or light truck are originating. Such a part is originating only if it satisfies the regional value content requirement in subdivision (B), except for an advanced battery.
- (H) For the purposes of calculating the regional value content under subdivision (c)(i) of this note, for a part under column 1 of Table A.2 of the automotive appendix, the value of nonoriginating materials (VNM) is, at the vehicle producer's option:
  - (1) the value of all non-originating materials used in the production of the part; or
  - (2) the value of any non-originating components used in the production of the part that are listed under Column 2 of Table A.2 of such appendix.
- (I) Further to subparagraph (H) above, the regional value content may also be calculated, at the producer's option, for all parts under column 1 of Table A.2 of the automotive appendix as a single part, using the sum of the net cost of each part listed under Column 1 of Table A.2 of such appendix, and when calculating the VNM, at the producer's option:
  - (1) the sum of the value of all non-originating materials used in the production of the parts listed under Column 1; or
  - (2) the sum of the value of only those non-originating components under Column 2 of Table A.2 of the automotive appendix, used in the production of the parts listed under Column 1 of such table.

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If this regional value content meets the required threshold under subparagraph (I)(2), all parts under Table A.2 of such appendix are originating and the passenger vehicle or light truck will be considered to have met the requirement under subparagraph (H), above.

- (J) Notwithstanding any other provision of this note, the regional value content requirement for a heavy truck is:
  - (1) 60 percent under the net cost method, beginning on July 1, 2020;
  - (2) 64 percent under the net cost method, beginning on July 1, 2024; or
  - (3) 70 percent under the net cost method, beginning on July 1, 2027, and thereafter.
- (K) Notwithstanding any other provision of this note, the regional value content requirement for a part listed in Table D of the automotive appendix that is for use in a heavy truck is:
  - (1) 60 percent under the net cost method or 70 percent under the transaction value method, if the corresponding rule in subdivision (o) of this note includes a transaction value method, beginning on July 1, 2020;
  - (2) 64 percent under the net cost method or 74 percent under the transaction value method, if the corresponding rule in subdivision (o) of this note includes a transaction value method, beginning on July 1, 2024; and
  - (3) 70 percent under the net cost method or 80 percent under the transaction value method, if the corresponding rule in subdivision (o) of this note includes a transaction value method, beginning on July 1, 2027, andthereafter.
- (L) Notwithstanding subdivision (o) of this note, the regional value content requirement for a part listed in Table E of the automotive appendix that is for use in a heavy truck is:
  - (1) 50 percent under the net cost method or 60 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on July 1, 2020;
  - (2) 54 percent under the net cost method or 64 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method beginning on July 1, 2024; and
  - (3) 60 percent under the net cost method or 70 percent under the transaction value method, if the corresponding rule in subdivision (o) includes a transaction value method, beginning on July 1, 2027, and thereafter.
- (M) Notwithstanding any other provision of this note, a part of heading 8407 or 8408 or subheading 8708.40, or a chassis classified in subheading 8708.99, that is for use in a heavy truck, is originating only if it satisfies the applicable regional value content requirement in subdivision (B) above.

## (iv) Averaging.—

- (A) For the purposes of calculating the regional value content of a passenger vehicle, light truck or heavy truck, the calculation may be averaged over the producer's fiscal year, using any one of the following categories, on the basis of either all motor vehicles in the category or only those motor vehicles in the category that are exported to the territory of one or more of the other USMCA countries:
  - the same model line of motor vehicles in the same class of vehicles produced in the same plant in the territory of a USMCA country;
  - (2) the same class of motor vehicles produced in the same plant in the territory of a USMCA country;
  - (3) the same model line or same class of motor vehicles produced in the territory of a USMCA country; or
  - (4) any other category as the USMCA countries may decide and provide for in the Uniform Regulations or other appropriate instrument.

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- (B) For the purposes of calculating the regional value content for an automotive good listed in Tables A.1, B, C, D or E of the automotive appendix, produced in the same plant, or a super-core for a passenger vehicle or light truck, the calculation may be averaged:
  - (1) over the fiscal year of the motor vehicle producer to whom the good is sold;
  - (2) over any quarter or month;
  - (3) over the fiscal year of the producer of the automotive material; or
  - (4) over any of the categories in subdivision (A)(1) through (A)(4) above,

provided that the good was produced during the fiscal year, quarter, or month forming the basis for the calculation, in which:

- the average in subparagraph (A) is calculated separately for those goods sold to one or more motor vehicle producers, or
- (II) the average in subparagraph (A) or (B) is calculated separately for those goods that are exported to the territory of another USMCA country.

## (v) Steel and aluminum rules.

- (A) In addition to the provisions of subdivisions (c) and (o) of this note and other requirements in the automotive appendix, a passenger vehicle, light truck, or heavy truck is originating only if, during a time period provided for in subdivision (v)(B) below, at least 70 percent of:
  - (1) the vehicle producer's purchases of steel by value in the territories of the USMCA countries; and
  - (2) the vehicle producer's purchases of aluminum by value in the territories of the USMCA countries,

are of originating goods.

The requirement in this paragraph applies to a vehicle producer's corporate purchases throughout the territories of the USMCA countries, including if the producer has more than one location in a USMCA country where steel and aluminum is purchased. Such purchases of steel and aluminum include direct purchases, purchases through a services center, and purchases contracted through a supplier. Notwithstanding any other provision of this note, beginning on July 1, 2027, for steel to be considered as originating under this note, all steel manufacturing processes must occur in one or more of the USMCA countries, except for metallurgical processes involving the refinement of steel additives. Such processes include the initial melting and mixing and continues through the coating stage. This requirement does not apply to raw materials used in the steel manufacturing process, including steel scrap; iron ore; pig iron; reduced, processed or pelletized iron ore; or raw alloys.

- (B) For the purposes of determining the vehicle producer's purchases of steel or aluminum in paragraph (v)(A) above, the producer may calculate the purchases:
  - (1) over the previous fiscal year of the producer;
  - (2) over the previous calendar year;
  - (3) over the quarter or month to date in which the vehicle is exported;
  - (4) over the producer's fiscal year to date in which the vehicle is exported; or
  - (5) over the calendar year to date in which the vehicle is exported.
- (C) A steel or aluminum calculation based on the producer's previous fiscal year is valid for the duration of the producer's current fiscal year.

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A steel or aluminum calculation based on the previous calendar year is valid for the duration of the current calendar year.

(D) Regulations, including provisions of the Uniform Regulations, may provide additional descriptions for steel and aluminum subject to paragraph (v)(A) above, such as by tariff provisions or product descriptions, to facilitate implementation of this requirement.

### (vi) Labor value content.

- (A) In addition to the provisions of subdivision (o) and any other applicable provision of this note, and subject to regulations issued by the Secretary of the Treasury, in consultation with the Secretary of Labor, a passenger vehicle is originating only if the vehicle producer certifies that its production meetsa Labor Value Content (LVC) requirement of:
  - (1) 30 percent, consisting of at least 15 percentage points of high-wage material and manufacturing expenditures, no more than 10 percentage points of high-wage technology expenditures and no more than 5 percentage points of high-wage assembly expenditures, beginning on July 1, 2020;
  - (2) 33 percent, consisting of at least 18 percentage points of high-wage material and manufacturing expenditures, no more than 10 percentage points of technology expenditures, and no more than 5 percentage points of high-wage assembly expenditures, beginning on July 1, 2021;
  - (3) 36 percent, consisting of at least 21 percentage points of high-wage material and manufacturing expenditures, no more than 10 percentage points of technology expenditures, and no more than 5 percentage points of high-wage assembly expenditures, beginning on July 1, 2022; or
  - (4) 40 percent, consisting of at least 25 percentage points of high-wage material and manufacturing expenditures, no more than 10 percentage points of technology expenditures, and no more than 5 percentage points of high-wage assembly expenditures, beginning on July 1, 2023, and thereafter.
- (B) In addition to the provisions of subdivision (o) and any other requirement in this note, a light truck or heavy truck is originating only if the vehicle producer certifies that its production meets an LVC requirement of 45 percent, consisting of at least 30 percentage points of high-wage material and manufacturing expenditures, no more than 10 percentage points of high-wage technology expenditures and no more than 5 percentage points of high-wage assembly expenditures.
- (C) High-wage material or manufacturing expenditures, high-wage technology expenditures and high-wage assembly expenditures described under paragraphs (vi)(A) and (v)(B) above are calculated as follows:
  - (1) for high-wage material and manufacturing expenditures, the Annual Purchase Value (APV) of purchased parts or materials produced in a plant or facility, and, if the producer elects, any labor costs in the vehicle assembly plant or facility, that is located in North America with a production wage rate that is at least US\$16/hour as a percentage of the net cost of the vehicle, or the total vehicle plant assembly APV, including, if the producer elects, any labor costs in the vehicle assembly plant or facility;
  - (2) for high-wage technology expenditures, the annual vehicle producer expenditures in North America on wages for research and development (R&D) or information technology (IT) as a percentage of total annual vehicle producer expenditures on production wages in North America; and
  - (3) for high-wage assembly expenditures, a single credit of no more than 5 percentage points if the vehicle producer demonstrates that it has an engine assembly, transmission assembly, or an advanced battery assembly plant, or has long term contracts with such a plant, located in North America with an average production wage of at least US\$16 per hour.

The production wage rate is the average hourly base wage rate, not including benefits, of employees directly involved in the production of the part or component used to calculate the LVC, and does not include salaries of management, R&D, engineering or other workers who are not involved in the direct production of the parts or in the operation of production lines.

High wage material and manufacturing expenses may also be calculated by taking the Annual Purchase Value of purchased parts of materials produced in a plant or facility located in the territories of the USMCA countries with a production wage

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rate that is at least US\$16/hour as a percentage of total vehicle plant assembly APV, pursuant to applicable provisions of regulations, including provisions of the Uniform Regulations.

R&D expenditures include expenditures on research and development including prototype development, design, engineering, testing, or certifying operations. IT expenditures include expenditures on software development, technology integration, vehicle communications and information technology support operations.

In the case of a passenger vehicle or light truck, in order to receive the credit described in subparagraph (3), a high wage engine assembly or transmission assembly plant must have a production capacity of at least 100,000 originating engines or transmissions and an advanced battery assembly plant must have a production capacity of at least 25,000 originating assembled advanced battery packs. In the case of a heavy truck, a high-wage engine, transmission or battery assembly plant must have a production capacity of at least 20,000 originating engines, transmissions or assembled advanced battery packs to receive the credit. Engines, transmissions or advanced battery packs need not separately qualify as originating in order to meet this requirement.

- (D) <u>Passenger vehicles.</u>--For the purposes of calculating the LVC of a passenger vehicle, light truck or heavy truck, the calculation may be averaged using any one of the following categories, on the basis of either all motor vehicles in the category or only those vehicles in the category that are exported to the territory of one or more of the other USMCA countries:
  - the same model line of motor vehicles in the same class of vehicles produced in the same plant in the territory of a USMCA country;
  - (2) the same class of motor vehicles produced in the same plant in the territory of a USMCA country;
  - the same model line of motor vehicles or same class of motor vehicles produced in the territory of a USMCA country;
  - (4) any other category as the USMCA countries may decide.
- (E) For the purposes of determining the LVC in paragraphs (A) or (B) above including under any alternative staging regime described in paragraph (viii) that may be implemented, the producer may calculate the LVC over one of the following periods:
  - (1) the previous fiscal year of the producer;
  - (2) the previous calendar year;
  - (3) the quarter or month to date in which the vehicle is produced or exported;
  - (4) the producer's fiscal year to date in which the vehicle is produced or exported; or
  - (5) the calendar year to date in which the vehicle is produced or exported.

An LVC calculation based on the producer's previous fiscal year is valid for the duration of the producer's current fiscal year.

An LVC calculation based on the previous calendar year is valid for the duration of the current calendar year.

- (F) For the period ending July 1, 2027, if a vehicle producer certifies an LVC for a heavy truck that is higher than 45 percent by increasing the amount of high wage material and manufacturing expenditures above 30 percentage points, the producer may use the points above 30 percentage points as a credit towards the regional value content percentages under this note, provided that the regional value content percentage is not below 60 percent.
- (vii) Certification and verification with respect to any provision of this note or of the automotive appendix, including the steel and aluminum requirements described in (v) and the labor value content requirements described in (vi), is subject to applicable regulations, including the Uniform Regulations.
- (viii) Alternative staging regime.

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- (A) As may be further provided for in subchapter XXIII of chapter 99 of the tariff schedule, a passenger vehicle or light truck may be originating pursuant to an alternative staging regime, provided that use of the alternative staging regime has been authorized by the Office of the U.S. Trade Representative, during the period that such regime is in effect. An alternative staging regime for eligible passenger vehicles or light trucks must meet the requirements of applicable regulations, including provisions of the Uniform Regulations, and is subject to the terms of the plan as authorized by the Office of the U.S. Trade Representative.
- (B) For purposes of this subparagraph, a vehicle is not eligible for preferential tariff treatment under an alternative staging regime if the Office of the United States Trade Representative (USTR)—
  - has determined that the producer of that vehicle will not be able to meet applicable requirements after the alternative staging regime has expired; or
  - (2) has determined that the producer of that vehicle has failed to take the steps set forth in its request for an alternative staging regime and will not be able to meet applicable requirements after the alternative staging regime has expired as a result of such failure, has provided false or misleading information in its request, or has failed to notify the USTR of material changes in circumstances that will prevent it from meeting applicable requirements after the alternative staging regime has expired.

## (ix) RVC for other motor vehicles.

- (A) Notwithstanding the provisions of subdivision (o) of this note, the regional value content requirement is 62.5 percent under the net cost method for:
  - (1) a motor vehicle for the transport of 15 or fewer persons of subheading 8702.10 or 8702.90; a passenger vehicle with a compression-ignition engine as the primary motor of propulsion of subheading 8703.21 through 8703.90, a three or four-wheeled motorcycleof subheading 8703.21 through 8703.90, a motorhome or entertainer coach of [subheading] 8703.21 through 8703.90, an ambulance, hearse, or prison van of subheading 8703.21 through 8703.90, a vehicle solely or principally for off-road use of subheading 8703.21 through 8703.90; or a vehicle of subheading 8704.21 or 8704.31 that is solely or principally for off-road use; and
  - (2) a good of heading 8407 or 8408, or subheading 8708.40, that is for use in a motor vehicle in subparagraph (1) above.
- (B) Notwithstanding the provisions of subdivision (o) of this note, the regional value content requirement is 60 percent under the net cost method for:
  - (1) a good that is a motor vehicle of heading 8701, except for subheading 8701.20; a motor vehicle for the transport of 16 or more persons of subheading 8702.10 or 8702.90; a motor vehicle of subheading 8704.10; a motor vehicle of subheading 8704.22, 8704.23, 8704.32 or 8704.90 that is solely or principally for off-road use; a motor vehicle of heading 8705; or a good of heading 8706 that is not for use in a passenger vehicle, light truck or heavy truck;
  - (2) a good of heading 8407 or 8408, or subheading 8708.40, that is for use in a motor vehicle in subparagraph (1) above: or
  - (3) except for a good in paragraph (2) above or of subheading 8482.10 through 8482.80, 8483.20 or 8483.30, a good in Table F of the automotive appendix that is subject to a regional value content requirement and that is for use in a motor vehicle in subparagraph (1) or (2) above.
- (C) For the purposes of calculating the regional value content under the net cost method for a good that is a motor vehicle provided for in paragraph (A) or (B) above, a good listed in Table F of the automotive appendix for use as original equipment in the production of a good in paragraph (A)(1), or a component listed in Table G ofsuch appendix for use as original equipment in the production of the motor vehicle in paragraph (B)(1) above, the value of non-originating materials used by the producer in the production of the good shall be the sum of:
  - (1) for each material used by the producer listed in Table F or Table G of such appendix, whether or not produced by the producer, at the choice of the producer and determined in accordance with applicable provisions of this note on regional value content, either

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- the value of such material that is non-originating, or
- (II) the value of non-originating materials used in the production of such material; and
- (2) the value of any other non-originating material used by the producer that is not listed in Table F or Table G of the automotive appendix, determined in accordance with applicable provisions of this note on regional value content.
- (D) For purposes of calculating the regional value content of a motor vehicle covered by paragraph (A) or (B) above, the producer may average its calculation over its fiscal year, using any one of the following categories, on the basis of either all motor vehicles in the category or only those motor vehicles inthe category that are exported to the territory of one or more of the other USMCA countries:
  - the same model line of motor vehicles in the same class of vehicles produced in the same plant in the territory of a USMCA country;
  - (2) the same class of motor vehicles produced in the same plant in the territory of a USMCA country; or
  - (3) the same model line of motor vehicles produced in the territory of a USMCA country.
- (E) For purposes of calculating the regional value content for a good listed in Table F of the automotive appendix, or a component or material listed in Table G of such appendix, produced in the same plant, the producer of the good may:
  - (1) average its calculation:
    - (I) over the fiscal year of the motor vehicle producer to whom the good is sold,
    - (II) over any quarter or month, or
    - (III) over its fiscal year, if the good is sold as an aftermarket part;
  - (2) calculate the average referred to in subparagraph (1) separately for a good sold to one or more motor vehicle producers; or
  - (3) with respect to any calculation under this paragraph, calculate the average separately for goods that are exported to the territory of one or more of the USMCA countries.
- (F) The regional value content requirement for a motor vehicle identified in paragraph (A) or (B) above shall be:
  - (1) 50 percent for five years after the date on which the first motor vehicle prototype is produced in a plant by a motor vehicle assembler, if:
    - it is a motor vehicle of a class, or marque, or, except for a motor vehicle identified in paragraph (B) above, size
      category and underbody, not previously produced by the motor vehicle assembler in the territory of any of the
      USMCA countries.
    - (II) the plant consists of a new building in which the motor vehicle is assembled, and
    - (III) the plant contains substantially all new machinery that is used in the assembly of the motor vehicle; or
  - (2) 50 percent for two years after the date on which the first motor vehicle prototype is produced at a plant following a refit, if it is a different motor vehicle of a class, or marque, or, except for a motor vehicle identified in paragraph (B), size category and underbody, than was assembled by the motor vehicle assembler in the plant before the refit.
- (I) <u>Definitions</u>. In this note:
  - (i) Aquaculture.—The term "aquaculture" means the farming of aquatic organisms, including fish, molluscs, crustaceans, other aquatic invertebrates and aquatic plants from seed stock such as eggs, fry, fingerlings or larvae, by intervention in the rearing or growth processes to enhance production such as regular stocking, feeding or protection from predators.

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- (ii) <u>Customs Valuation Agreement</u>.—The term "Customs Valuation Agreement" means the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade 1994 referred to in section 101(d)(8) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(8)).
- (iii) <u>Fungible good or fungible material</u>.—The term "fungible good" or "fungible material" means a good or material, as the case may be, that is interchangeable with another good or material for commercial purposes and the properties of which are essentially identical to such other good or material.
- (iv) Good wholly obtained or produced entirely in the territory of one or more USMCA countries.—The term "good wholly obtained or produced entirely in the territory of one or more USMCA countries" means any of the following:
  - (1) a mineral good or other naturally occurring substance extracted or taken from the territory of one or more USMCA countries;
  - (2) a plant, plant good, vegetable or fungus grown, cultivated, harvested, picked or gathered in the territory of one or more USMCA countries;
  - (3) a live animal born and raised in the territory of one or more USMCA countries;
  - (4) a good obtained in the territory of one or more USMCA countries from a live animal;
  - (5) an animal obtained by hunting, trapping, fishing, gathering or capturing in the territory of one or more USMCA countries;
  - (6) a good obtained in the territory of one or more USMCA countries from aquaculture;
  - (7) a fish, shellfish or other marine life taken from the sea, seabed or subsoil outside the territory of one or more USMCA countries and outside the territorial sea of any country that is not a USMCA country by—
    - (A) a vessel that is registered or recorded with a USMCA country and flying the flag of that country; or
    - (B) a vessel that is documented under the laws of the United States;
  - (8) a good produced on board a factory ship from goods referred to in subparagraph (7) above, if such factory ship—
    - (A) is registered or recorded with a USMCA country and flies the flag of that country; or
    - (B) is a vessel that is documented under the laws of the United States;
  - (9) a good, other than a good referred to in subparagraph (7) above, that is taken by a USMCA country, or a person of a USMCA country, from the seabed or subsoil outside the territory of a USMCA country, if that USMCA country has the right to exploit such seabed or subsoil;
  - (10) waste and scrap derived from-
    - (A) production in the territory of one or more USMCA countries; or
    - (B) used goods collected in the territory of one or more USMCA countries, if such goods are fit only for the recovery of raw materials;
  - (11) a good produced in the territory of one or more USMCA countries exclusively from goods referred to in any of subparagraphs (1) through (10), inclusive, of this subdivision, or from their derivatives, at any stage of production.
- (v) Indirect material.—The term "indirect material" means a material used or consumed in the production, testing or inspection of a good but not physically incorporated into the good, or a material used or consumed in the maintenance of buildings or the operation of equipment associated with the production of a good, including—
  - (1) fuel and energy;

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- (2) tools, dies and molds;
- (3) spare parts and materials used or consumed in the maintenance of equipment or buildings;
- (4) lubricants, greases, compounding materials and other materials used or consumed in production or to operate equipment or buildings;
- (5) gloves, glasses, footwear, clothing, safety equipment and supplies;
- (6) equipment, devices and supplies used for testing or inspecting the good;
- (7) catalysts and solvents; and
- (8) any other material that is not incorporated into the good, if the use of the material in the production of the good can reasonably be demonstrated to be a part of that production.
- (vi) Intermediate material.—The term "intermediate material" means a material that is self-produced, used or consumed in the production of a good, and designated as an intermediate material pursuant to subdivision (c)(ix) of this note.
- (vii) Material.—The term "material" means a good that is used or consumed in the production of another good and includes a part or an ingredient.
- (viii) Net cost.—The term "net cost" means total cost minus sales promotion, marketing and after-sales service costs, royalties, shipping and packing costs and nonallowable interest costs that are included in the total cost.
- (ix) Net cost of a good.—The term "net cost of a good" means the net cost that can be reasonably allocated to a good using one of the methods set forth in subdivision (c)(vii) above.
- (x) Nonallowable interest costs.—The term "nonallowable interest costs" means interest costs incurred by a producer that exceed 700 basis points above the applicable official interest rate for comparable maturities of the country in which the producer is located.
- (xi) <u>Nonoriginating good or nonoriginating material.</u>—The term "nonoriginating good" or "nonoriginating material" means a good or material, as the case may be, that does not qualify as originating under this note.
- (xii) Originating good; originating material.—The term "originating good" or "originating material" means a good or material, as the case may be, that qualifies as originating under this note.
- (xiii) <u>Packaging materials and containers</u>.—The term "packaging materials and containers" means materials and containers in which a good is packaged for retail sale.
- (xiv) <u>Packing materials and containers</u>.—The term "packing materials and containers" means materials and containers that are used to protect a good during transportation.
- (xv) Producer.—The term "producer" means a person who engages in the production of a good.
- (xvi) Production.—The term "production" means—
  - growing, cultivating, raising, mining, harvesting, fishing, trapping, hunting, capturing, breeding, extracting, manufacturing, processing or assembling a good; or
  - (2) the farming of aquatic organisms through aquaculture.
- (xvii) Reasonably allocate. —The term "reasonably allocate" means to apportion in a manner appropriate to the circumstances.
- (xviii)Recovered material.—The term "recovered material" means a material in the form of individual parts that are the result of—

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- (1) the disassembly of a used good into individual parts; and
- (2) the cleaning, inspecting, testing or other processing that is necessary for improvement to sound working condition of such individual parts.
- (xix) Remanufactured good.—The term "remanufactured good" means a good classified in the tariff schedule under any of chapters 84 through 90 or under heading 9402, other than a good classified under heading 8418, 8509, 8516 or 8703 or subheading 8414.51, 8450.11, 8450.12, 8508.11 or 8517.11, that—
  - (1) is entirely or partially composed of recovered materials;
  - (2) has a life expectancy similar to, and performs in a manner that is the same as or similar to, such a good when new; and
  - (3) has a factory warranty similar to that applicable to such a good when new.
- (xx) <u>Royalties</u>.—The term "royalties" means payments of any kind, including payments under technical assistance or similar agreements, made as consideration for the use of, or right to use, a copyright, literary, artistic or scientific work, patent, trademark, design, model, plan or secret formula or secret process, excluding payments under technical assistance or similar agreements that can be related to a specific service such as—
  - (1) personnel training, without regard to where the training is performed; or
  - (2) if performed in the territory of one or more USMCA countries, engineering, tooling, die-setting, software design and similar computer services, or other services.
- (xxi) <u>Sales promotion, marketing and after-sales service costs</u>.—The term "sales promotion, marketing and after-sales service costs" means the costs related to sales promotion, marketing and after-sales service for the following:
  - (1) sales and marketing promotion, media advertising, advertising and market research, promotional and demonstration materials, exhibits, sales conferences, trade shows, conventions, banners, marketing displays, free samples, sales, marketing and after-sales service literature (product brochures, catalogs, technical literature, price lists, service manuals and sales aid information), establishment and protection of logos and trademarks, sponsorships, wholesale and retail charges and entertainment;
  - (2) sales and marketing incentives, consumer, retailer or wholesaler rebates and merchandise incentives;
  - (3) salaries and wages, sales commissions, bonuses, benefits (such as medical, insurance and pension benefits), traveling and living expenses, and membership and professional fees for sales promotion, marketing and after-sales services personnel;
  - (4) product liability insurance;
  - (5) rent and depreciation of sales promotion, marketing and after-sales service offices and distribution centers;
  - (6) payments by the producer to other persons for warranty repairs;
  - (7) if the costs are identified separately for sales promotion, marketing or after-sales services of goods on the financial statements or cost accounts of the producer, the following:
    - (A) property insurance premiums, taxes utilities and repair and maintenance of sales promotion, marketing andafter-sales service offices and distribution centers;
    - (B) recruiting and training of sales promotion, marketing and after-sales service personnel, and after-sales training of customers' employees;
    - (C) office supplies for sales promotion, marketing and after-sales service of goods;
    - (D) telephone, mail and other communications.

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- (xxii) <u>Self-produced material</u>.—The term "self-produced material" means a material that is produced by the producer of a good and used in the production of that good.
- (xxiii)Shipping and packing costs.—The term "shipping and packing costs" means the costs incurred in packing a good for shipment and shipping the good from the point of direct shipment to the buyer, excluding the costs of preparing and packaging the good for retail sale.
- (xxiv)<u>Territory</u>.—The term "territory" with respect to a USMCA country, has the meaning given that term in section C of chapter 1 of the USMCA, as further defined in subdivision (n) of this note.

(xxv) Total cost.—The term "total cost"—

- (1) In general.—The term "total cost"—
  - (A) means all product costs, period costs and other costs for a good incurred in the territory of one or more USMCA countries; and
  - (B) does not include-
    - (I) profits that are earned by the producer of the good, regardless of whether the costs are retained by the producer or paid out to other persons as dividends; or
    - (II) taxes paid on those profits, including capital gains taxes.
- (2) Other definitions.—In this subdivision—
  - (A) Other costs.—The term "other costs" means all costs recorded on the books of the producer that are not product costs or period costs, such as interest.
  - (B) <u>Period costs.</u>—The term "period costs" means costs, other than product costs, that are expensed in the period in which they are incurred, such as selling expenses and general and administrative expenses.
  - (C) <u>Product costs.</u>—The term "product costs" means costs that are associated with the production of a good, including the value of materials, direct labor costs and direct overhead.

(xxvi)<u>Transaction value</u>.—The term transaction value" means the price—

- (1) actually paid or payable for a good or material with respect to a transaction of a producer; and
- (2) adjusted in accordance with the principles set forth in paragraphs 1, 3 and 4 of article 8 of the Customs Valuation Agreement.
- (xxvii) <u>USMCA country.</u>—The term "USMCA country" means the United States, Canada or Mexico for such time as the USMCA is in force with respect to Canada or Mexico, and the United States applies the USMCA to Canada or Mexico.
- (xxviil<u>Value.</u>—The term "value" means the value of a good or material for purposes of calculating customs duties or applying this note.
- (m) Application and interpretation.—In this note:
  - (i) The basis for any tariff classification is the Harmonized Tariff Schedule of the United States.
  - (ii) Whenever in this note there is a reference to a chapter, heading, subheading or tariff item, that reference shall be a reference to a chapter, heading, subheading or tariff item (meaning a provision designated by eight digits) of the tariff schedule.
  - (iii) Any cost or value referred to in this note with respect to a good shall be recorded and maintained in accordance with the generally accepted accounting principles applied in the territory of the USMCA country in which the good is produced.

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- (iv) For purposes of this note and for purposes of implementing the preferential tariff treatment provided for under the USMCA, except as otherwise provided in this note, a good is an originating good if satisfies all requirements under this note and under regulations issued by the Secretary pursuant to the USMCA.
- (v) A rule applicable to a tariff item shall take precedence over a rule applicable to the heading or subheading which is parent to that tariff item.
- (vi) A reference to weight in the rules in subdivision (o) of this note for goods provided for in chapters 1 through 24 of the tariff schedule means dry weight unless otherwise specified in the tariff schedule.
- (vii) A requirement of a change in tariff classification in subdivision (o) of this note applies only to nonoriginating materials.
- (n) Interpretation of rules of origin.--For purposes of this note-
  - (i) Except for a good provided for in any of chapters 61 to 63 of the tariff schedule, a good is an originating good if—
    - (A) it is produced entirely in the territory of one or more USMCA countries;
    - (B) one or more of the nonoriginating materials provided for as "parts" in the tariff schedule and used in the production of the good cannot satisfy the requirements set out in subdivision (o) of this note, because—
      - (1) both the good and its materials are classified in the same subheading or in the same heading that is not further subdivided into subheadings, or
      - (2) the good was imported into the territory of a USMCA country in an unassembled or a disassembled form but was classified as an assembled good pursuant to general interpretive rule 2(a) of the tariff schedule; and
    - (C) the regional value content of the good, determined in accordance with subdivision (c) of this note, is not less than 60 percent if the transaction value method is used, or not less than 50 percent if the net cost method is used.
  - (ii) Non-qualifying operations. Each USMCA country shall provide that a good shall not be considered to be an originating good merely by reason of--
    - (A) mere dilution with water or another substance that does not materially alter the characteristics of the good; or
    - (B) a production or pricing practice in respect of which it may be demonstrated, on the basis of a preponderance of evidence, that the object was to circumvent this note and applicable regulations.
  - (iii) For the purposes of applying this note to goods of chapters 6 through 14, inclusive, agricultural and horticulturalgoods grown in the territory of a USMCA country shall be treated as originating in territory of that USMCA country even if grown from seed, bulbs, rootstock, cuttings, slips or other live parts of plants imported from a non-USMCA country.
  - (iv) A good of any heading in chapters 28 through 38, inclusive, that satisfies one or more of the provisions enumerated in this subdivision shall be treated as an originating good, except as otherwise specified in those rules. Notwithstanding the preceding sentence, a good is an originating good if it meets the applicable change in tariff classification or satisfies the applicable value content requirement specified in subdivision (o) of this note.
    - (A) A good of chapters 28 through 38, except a good of headings 3301 or 3823 or subheadings 2916.32 or 3502.11 through 3502.19, that results from a chemical reaction in the territory of one or more USMCA countries shall be treated as an originating good.
    - (B) For the purposes of this note, a "chemical reaction" is a process (including a biochemical process) that results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule. The following are not considered to be chemical reactions for the purposes of determining whether a good is an originating good:
      - (1) dissolution in water or in another solvent;

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- (2) the elimination of solvents, including solvent water; or
- (3) the addition or elimination of water of crystallisation.
- (C) A good of chapters 28 through 38, except for a good of heading 3301 or subheadings 3502.11 through 3502.19, that is subject to purification is an originating good, provided that the purification occurs in the territory of one or more of the USMCA countries and results in the following:
  - (1) the elimination of not less than 80 percent of the content of existing impurities; or
  - (2) the reduction or elimination of impurities resulting in a good suitable for one or more of the following:
    - (I) as a pharmaceutical, medical, cosmetic, veterinary, or food grade substance,
    - (II) as a chemical product or reagent for analytical, diagnostic, or laboratory uses,
    - (III) as an element or component for use in micro-elements,
    - (IV) for specialized optical uses,
    - (V) for non-toxic uses for health and safety;
    - (VI) for biotechnical use (e.g. in cell culturing, in genetic technology, or as a catalyst),
    - (VII) as a carrier used in a separation process, or
    - (VIII) or nuclear grade uses.
- (D) A good of chapters 28 through 38, except for a good of chapters 28, 29, or 32, headings 3301 or 3808, or subheadings 3502.11 through 3502.19 is an originating good if the deliberate and proportionally controlled mixing or blending (including dispersing) of materials other than the addition of diluents, to conform to predetermined specifications occurs in the territory of one or more of the USMCA countries, resulting in the production of a good having essential physical or chemical characteristics that are relevant to the purposes or uses of the good and are different from the input materials.
- (E) A good of chapters 28 through 38, except for a good of chapters 28, 29, 32 or 38, heading 3301 or subheadings 3502.11 through 3502.19, is an originating good if the deliberate and controlled modification in particle size of a good, including micronizing by dissolving a polymer and subsequent precipitation, other than by merely crushing or pressing, occurs in the territory of one or more of the USMCA countries, resulting in a good with a defined particle size, defined particle size distribution or defined surface area, that is relevant to the purposes of the resulting good, and having essential physical or chemical characteristics different from the input materials.
- (F) A good of chapters 28 through 38, except for a good of heading 3301 or subheadings 3502.11 through 3502.19, is an originating good if the standards material is produced in the territory of one or more of the USMCA countries. For the purposes of this rule, a "standards material" (including a standard solution) is a preparation suitable for analytical, calibrating or referencing uses, having precise degrees of purity or proportions that are certified by the manufacturer.
- (G) A good of chapters 28 through 38, except for a good of heading 3301 or subheadings 3502.11 through 3502.19, is an originating good if the isolation or separation of isomers from mixtures of isomers occurs in the territory of one or more of the USMCA countries.
- (H) A good of chapters 28 through 38, except for a good of heading 3301 or subheadings 3502.11 through 3502.19, that undergoes a change from one classification to another in the territory of one or more of the USMCA countries as a result of the separation of one or more materials from a man-made mixture, shall not be treated as an originating good unless the isolated material underwent a chemical reaction in the territory of one or more of the USMCA countries.
- (I) A good of chapters 28 through 38, except for a good of headings 2930 through 2942, chapter 30, heading 3301 or subheadings 3502.11 through 3502.19, is an originating good if it undergoes a biochemical process or one or more of the following processes:

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- (1) Biological or biotechnological culturing, hybridization or genetic modification of:
  - (I) Micro-organisms (bacteria, viruses (includes phages) etc.), or
  - (II) Human, animal or plant cells;
- (2) Production, isolation, or purification of cellular or intercellular structures (such as isolated genes, gene fragments, and plasmids); or
- (3) Products obtained by fermentation.
- (v) A good of any heading in chapters 39 through 40 that satisfies one or more of the provisions enumerated in this subdivision shall be treated as an originating good, except as otherwise specified in those rules. Notwithstanding the preceding sentence, a good is an originating good if it meets the applicable change in tariff classification or satisfies the applicable value content requirement specified insubdivision (o) of this note.
  - (A) A good of chapters 39 through 40 that results from a chemical reaction in the territory of one or more of the USMCA countries shall be treated as an originating good.
  - (B) For the purposes of this rule, a "chemical reaction" is a process (including a biochemical process) that results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms n a molecule. The following are not considered to be chemical reactions for the purposes of determining whether a good is anoriginating good under this note:
    - (1) dissolution in water or in another solvent;
    - (2) the elimination of solvents, including solvent water; or
    - (3) the addition or elimination of water of crystallization.
  - (C) A good of chapters 39 through 40 that is subject to purification is an originating good, provided that the purification occurs in the territory of one or more of the USMCA countries and results in the following:
    - (1) the elimination of not less than 80 percent of the content of existing impurities; or
    - (2) the reduction or elimination of impurities resulting in a good suitable for one or more of the following:
      - (I) as a pharmaceutical, medical, cosmetic, veterinary, or food grade substance,
      - (II) as a chemical product or reagent for analytical, diagnostic, or laboratory uses,
      - (III) as an element or component for use in micro-elements,
      - (IV) for specialized optical uses,
      - (V) for non-toxic uses for health and safety,
      - (VI) for biotechnical use (e.g., in cell culturing, in genetic technology, or as a catalyst),
      - (VII) as a carrier used in a separation process, or
      - (VIII) for nuclear grade uses.
  - (D) A good of chapter 39 is an originating good if the deliberate and proportionally-controlled mixing or blending (including dispersing) of materials, other than the addition of diluents, to conform to predetermined specifications occurs in the territory of one or more of the USMCA countries, resulting in the production of a good having essential physical or chemical characteristics that are relevant to the purposes or uses of the good and are different from the input materials.

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- (E) A good of chapters 28 through 38, except for a good of chapters 28, 29, 32 or 38, heading 3301 or subheadings 3502.11 through 3502.19, is an originating good if the deliberate and controlled modification in particle size of a good, including micronizing by dissolving a polymer and subsequent precipitation, other than by merely crushing or pressing, occurs in the territory of one or more of the USMCA countries, resulting in a good with a defined particle size, defined particle size distribution or defined surface area, that is relevant to the purposes of the resulting good, and having essential physical or chemical characteristics different from the input materials.
- (F) A good of chapter 39 is an originating good if the standards material is produced in the territory of one or more of the USMCA countries. For the purposes of this note, a "standards material" (including a standard solution) is a preparation suitable for analytical, calibrating or referencing uses, having precise degrees of purity or proportions that are certified by the manufacturer.
- (G) A good of chapter 39 is an originating good if the isolation or separation of isomers from mixtures of isomers occurs in the territory of one or more of the USMCA countries.
- (H) A good of chapter 39 is an originating good if it undergoes a biochemical process or through one or more of the following processes:
  - (1) Biological or biotechnological culturing, hybridization, or genetic modification of:
    - (I) Micro-organisms (bacteria, viruses (includes phages) etc.), or
    - (II) Human, animal or plant cells;
  - (2) Production, isolation or purification of cellular or intercellular structures (such as isolated genes, gene fragments and plasmids); or
  - (3) Fermentation.
- (vi) The textile and apparel rules set forth in this note are applied conjunction with subdivision (b) and all other applicable provisions for such goods. For the purposes of these rules, the term "wholly" means that the good is made entirely or solely of the named material.
- (vii) A good classified in chapters 50 through 63, inclusive, shall be considered originating, notwithstanding theorigin of the following materials, provided that the good otherwise meets the applicable product specific rule set forth in subdivision (o) of this note:
  - (A) rayon filament, other than lyocell or acetate, of headings 5403 or 5405, or
  - (B) rayon fiber, other than lyocell or acetate, of headings 5502, 5504 or 5507.
- (viii) A product-specific rule set forth in subdivision (o) of this note which requires a change to one or more tariff items shall apply to all goods provided for in such tariff items or items, and such goods shall be eligible for the tariff treatment provided for in this note only under the terms of such rule and not under any product-specific rule requiring tariff classification changes at the subheading or heading level. For purposes of this note, the term "tariff item" means a provision of the tariff schedule that appears at the eight (8) digit level and that is not part of the Harmonized System.
- (o) Change in tariff classification rules.

## Chapter 1

1. A change to headings 0101 through 0106 from any other chapter.

### Chapter 2

1. A change to headings 0201 through 0210 from any other chapter.

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#### Chapter 3

**Chapter rule 1**: A fish, crustacean, mollusc or other aquatic invertebrate obtained in the territory of a USMCA country is originating even if obtained from eggs, larvae, fry, fingerlings, parr, smolts or other immature fish at a post-larval stage that are imported from a non-USMCA country.

- 1. A change to headings 0301 through 0305 from any other chapter.
- 2. (A) A change to a smoked good of subheadings 0306.11 through 0308.90 from a non-smoked good within those subheadings or any other subheading; or
  - (B) A change to any other good of subheadings 0306.11 through 0308.90 from any other chapter.

## Chapter 4

- A change to headings 0401 through 0404 from any other chapter, except from tariff items 1901.90.32, 1901.90.33, 1901.90.34, 1901.90.36, 1901.90.38, 1901.90.42 or 1901.90.43.
- 2. A change to heading 0405 from any other chapter, except from tariff items 1901.90.32, 1901.90.33, 1901.90.34, 1901.90.36, 1901.90.38, 1901.90.42, 1901.90.43, 2106.90.03, 2106.90.06, 2106.90.09, 2106.90.22, 2106.90.24, 2106.90.26, 2106.90.28, 2106.90.62, 2106.90.64, 2106.90.66, 2106.90.68, 2106.90.72, 2106.90.74, 2106.90.76, 2106.90.78, 2106.90.80 or 2106.90.82
- 3. A change to headings 0406 through 0410 from any other chapter, except from tariff items 1901.90.32, 1901.90.33, 1901.90.34, 1901.90.36, 1901.90.38, 1901.90.42 or 1901.90.43.

#### Chapter 5

1. A change to headings 0501 through 0511 from any other chapter.

## Chapter 6

1. A change to headings 0601 through 0604 from any other chapter.

## Chapter 7

**Subheading rule**: Notwithstanding subdivision (e)(ii) of this note, subdivision (e)(i) applies to nonoriginating truffles of subheading 0709.59 used in the production of mixtures of mushrooms and truffles of subheading 0709.59 and nonoriginating capers of subheading 0711.90 used in the production of mixtures of vegetables of subheading 0711.90.

- 1. A change to headings 0701 through 0711 from any other chapter.
- 2. A change to subheadings 0712.20 through 0712.39 from any other chapter.
- 3. (A) A change to savory, crushed or ground, of subheading 0712.90 from savory, neither crushed nor ground, of subheading 0712.90 or any other chapter; or
  - (B) A change to any other good of subheading 0712.90 from any other chapter.
- 4. A change to headings 0713 through 0714 from any other chapter.

### Chapter 8

**Subheading rule**: Notwithstanding subdivision (e)(ii) of this note, subdivision (e)(i) does not apply to nonoriginating macadamia nuts of subheadings 0802.61 or 0802.62 used in the production of mixtures of nuts of subheading 0802.90.

1. A change to headings 0801 through 0814 from any other chapter.

## Chapter 9

1. A change to heading 0901 from any other chapter.

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- 2. A change to subheadings 0902.10 through 0902.40 from any other subheading, including another subheading within that group.
- 3. A change to heading 0903 from any other chapter.
- 4. A change to subheading 0904.11 from any other chapter.
- 5. A change to subheading 0904.12 from any other subheading.
- A change to subheading 0904.21 from any other chapter.
- 7. (A) A change to allspice, crushed or ground, of subheading 0904.22 from allspice, neither crushed nor ground of subheading 0904.21 or from any other chapter; or
  - (B) A change to any other good of subheading 0904.22 from any other chapter.
- 8. A change to heading 0905 from any other chapter.
- 9. A change to subheadings 0906.11 through 0906.19 from any other chapter.
- 10. A change to subheading 0906.20 from any other subheading.
- 11. A change to a good of subheadings 0907.10 through 0907.20 from any other good within those subheadings, any other subheading within that group or any other chapter.
- 12. A change to a good of subheadings 0908.11 through 0909.62 from any other good within those subheadings, any other subheading within that group or any other chapter.
- 13. A change to a good of subheadings 0910.11 through 0910.12 from any other good within those subheadings, any other subheading within that group or any other chapter.
- 14. A change to subheading 0910.20 from any other chapter.
- 15. A change to a good of subheading 0910.30 from within that subheading or any other chapter.
- 16. A change to subheading 0910.91 from any other subheading.

**Subheading rule**: Notwithstanding subdivision (e)(ii), subdivision (e)(i) of this note applies to nonoriginating thyme, bay leaves, or curry of subheading 0910.99 used in the production of mixtures of subheading 0910.99.

- 17. (A) A change to bay leaves, crushed or ground, of subheading 0910.99 from bay leaves, neither crushed nor ground, of subheading 0910.99 or any other chapter;
  - (B) A change to dill seeds, crushed or ground, of subheading 0910.99 from dill seeds, neither crushed nor ground, of subheading 0910.99 or any other chapter;
  - (C) A change to curry of subheading 0910.99 from any other good of subheading 0910.99 or any other subheading; or
  - (D) A change to any other good of subheading 0910.99 from any other chapter.

## Chapter 10

1. A change to headings 1001 through 1008 from any other chapter.

### Chapter 11

Subheading rule: Notwithstanding subdivision (e)(ii), subdivision (e)(i) applies to nonoriginating rice or rye flour of subheading 1102.90 used in the production of mixtures of flours of subheading 1102.90.

1. A change to headings 1101 through 1109 from any other chapter.

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#### Chapter 12

- 1. A change to headings 1201 through 1206 from any other chapter.
- 2. A change to subheadings 1207.10 through 1207.70 from any other chapter.
- 3. A change to a good of subheading 1207.91 from within that subheading or any other chapter.
- A change to subheading 1207.99 from any other chapter.
- 5. A change to heading 1208 from any other chapter.

Subheading rule: Notwithstanding subdivision (e)(ii), subdivision (e)(i) applies to nonoriginating timothy grass seed when used in the production of mixtures of subheading 1209.29.

- 6. A change to subheadings 1209.10 through 1209.30 from any other chapter.
- (A) A change to celery seeds, crushed or ground, of subheading 1209.91 from celery seeds, neither crushed nor ground, of subheading 1209.91 or any other chapter; or
  - (B) A change to any other good of subheading 1209.91 from any other chapter.
- A change to subheading 1209.99 from any other chapter.
- 9. A change to headings 1210 through 1214 from any other chapter.

## Chapter 13

- 1. A change to a good of subheading 1301.20 from within that subheading or any other chapter.
- 2. A change to subheading 1301.90 from any other chapter.

**Subheading rule**: Notwithstanding subdivision (e)(ii), subdivision (e)(i) applies to nonoriginating saps and extracts of pyrethrum or of the roots of plants containing rotenone when used in the production of goods of subheading 1302.19.

- 3. A change to subheadings 1302.11 through 1302.32 from any other chapter, except from concentrates of poppy straw of subheading 2939.11.
- (A) A change to carrageenan of subheading 1302.39 from within that subheading or any other chapter, provided the nonoriginating materials of subheading 1302.39 do not exceed 50 percent by weight of the good; or
  - (B) A change to any other good of subheading 1302.39 from any other chapter, except from concentrates of poppy straw of subheading 2939.11.

## Chapter 14

1. A change to headings 1401 through 1404 from any other chapter.

## Chapter 15

- 1. A change to headings 1501 through 1518 from any other chapter, except from heading 3823.
- 2. A change to heading 1520 from any other heading, except from heading 3823.
- 3. A change to headings 1521 through 1522 from any other chapter.

## Chapter 16

1. A change to headings 1601 through 1605 from any other chapter.

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### Chapter 17

- 1. A change to headings 1701 through 1703 from any other chapter.
- 2. A change to heading 1704 from any other heading.

## Chapter 18

- 1. A change to headings 1801 through 1805 from any other chapter.
- 2. A change to tariff items 1806.10.43, 1806.10.45, 1806.10.55, 1806.10.65 or 1806.10.75 from any other heading.
- 3. A change to subheading 1806.10 from any other heading, provided that the nonoriginating sugar of chapter 17 constitutes no more than 35 percent by weight of the sugar and the nonoriginating cocoa powder of heading 1805 constitutes no more than 35 percent by weight of the cocoa powder.
- 4. A change to subheading 1806.20 from any other heading.
- 5. A change to subheadings 1806.31 through 1806.90 from any other subheading, including another subheading within that group.

## Chapter 19

- 1. A change to tariff items 1901.10.05, 1901.10.15, 1901.10.30, 1901.10.35, 1901.10.40 or 1901.10.45 from any other chapter, except from chapter 4.
- 2. A change to subheading 1901.10 from any other chapter.
- 3. A change to tariff items 1901.20.02, 1901.20.05, 1901.20.15, 1901.20.20, 1901.20.25, 1901.20.30, 1901.20.35 or 1901.20.40 from any other chapter, except from chapter 4.
- 4. A change to subheading 1901.20 from any other chapter.
- 5. A change to tariff items 1901.90.32, 1901.90.33, 1901.90.34, 1901.90.36, 1901.90.38, 1901.90.42 or 1901.90.43 from any other chapter, except from chapter 4.
- 6. A change to subheading 1901.90 from any other chapter.
- 7. A change to headings 1902 through 1903 from any other chapter.
- 8. A change to subheading 1904.10 from any other chapter.
- A change to subheading 1904.20 from any other subheading, except from chapter 20.
- 10. A change to subheadings 1904.30 through 1904.90 from any other chapter.
- 11. A change to heading 1905 from any other chapter.

## Chapter 20

Chapter rule 1: Fruit, nut and vegetable preparations of chapter 20 that have been prepared or preserved merely by freezing, by packing (including canning) in water, brine or natural juices, or by roasting, either dry or in oil (including processing incidental to freezing, packing,

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or roasting), shall be treated as an originating good only if the fresh good were wholly produced or obtained entirely in the territory of one or more of the USMCA countries.

**Subheading rule**: Notwithstanding subdivision (e)(ii), subdivision (e)(i) does not apply to nonoriginating bamboo shoots of subheading 2005.91 used in the production of mixtures of vegetables of subheading 2005.99.

Subheading rule: Notwithstanding subdivision (e)(ii), subdivision (e)(i) applies to nonoriginating truffles of subheading 2003.90 used in the production of mixtures of mushrooms and truffles of subheading 2003.90.

- 1. A change to headings 2001 through 2007 from any other chapter.
- 2. A change to subheading 2008.11 from any other heading, except from heading 1202.

**Subheading rule**: Fruit preparations of subheadings 2008.19 through 2008.99 that contain peaches, pears, or apricots, either alone or mixed with other fruits shall be treated as originating only if the peaches, pears, or apricots were wholly obtained or produced entirely in the territory of one or more of the USMCA countries.

- 3. A change to subheadings 2008.19 through 2008.99 from any other chapter.
- 4. A change to subheadings 2009.11 through 2009.39 from any other chapter, except from heading 0805.
- 5. A change to subheadings 2009.41 through 2009.89 from any other chapter.
- 6. (A) A change to subheading 2009.90 from any other chapter;
  - (B) A change to cranberry juice mixtures of subheading 2009.90 from any other subheading within chapter 20, except from subheadings 2009.11 through 2009.39 or subheading 2009.81, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used; or
  - (C) A change to any other good of subheading 2009.90 from any other subheading within chapter 20, whether or not there is also a change from any other chapter, provided that a single juice ingredient, or juice ingredients from a single non-USMCA country, constitute in single strength form no more than 60 percent by volume of the good.

## Chapter 21

- 1. A change to tariff item 2101.11.21 from any other chapter, provided that the nonoriginating coffee of chapter 9 constitutes no more than 60 percent by weight of the good.
- 2. A change to heading 2101 from any other chapter.
- 3. A change to heading 2102 from any other chapter.
- 4. A change to subheading 2103.10 from any other chapter.
- 5. A change to tariff item 2103.20.20 from any other chapter, except from subheading 2002.90.
- 6. A change to subheading 2103.20 from any other chapter.
- 7. A change to subheading 2103.30 from any other chapter.
- 8. A change to subheading 2103.90 from any other subheading.
- 9. A change to heading 2104 from any other chapter.

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- A change to heading 2105 from any other heading, except from chapter 4 or tariff items 1901.90.32, 1901.90.33, 1901.90.34, 1901.90.36, 1901.90.38, 1901.90.42 or 1901.90.43.
- 11. A change to tariff items 2106.90.48 or 2106.90.52 from any other chapter, except from headings 0805 or 2009 or tariff item 2202.90.30.
- 12. (A) A change to tariff item 2106.90.54 from any other chapter, except from heading 2009 or tariff item 2202.90.37; or
  - (B) A change to tariff item 2106.90.54 from any other subheading within chapter 21, heading 2009 or tariff item 2202.90.37, whether or not there is also a change from any other chapter, provided that a single juice ingredient, or juice ingredients from a single non-USMCA country, constitute in single strength form no more than 60 percent by volume of the good.
- 13. A change to tariff items 2106.90.03, 2106.90.06, 2106.90.09, 2106.90.22, 2106.90.24, 2106.90.26, 2106.90.28, 2106.90.62, 2106.90.64, 2106.90.66, 2106.90.68, 2106.90.72, 2106.90.74, 2106.90.76, 2106.90.78, 2106.90.80 or 2106.90.82 from any other chapter, except from chapter 4 or tariff items 1901.90.32, 1901.90.33, 1901.90.34, 1901.90.36, 1901.90.38, 1901.90.42 or 1901.90.43.
- 14. A change to tariff items 2106.90.12, 2106.90.15 or 2106.90.18 from any other tariff item, except from headings 2203 through 2209.
- 15. A change to heading 2106 from any other chapter.

### Chapter 22

- 1. A change to heading 2201 from any other chapter.
- 2. A change to subheading 2202.10 from any other chapter.
- 3. A change to tariff item 2202.90.30 from any other chapter, except from headings 0805 or 2009 or tariff items 2106.90.48 or 2106.90.52.
- 4. (A) A change to tariff item 2202.90.37 from any other chapter, except from heading 2009 or tariff item 2106.90.54; or
  - (B) A change to tariff item 2202.90.37 from any other subheading within chapter 22, heading 2009, or tariff item 2106.90.54, whether or not there is also a change from any other chapter, provided that a single juice ingredient, or juice ingredients from a single non-USMCA country, constitute in single strength form no more than 60 percent by volume of the good.
- 5. A change to tariff items 2202.90.10, 2202.90.22, 2202.90.24 or 2202.90.28 from any other chapter, except from chapter 4 or tariff items 1901.90.32, 1901.90.33, 1901.90.34, 1901.90.36, 1901.90.38, 1901.90.42 or 1901.90.43.
- 6. A change to subheading 2202.90 from any other chapter.
- 7. A change to headings 2203 through 2207 from any heading outside that group, except from tariff items 2106.90.12, 2106.90.15 or 2106.90.18 or headings 2208 through 2209.
- 8. A change to subheading 2208.20 from any other heading, except from tariff items 2106.90.12, 2106.90.15 or 2106.90.18 or headings 2203 through 2207 or 2209.
- 9. No required change in tariff classification to a good of subheadings 2208.30 through 2208.70, provided that the nonoriginating alcoholic ingredients constitute no more than 10 percent of the alcoholic content of the good by volume.
- 10. A change to subheading 2208.90 from any other heading, except from tariff items 2106.90.12, 2106.90.15 or 2106.90.18 or headings 2203 through 2207 or 2209.
- 11. A change to heading 2209 from any other heading, except from tariff items 2106.90.12, 2106.90.15 or 2106.90.18 or headings 2203 through 2208.

## Chapter 23

- 1. A change to headings 2301 through 2308 from any other chapter.
- 2. A change to subheading 2309.10 from any other heading.

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- A change to tariff items 2309.90.22, 2309.90.24 or 2309.90.28 from any other heading, except from chapter 4 or tariff items 1901.90.32, 1901.90.33, 1901.90.34, 1901.90.36, 1901.90.38, 1901.90.42 or 1901.90.43.
- A change to subheading 2309.90 from any other heading.

#### Chapter 24

1. A change to headings 2401 through 2403 from tariff items 2401.10.21, 2401.20.14 or 2403.91.20 or any other chapter.

### Chapter 25

1. A change to headings 2501 through 2530 from any other chapter.

#### Chapter 26

1. A change to headings 2601 through 2621 from any other heading, including another heading within that group.

#### Chapter 27

**Chapter rule 1:** Notwithstanding the applicable product-specific rules of origin, a good of chapter 27 that is the product of a chemical reaction is an originating good if the chemical reaction occurred in the territory of one or more of the USMCA countries.

For the purposes of this rule, a "chemical reaction" is a process (including a biochemical process) that results in a molecule with a new structure by breaking intramolecular bonds and by forming new intramolecular bonds, or by altering the spatial arrangement of atoms in a molecule. The following are not considered to be chemical reactions for the purposes of this definition:

- (a) dissolving in water or other solvents;
- (b) the elimination of solvents, including solvent water, or
- (c) the addition or elimination of water of crystallisation.

Heading rule: For the purposes of heading 2710, the following processes confer origin:

- (a) Atmospheric distillation—a separation process in which petroleum oils are converted, in a distillation tower, into fractions according to boiling point and the vapor then condensed into different liquefied fractions. Liquefied petroleum gas, naphtha, gasoline, kerosene, diesel/heating oil, light gas oils, and lubricating oil are produced from petroleum distillation;
- (b) Vacuum distillation—distillation at a pressure below atmospheric but not so low that it would be classed as molecular distillation. Vacuum distillation is useful for distilling high-boiling and heat-sensitive materials such as heavy distillates in petroleum oils to produce light to heavy vacuum gas oils and residuum. In some refineries gas oils may be further processed into lubricating oils;
- (c) Catalytic hydroprocessing—the cracking or treating of petroleum oils with hydrogen at high temperature and under pressure, in the presence of special catalysts. Catalytic hydroprocessing includes hydrocracking and hydrotreating;
- (d) Reforming (catalytic reforming)—the rearrangement of molecules in a naphtha boiling range material to form higher octane aromatics (i.e., improved antiknock quality at the expense of gasoline yield). A main product is catalytic reformate, a blend component for gasoline. Hydrogen is another by-product;
- (e) Alkylation—a process whereby a high-octane blending component for gasolines is derived from catalytic combination of an isoparaffin and an olefin:
- (f) Cracking—a refining process involving decomposition and molecular recombination of organic compounds, especially hydrocarbons obtained by means of heat, to form molecules suitable for motor fuels, monomers, petrochemicals, etc.;
  - (i) Thermal cracking—exposes the distillate to temperatures of approximately 540-650 degrees C (1000-1200 degrees F) for varying periods of time. Process produces modest yields of gasoline and higher yields of residual products for fuel oil blending, or

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- (ii) Catalytic cracking—hydrocarbon vapors are passed at approximately 400 degrees C (750 degrees F) over a metallic catalyst (e.g., silica-alumina or platinum); the complex recombinations (alkylation, polymerization, isomerization, etc.) occur within seconds to yield high-octane gasoline. Process yields less residual oils and lightgases than thermal cracking;
- (g) Coking—a thermal cracking process for the conversion of heavy low grade products, such as reduced crude, straight run pitch, cracked tars, and shale oil into solid coke (carbon) and lower boiling hydrocarbon products which are suitable as feed for other refinery units for conversion into lighter products; and
- (h) Isomerization—the refinery process of converting petroleum compounds into their isomers.

**Heading rule**: For the purposes of heading 2710, "direct blending" is a refinery process whereby various petroleum streams from processing units and petroleum components from holding/storage tanks combine to create a finished product, with pre-determined parameters, classified under heading 2710, provided that the nonoriginating material constitutes no more than 25 percent by volume of the good.

**Heading rule**: For the purposes of determining whether or not a good of heading 2709 is an originating good, the origin of diluent of headings 2709 or 2710 that is used to facilitate the transportation between USMCA countries of crude petroleum oils and crude oils obtained from bituminous minerals of heading 2709 is disregarded, provided that the diluent constitutes no more than 40 percent by volume of the good.

- 1. A change to headings 2701 through 2703 from any other chapter.
- 2. A change to heading 2704 from any other heading.
- 3. A change to headings 2705 through 2706 from any other heading, including another heading within that group.
- 4. (A) A change to subheadings 2707.10 through 2707.91 from any other heading; or
  - (B) A change to subheadings 2707.10 through 2707.91 from any other subheading within heading 2707, whether or not there is also a change from any other heading, provided that the good resulting from such change is the product of a chemical reaction.
- 5. (A) A change to subheading 2707.99 from any other heading;
  - (B) A change to phenols of subheading 2707.99 from within that subheading or any other subheading within heading 2707, whether or not there is also a change from any other heading, provided that the good resulting from such change is the product of a chemical reaction; or
  - (C) A change to any other good of subheading 2707.99 from phenols of that subheading or any other subheading within heading 2707, whether or not there is also a change from any other heading, provided that the good resulting from such change is the product of a chemical reaction.
- 6. A change to headings 2708 through 2709 from any other heading, including another heading within that group.

Subheading rule: Notwithstanding subdivision (e)(ii), subdivision (e)(i) applies to:

- (a) nonoriginating light oils and preparations of subheading 2710.20 when used in the production of other goods of subheading 2710.20; and
- (b) nonoriginating other oils of subheading 2710.20 when used in the production of light oils or preparations of subheading 2710.20.
- 7. (A) A change to heading 2710 from any other heading, except from headings 2711 through 2715;
  - (B) Production of any good of heading 2710 as the result of atmospheric distillation, vacuum distillation, catalytic hydroprocessing, catalytic reforming, alkylation, catalytic cracking, thermal cracking, coking or isomerization; or
  - (C) Production of any good of heading 2710 as the result of direct blending, provided that:

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- (1) The nonoriginating material is classified in chapter 27,
- (2) No component of that nonoriginating material is classified under heading 2207, and
- (3) The nonoriginating material constitutes no more than 25 percent by volume of the good.
- 8. A change to a good of subheading 2711.11 from within that subheading or any other subheading, provided that the nonoriginating feedstock of subheading 2711.11 constitutes no more than 49 percent by volume of the good.
- 9. A change to a good of subheadings 2711.12 through 2711.14 from within those subheadings or any other subheading, including another subheading within that group, provided that the nonoriginating feedstock of subheadings 2711.12 through 2711.14 constitutes no more than 49 percent by volume of the good.
- 10. A change to subheading 2711.19 from any other subheading, except from subheading 2711.29.
- 11. A change to subheading 2711.21 from any other subheading.
- 12. A change to subheading 2711.29 from any other subheading, except from subheading 2711.12 through 2711.21.
- 13. A change to heading 2712 from any other heading.
- 14. A change to subheadings 2713.11 through 2713.12 from any other heading.
- 15. A change to a good of subheading 2713.20 from any other good within that subheading or any other subheading, provided that the nonoriginating feedstock of subheading 2713.20 constitutes no more than 49 percent by volume of the good.
- 16. A change to subheading 2713.90 from any other heading, except from headings 2710 through 2712, subheadings 2713.11 through 2713.20 or headings 2714 through 2715.
- 17. A change to heading 2714 from any other heading.
- 18. A change to heading 2715 from any other heading, except from subheading 2713.20 or heading 2714.
- 19. A change to heading 2716 from any other heading.

### Chapter 28

- 1. (A) A change to subheadings 2801.10 through 2853.00 from any other subheading, including another heading within that group; or
  - (B) No change in tariff classification to a good of subheadings 2801.10 through 2853.00, provided there is a regional value content of not less than:
    - (1) 40 percent where the transaction value method is used; or
    - (2) 30 percent where the net cost method is used.

## Chapter 29

- (A) A change to subheadings 2901.10 through 2942.00 from any other subheading, including another subheading within that group; or
  - (B) No change in tariff classification to a good of subheadings 2901.10 through 2942.00, except for a good of subheading 2916.32 whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:
    - (1) 40 percent where the transaction value method is used; or
    - (2) 30 percent where the net cost method is used.

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#### Chapter 30

- 1. A change to subheadings 3001.20 through 3003.90 from any other subheading, including another subheading within that group.
- 2. (A) A change to heading 3004 from any other heading, except from heading 3003; or
  - (B) No change in tariff classification to a good of heading 3004, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 3. (A) A change to subheadings 3005.10 through 3005.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheadings 3005.10 through 3005.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 4. A change to subheadings 3006.10 through 3006.50 from any other subheading, including another subheading within that group.
- 5. (A) A change to subheading 3006.60 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 3006.60, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value is used; or
    - (2) 50 percent where the net cost method is used.
- (A) A change to subheading 3006.70 from any other chapter, except from chapters 28 through 38; or
  - (B) No change in tariff classification to a good of subheading 3006.70, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 7. A change to subheadings 3006.91 through 3006.92 from any other subheading, including another subheading within that group.

## Chapter 31

1. A change to subheadings 3101.00 through 3105.90 from any other good within these subheadings or any other subheading, including another subheading within that group.

### Chapter 32

Chapter rule 1: Pigments or colouring materials classified under headings 3206 or 3212 shall be disregarded in determining the origin of the goods classified under headings 3207 through 3215, except for any such pigments or materials based on titanium dioxide.

- 1. A change to subheadings 3201.10 through 3202.90 from any other subheading, including another subheading within that group.
- 2. A change to heading 3203 from any other heading.
- 3. A change to subheadings 3204.11 through 3204.90 from any other subheading, including another subheading within that group.
- 4. (A) A change to subheading 3205.00 from any other subheading; or
  - (B) No change in tariff classification to a good of subheading 3205.00, provided there is a regional value content of not less than:

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- (1) 40 percent where the transaction value method is used; or
- (2) 30 percent where the net cost method is used.
- 5. A change to subheadings 3206.11 through 3206.42 from any other subheading, including another subheading within that group.
- (A) A change to pigments or preparations based on cadmium compounds of subheading 3206.49 from any other good of subheading 3206.49 or any other subheading;
  - (B) A change to pigments and preparations based on hexacyanoferrates (ferrocyanides and ferricyanides) of subheading 3206.49 from any other good of subheading 3206.49 or any other subheading; or
  - (C) A change to any other good of subheading 3206.49 from any other subheading.
- 7. A change to subheading 3206.50 from any other subheading.
- 8. A change to headings 3207 through 3215 from any other chapter.

## Chapter 33

- 1. (A) A change to subheadings 3301.12 through 3301.13 from any other chapter; or
  - (B) No change in tariff classification to a good of subheadings 3301.12 through 3301.13 provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- (A) A change to essential oils of bergamot or lime of subheading 3301.19 from any other good of subheading 3301.19 or any other subheading;
  - (B) A change to any other good of subheading 3301.19 from any other chapter; or
  - (C) No change in tariff classification to a good of subheading 3301.19, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 3. A change to subheadings 3301.24 through 3301.25 from any other subheading, including another subheading within that group.
- 4. (A) A change to essential oils of geranium, jasmine, lavender, lavandin or vetiver of subheading 3301.29 from any other good of subheading 3301.29 or any other subheading;
  - (B) A change to any other good of subheading 3301.29 from any other chapter; or
  - (C) No change in tariff classification to a good of subheading 3301.29, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 5. (A) A change to subheadings 3301.30 through 3301.90 from any other chapter; or
  - (B) No change in tariff classification to a good of subheadings 3301.30 through 3301.90, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 6. A change to headings 3302 through 3303 from any other heading.
- 7. A change to subheadings 3304.10 through 3305.90 from any other subheading, including another subheading within that group.
- 8. A change to headings 3306 through 3307 from any other heading.

## Chapter 34

- 1. A change to heading 3401 from any other heading.
- 2. (A) A change to subheadings 3402.11 through 3404.90 from any other subheading, including another subheading within that group; or
  - (B) No change in tariff classification to a good of subheadings 3402.11 through 3404.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 3. A change to headings 3405 through 3407 from any other heading, including another heading within that group.

#### Chapter 35

- 1. (A) A change to heading 3501 from any other heading; or
  - (B) No change in tariff classification to a good of heading 3501, provided there is a regional value content of not less than:
    - (1) 65 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- A change to subheadings 3502.11 through 3502.19 from any other heading.
- 3. (A) A change to subheadings 3502.20 through 3502.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheadings 3502.20 through 3502.90, provided there is a regional value content of not less than:
    - (1) 65 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 4. (A) A change to subheadings 3503.00 through 3507.90 from any other subheading, including another subheading within that group;
  - (B) No change in tariff classification to a good of subheadings 3503.00 through 3507.90, provided there is a regional value content of not less than:
    - (1) 40 percent where the transaction value method is used; or
    - (2) 30 percent where the net cost method is used.

## Chapter 36

1. A change to headings 3601 through 3606 from any other heading, including another heading within that group.

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#### Chapter 37

- 1. A change to headings 3701 through 3703 from any heading outside that group.
- 2. A change to headings 3704 through 3707 from any other heading, including another heading within that group.

#### Chapter 38

- (A) A change to subheadings 3801.10 through 3807.00 from any other subheading, including another subheading within that group; or
  - (B) No change in tariff classification to a good of subheadings 3801.10 through 3807.00, provided there is a regional value content of not less than:
    - (1) 40 percent where the transaction value method is used; or
    - (2) 30 percent where the net cost method is used.
- A change to subheadings 3808.50 through 3808.99 from any other subheading, including another subheading within that group, provided that not less than 50 percent by weight of the total active ingredient or ingredients is originating.
- (A) A change to subheadings 3809.10 through 3821.00 from any other subheading, including another subheading within that group; or
  - (B) No change in tariff classification to a good of subheadings 3809.10 through 3821.00, provided there is a regional value content of not less than:
    - (1) 40 percent where the transaction value method is used; or
    - (2) 30 percent where the net cost method is used.
- A change to heading 3822 from any other heading.
- 5. (A) A change to subheadings 3823.11 through 3826.00 from any other subheading, including another subheading within that group;
  - (B) No change in tariff classification to a good of subheadings 3823.11 through 3826.00, provided there is a regional value content of not less than:
    - (1) 40 percent where the transaction value method is used; or
    - (2) 30 percent where the net cost method is used.

## Chapter 39

- 1. A change to headings 3901 through 3915 from any other heading, including another heading within that group, provided that the originating polymer content of headings 3901 through 3915 is not less than 50 percent by weight of the total polymer content.
- 2. A change to headings 3916 through 3926 from any other heading, including another heading within that group.

## Chapter 40

**Chapter rule 1**: For the purposes of the subdivisions pertaining to this chapter, whenever the subdivision designation is underscored, the provisions of subdivision (k) of this note may apply to goods for use in a motor vehicle of chapter 87.

- 1. A change to subheadings 4001.10 through 4002.99 from any other subheading, including another subheading within that group.
- 2. A change to headings 4003 through 4004 from any other heading, including another heading within that group.

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- (A) A change to headings 4005 through 4006 from any other heading, including another heading within that group, except from heading 4001; or
  - (B) A change to headings 4005 through 4006 from heading 4001, whether or not there is also a change from any other heading, including another heading within that group, provided there is a regional value content of not less than:
    - (1) 35 percent where the transaction value method is used; or
    - (2) 25 percent where the net cost method is used.
- A change to headings 4007 through 4008 from any heading outside that group.

**Subheading rule**: The underscoring of the designations in subdivision 6 pertains to goods provided for in subheading 4009.11 for use in a motor vehicle of chapter 87

5. A change to subheading 4009.11 from any other heading, except from headings 4010 through 4017.

**Subheading rule**: The underscoring of the designations in subdivision 6 pertains to goods provided for in subheading 4009.12 for use in a motor vehicle of chapter 87.

- 6. (A) A change to tubes, pipes, or hoses of subheading 4009.12, of a kind for use in a motor vehicle of tariff items 8702.10.60, 8702.90.30 or 8702.90.60, subheadings 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 8711, from any other heading, except from headings 4010 through 4017;
  - (B) A change to tubes, pipes or hoses of subheading 4009.12, of a kind for use in a motor vehicle of tariff items 8702.10.60, 8702.90.30 or 8702.90.60, subheadings 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 8711, from subheadings 4009.11 through 4017.00, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used, or
    - (2) 50 percent where the net cost method is used; or
  - (C) A change to tubes, pipes or hoses of subheading 4009.12, other than those of a kind for use in a motor vehicle of tariff items 8702.10.60, 8702.90.30 or 8702.90.60, subheadings 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 8711, from any other heading, except from headings 4010 through 4017.

**Subheading rule**: The underscoring of the designation in subdivision 7 pertains to goods provided for in subheading 4009.21 for use in a motor vehicle of chapter 87.

A change to subheading 4009.21 from any other heading, except from headings 4010 through 4017.

**Subheading rule**: The underscoring of the designations in subdivision 8 pertain to goods provided for in subheading 4009.22 for use in a motor vehicle of chapter 87.

- 8. (A) A change to tubes, pipes, or hoses of subheading 4009.22, of a kind for use in a motor vehicle of tariff items 8702.10.60, 8702.90.30 or 8702.90.60, subheadings 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 8711, from any other heading, except from headings 4010 through 4017;
  - (<u>B</u>) A change to tubes, pipes, or hoses of subheading 4009.22, of a kind for use in a motor vehicle of tariff items 8702.10.60, 8702.90.30 or 8702.90.60, subheadings 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 8711, from subheadings 4009.11 through 4017.00, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
  - (C) A change to tubes, pipes, or hoses of subheading 4009.22, other than those of a kind for use in a motor vehicle of tariff items 8702.10.60, 8702.90.30 or 8702.90.60, subheadings 8703.21 through 8703.90, 8704.21 or 8704.31, orheading 8711, from any other heading, except from headings 4010 through 4017.

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Subheading rule: The underscoring of the designations in subdivision 9 pertain to goods provided for in subheading 4009.31 for use in a motor vehicle of chapter 87

9. A change to subheading 4009.31 from any other heading, except from headings 4010 through 4017.

Subheading rule: The underscoring of the designations in subdivision 10 pertain to goods provided for in subheading 4009.32 for use in a motor vehicle of chapter 87

- 10. (A) A change to tubes, pipes, or hoses of subheading 4009.32, of a kind for use in a motor vehicle of tariff items 8702.10.6, 8702.90.30 or 8702.90.60, subheadings 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 8711, from any other heading, except from headings 4010 through 4017;
  - (B) A change to tubes, pipes, or hoses of subheading 4009.32, of a kind for use in a motor vehicle of tariff items 8702.10.60, 8702.90.30 or 8702.90.60, subheadings 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 8711, from subheadings 4009.11 through 4017.00, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used; or
  - (<u>C</u>) A change to tubes, pipes, or hoses of subheading 4009.32, other than those of a kind for use in a motor vehicle of tariff items 8702.10.60, 8702.90.30 or 8702.00.90, subheadings 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 8711, from any other heading, except from headings 4010 through 4017.

**Subheading rule**: The underscoring of the designation in subdivision 11 pertains to goods provided for in subheading 4009.41 for use in a motor vehicle of chapter 87.

11 A change to subheading 4009.41 from any other heading, except from headings 4010 through 4017.

**Subheading rule**: The underscoring of the designations in subdivision 12 pertain to goods provided for in subheading 4009.42 for use in a motor vehicle of chapter 87.

- 12. (A) A change to tubes, pipes, or hoses of subheading 4009.42, of a kind for use in a motor vehicle of tariff items 8702.10.60, 8702.90.30 or 8702.90.60, subheadings 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 8711, from any other heading, except from headings 4010 through 4017;
  - (<u>B</u>) A change to tubes, pipes or hoses of subheading 4009.42, of a kind for use in a motor vehicle of tariff items 8702.10.6, 8702.90.30 or 8702.90.60, subheadings 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 8711, from subheadings 4009.11 through 4017.00, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used; or
  - (C) A change to tubes, pipes or hoses of subheading 4009.42, other than those of a kind for use in a motor vehicle of tariff items 8702.10.60, 8702.90.30 or 8702.90.60, subheadings 8703.21 through 8703.90, 8704.21 or 8704.31, or heading 8711, from any other heading, except from headings 4010 through 4017.

**Heading rule**: The underscoring of the designations in subdivision 13 pertain to goods provided for in headings 4010 through 4011 for use in a motor vehicle of chapter 87.

- 13. A change to headings 4010 through 4011 from any other heading, except from headings 4009 through 4017.
- 14. A change to subheadings 4012.11 through 4012.19 from any subheading outside that group.
- 15. A change to subheadings 4012.20 through 4012.90 from any other heading.
- 16. A change to headings 4013 through 4015 from any other heading, including another heading within that group.

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**Subheading rule**: The underscoring of the designations in subdivision 17 pertain to goods provided for in subheadings 4016.10 through 4016.95 for use in a motor vehicle of chapter 87.

17. A change to subheadings 4016.10 through 4016.95 from any other heading.

**Subheading rule**: The underscoring of the designations in subdivisions 18 and 19 pertain to goods provided for in subheading 4016.99 for use in a motor vehicle of chapter 87.

- 18. (A) A change to tariff items 4016.99.30 or 4016.99.55 from any other heading; or
  - (B) A change to tariff items 4016.99.30 or 4016.99.55 from any other subheading, provided there is a regional value content of not less than 50 percent under the net cost method.
- 19. A change to subheading 4016.99 from any other heading.
- 20. A change to heading 4017 from any other heading.

- 1. (A) A change to hides or skins of heading 4101 which have undergone a tanning (including pre-tanning) process which is reversible from any other good of heading 4101 or any other chapter; or
  - (B) A change to any other good of heading 4101 from any other chapter.
- 2. (A) A change to hides or skins of heading 4102 which have undergone a tanning (including pre-tanning) process which is reversible from any other good of heading 4102 or any other chapter; or
  - (B) A change to any other good of heading 4102 from any other chapter.
- 3. (A) A change to hides or skins of heading 4103, except hides or skins of camels or dromedaries of heading 4103, which have undergone a tanning (including pre-tanning) process which is reversible from any other good of heading 4103 or any other chapter;
  - (B) A change to hides or skins of camels or dromedaries of heading 4103 from any other chapter, except from chapter 43; or
  - (C) A change to any other good of heading 4103 from any other chapter.
- 4. A change to heading 4104 from any other heading, except from 4107.
- 5. A change to subheading 4105.10 from heading 4102 or any other chapter.
- 6. A change to subheading 4105.30 from heading 4102, subheading 4105.10 or any other chapter.
- 7. A change to subheading 4106.21 from subheading 4103.10 or any other chapter.
- 8. A change to subheading 4106.22 from subheadings 4103.10 or 4106.21 or any other chapter.
- 9. A change to subheading 4106.31 from subheading 4103.30 or any other chapter.
- 10. A change to subheading 4106.32 from subheadings 4103.30 or 4106.31 or any other chapter.
- 11. (A) A change to tanned hides and skins in the wet state (including wet-blue) of subheading 4106.40 from subheading 4103.20 or any other chapter; or
  - (B) A change to crust hides and skins of subheading 4106.40 from subheading 4103.20 or tanned hides and skins in the wet state (including wet-blue) of subheading 4106.40 or any other chapter.
- 12 A change to subheading 4106.91 from subheading 4103.90 or any other chapter.
- 13. A change to subheading 4106.92 from subheadings 4103.90 or 4106.91 or any other chapter.

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- 14. A change to heading 4107 from heading 4101 or any other chapter.
- 15. A change to heading 4112 from heading 4102, subheading 4105.10 or any other chapter.
- 16. A change to heading 4113 from heading 4103, subheadings 4106.21 or 4106.31, tanned hides and skins in the wet state(including wet-blue) of subheading 4106.40, subheading 4106.91 or any other chapter.
- 17. A change to heading 4114 from headings 4101 through 4103, subheadings 4105.10, 4106.21, 4106.31 or 4106.91 or any other chapter.
- 18. A change to subheadings 4115.10 through 4115.20 from headings 4101 through 4103 or any other chapter.

#### Chapter 42

- 1. A change to heading 4201 from any other chapter.
- 2. A change to subheading 4202.11 from any other chapter.
- A change to subheading 4202.12 from any other chapter, except from headings 5407, 5408 or 5512 through 5516, or fabric of man-made fibers of subheading 5903.10, fabric of man-made fibers of subheading 5903.20, fabric of man-made fibers of subheading 5903.90, fabric of man-made fibers of subheading 5906.99 or fabric of man-made fibers of subheading 5907.00.
- 4. A change to subheadings 4202.19 through 4202.21 from any other chapter.
- 5. A change to subheading 4202.22 from any other chapter, except from headings 5407, 5408 or 5512 through 5516, or fabric of man-made fibers of subheading 5903.10, fabric of man-made fibers of subheading 5903.20, fabric of man-made fibers of subheading 5903.90, fabric of man-made fibers of subheading 5906.99 or fabric of man-made fibers of subheading 5907.00.
- 6. A change to subheadings 4202.29 through 4202.31 from any other chapter.
- A change to subheading 4202.32 from any other chapter, except from headings 5407, 5408 or 5512 through 5516, or fabric of man-made fibers of subheading 5903.10, fabric of man-made fibers of subheading 5903.20, fabric of man-made fibers of subheading 5903.90, fabric of man-made fibers of subheading 5906.99 or fabric of man-made fibers of subheading 5907.00.
- 8. A change to subheadings 4202.39 through 4202.91 from any other chapter.
- A change to subheading 4202.92 from any other chapter, except from headings 5407, 5408 or 5512 through 5516, or fabric of man-made fibers of subheading 5903.10, fabric of man-made fibers of subheading 5903.20, fabric of man-made fibers of subheading 5903.90, fabric of man-made fibers of subheading 5906.99 or fabric of man-made fibers of subheading 5907.00.
- 10. A change to subheading 4202.99 from any other chapter.
- 11. A change to headings 4203 through 4206 from any other chapter.

## Chapter 43

- 1. A change to heading 4301 from any other chapter.
- 2. A change to heading 4302 from any other heading.
- A change to headings 4303 through 4304 from any heading outside that group.

## Chapter 44

1. A change to headings 4401 through 4421 from any other heading, including another heading within that group.

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#### Chapter 45

- 1. A change to headings 4501 through 4502 from any other heading, including another heading within that group.
- 2. A change to a good of subheading 4503.10 from any other good within that subheading or any other subheading.
- 3. A change to subheading 4503.90 from any other heading.
- 4. A change to heading 4504 from any other heading.

## Chapter 46

- 1. A change to heading 4601 from any other chapter.
- 2. A change to heading 4602 from any other heading.

## Chapter 47

1. A change to headings 4701 through 4707 from any other chapter.

- 1. A change to heading 4801 from any other chapter.
- 2. (A) A change to paper or paperboard in strips or rolls of a width not exceeding 15 cm of heading 4802 from strips or rolls of a width exceeding 15 cm of heading 4802 or any other heading, except from headings 4817 through 4823;
  - (B) A change to paper or paperboard in rectangular (including square) sheets with the larger dimension not exceeding 36 cm or the other dimension not exceeding 15 cm in the unfolded state of heading 4802 from strips or rolls of a width exceeding 15 cm of heading 4802, paper or paperboard in rectangular (including square) sheets with the larger dimension exceeding 36 cm and the other dimension exceeding 15 cm in the unfolded state of heading 4802 or from any other heading, except from headings 4817 through 4823; or
  - (C) A change to any other good of heading 4802 from any other chapter.
- 3. A change to headings 4803 through 4807 from any other chapter.
- 4. A change to headings 4808 through 4809 from any heading outside that group.
- 5. (A) A change to paper or paperboard in strips or rolls of a width not exceeding 15 cm of heading 4810 from strips or rolls of a width exceeding 15 cm of heading 4810, or from any other heading, except from headings 4817 through 4823;
  - (B) A change to paper or paperboard in rectangular (including square) sheets with the larger dimension not exceeding 36 cm or the other dimension not exceeding 15 cm in the unfolded state of heading 4810 from strips or rolls of a width exceeding 15 cm of heading 4810, paper or paperboard in rectangular (including square) sheets with the larger dimension exceeding 36 cm and the other dimension exceeding 15 cm in the unfolded state of heading 4810, or from any other heading, except from headings 4817 through 4823; or
  - C) A change to any other good of heading 4810 from any other chapter.
- 6. (A) A change to paper or paperboard in strips or rolls of a width not exceeding 15 cm of heading 4811 from strips or rolls of a width exceeding 15 cm of heading 4811, floor coverings on a base of paper or paperboard of heading 4811, or from any other heading, except from headings 4817 through 4823;
  - (B) A change to paper or paperboard in rectangular (including square) sheets with the larger dimension not exceeding 36 cm or the other dimension not exceeding 15 cm in the unfolded state of heading 4811 from strips or rolls of a width exceeding 15 cm of heading 4811, paper or paperboard in rectangular (including square) sheets with the larger dimension exceeding 36 cm and the

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other dimension exceeding 15 cm in the unfolded state of heading 4811, floor coverings on a base of paper or paperboard of heading 4811 or any other heading, except from headings 4817 through 4823;

- (C) A change to floor coverings on a base of paper or paperboard of heading 4811 from any other good of heading 4811 or any other heading, except from heading 4814 or floor coverings on a base of paper or paperboard of subheading 4823.90; or
- (D) A change to any other good of heading 4811 from floor coverings on a base of paper or paperboard of heading 4811 or any other chapter.
- 7. A change to headings 4812 through 4813 from any other chapter.
- 8. A change to heading 4814 from any other heading, except from floor coverings on a base of paper or paperboard of heading 4811.
- 9. A change to heading 4816 from any other heading, except from heading 4809.
- 10. A change to headings 4817 through 4822 from any heading outside that group, except from heading 4823.
- 11. (A) A change to strips or rolls of a width of 15 cm or less of heading 4823 from strips or rolls of a width exceeding 15 cm of heading 4823, other than strips or rolls of heading 4823 which, but for their width, would be classified in headings 4803, 4809 or 4814, floor coverings on a base of paper or paperboard of heading 4823, or from any other heading, except from headings 4817 through 4822;
  - (B) A change to strips or rolls of a width exceeding 15 cm of heading 4823 from floor coverings on a base of paper or paperboard of heading 4823, or any other heading, except from headings 4817 through 4822;
  - (C) A change to floor coverings on a base of paper or paperboard of heading 4823 from any other good of heading 4823 or any other heading, except from floor coverings on a base of paper or paperboard of headings 4811 or 4814; or
  - (D) A change to any other good of heading 4823 from strip or rolls of a width exceeding 15 cm of heading 4823, other than strips or rolls of heading 4823 which but for their width would be classified in headings 4803, 4809 or 4814, floor coverings on a base of paper or paperboard of heading 4823, from or any other heading, except from strip or rolls of a width exceeding 15 cm but not exceeding 36 cm or paper or paperboard in rectangular (including square) sheets with one side not exceeding 15 cm in the unfolded state of headings 4802, 4810 or 4811, or from headings 4817 through 4822.

### Chapter 49

1. A change to headings 4901 through 4911 from any other chapter.

# Chapter 50

- 1. A change to headings 5001 through 5003 from any other chapter.
- 2. A change to headings 5004 through 5006 from any heading outside that group.
- 3. A change to heading 5007 from any other heading.

## Chapter 51

- 1. A change to headings 5101 through 5105 from any other chapter.
- 2. A change to headings 5106 through 5110 from any heading outside that group.
- 3. A change to heading 5111 from any heading, except from headings 5106 through 5110, 5112 through 5113, 5205 through 5206, 5401 through 5404 or 5509 through 5510.

**Subheading rule**: For the purposes of trade between the territory of Canada and the territory of the United States of goods of subheading 5112.11, the following rules of origin apply:

(a) A change to woven fabrics (other than tapestry fabrics or upholstery fabrics of a weight not exceeding 140 grams per square meter) of combed fine animal hair of subheading 5112.11 from yarn of combed camel hair or combed cashmere of subheading

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5108.20 or any other heading, except from headings 5106 through 5107, any other good of heading 5108, or headings 5109 through 5111, 5205 through 5206, 5401 through 5404, or 5509 through 5510; or

(b) A change to any other good of subheading 5112.11 from any other heading, except from headings 5106 through 5111 or 5113, 5205 through 5206, 5401 through 5404 or 5509 through 5510.

For the purposes of all other trade of subheading 5112.11 the following rule of origin applies:

(a) A change to subheading 5112.11 from any other heading, except from headings 5106 through 5111 or 5113, 5205 through 5206, 5401 through 5404 or 5509 through 5510.

**Subheading rule**: For the purposes of trade between the territory of Canada and the territory of the United States of goods of subheading 5112.19, the following rules of origin apply:

- (a) A change to woven fabrics, other than tapestry or upholstery fabrics, of combed fine animal hair of subheading 5112.19 from yarn of combed camel hair or combed cashmere of subheading 5108.20 or any other heading, except from headings 5106 through 5107, any other good of heading 5108 or headings 5109 through 5111, 5205 through 5206, 5401 through 5404 or 5509 through 5510: or
- (b) A change to any other good of subheading 5112.19 from any other heading, except from headings 5106 through 5110, 5111, 5113, 5205 through 5206, 5401 through 5404 or 5509 through 5510.

For the purposes of all other trade of subheading 5112.19 the following rule of origin applies:

- (a) A change to subheading 5112.19 from any other heading, except from headings 5106 through 5111 or 5113, 5205 through 5206, 5401 through 5404 or 5509 through 5510.
- 4. A change to subheadings 5112.20 through 5112.90 from any other heading, except from headings 5106 through 5111 or 5113, 5205 through 5206, 5401 through 5404 or 5509 through 5510.
- 5. A change to heading 5113 from any other heading, except from headings 5106 through 5112, 5205 through 5206, 5401 through 5404 or 5509 through 5510.

#### Chapter 52

- 1. A change to headings 5201 through 5207 from any other chapter, except from headings 5401 through 5405 or 5501 through 5507.
- A change to headings 5208 through 5212 from any heading outside that group, except from headings 5106 through 5110, 5205 through 5206, 5401 through 5404 or 5509 through 5510.

## Chapter 53

- 1, A change to headings 5301 through 5305 from any other chapter.
- 2. A change to headings 5306 through 5308 from any heading outside that group.
- A change to headings 5309 through 5311 from any other heading.

- 1. A change to headings 5401 through 5406 from any other chapter, except from headings 5201 through 5203 or 5501 through 5507.
- (A) A change to woven fabric of non-textured polyester filaments of subheading 5407.61 from yarns, with a twist of 900 or more turns per meter, wholly of polyesters other than partially oriented measuring no less than 75 decitex but not more than 80 decitex, and having 24 filaments per yarn of subheadings 5402.44, 5402.47 or 5402.52, or any other chapter, except from headings 5106 through 5110, 5205 through 5206 or 5509 through 5510; or
  - (B) A change to any other good of heading 5407 from any other chapter, except from headings 5106 through 5110, 5205 through 5206 or 5509 through 5510.

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3. A change to heading 5408 from any other chapter, except from headings 5106 through 5110, 5205 through 5206, or 5509 through 5510.

#### Chapter 55

- 1. A change to headings 5501 through 5508 from any other chapter, except from headings 5201 through 5203 or 5401 through 5405.
- 2. A change to subheadings 5509.11 through 5509.22 from any other chapter, except from headings 5201 through 5203 or 5401 through 5405.

**Subheading rule**: For the purposes of trade between the territory of Canada and the territory of the United States of goods of subheading 5509.31 the following rule of origin applies:

(a) A change to subheading 5509.31 from acid-dyeable acrylic tow of subheading 5501.30 or any other chapter, except from headings 5201 through 5203 or 5401 through 5405.

For the purposes of all other trade of subheading 5509.31 the following rule of origin applies:

- (a) A change to subheading 5509.31 from any other chapter, except from headings 5201 through 5203 or 5401 through 5405.
- 3. A change to subheadings 5509.32 through 5509.99 from any other chapter, except from headings 5201 through 5203 or 5401 through 5405.
- 4. A change to headings 5510 through 5511 from any other chapter, except from headings 5201 through 5203 or 5401 through 5405.
- 5. A change to headings 5512 through 5516 from any heading outside that group, except from headings 5106 through 5110, 5205 through 5206, 5401 through 5404 or 5509 through 5510.

#### Chapter 56

- A change to headings 5601 through 5605 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311 or chapters 54 through 55.
- 2. (A) A change to heading 5606 from flat yarns of subheading 5402.45 (flat yarns means 7 denier/5 filament, 10 denier/7 filament or 12 denier/5 filament, all of nylon 66, untextured (flat) semi-dull yarns, multifilament, untwisted or with a twist not exceeding 50 turns per meter, of subheading 5402.45) or any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311 or chapters 54 through 55; or
  - (B) A change to any other good of heading 5606 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, or chapters 54 through 55.
- 3. A change to headings 5607 through 5609 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311 or chapters 54 through 55.

## Chapter 57

- 1. A change to headings 5701 through 5702 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5311, chapter 54 or headings 5508 through 5516.
- 2. A change to subheading 5703.10 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5311, chapter 54 or headings 5508 through 5516.

**Chapter rule 1**: For the purposes of trade between the territory of Mexico and the territory of the United States of goods of subheadings 5703.20 through 5703.30 the following rule of origin applies:

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(a) A change to subheadings 5703.20 through 5703.30 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5311, chapters 54 or 55.

For the purposes of all other trade of subheadings 5703.20 through 5703.30 the following rule of origin applies:

- (a) A change to subheadings 5703.20 through 5703.30 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5311, chapter 54 or headings 5508 through 5516.
- 3. A change to subheading 5703.90 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5311, chapter 54 or headings 5508 through 5516.

**Heading rule**: For the purposes of trade between the territory of Mexico and the territory of the United States of goods of heading 5704 the following rule of origin applies:

(a) A change to heading 5704 from any chapter, except from headings 5106 through 5113, 5204 through 5212, 5311, or chapters 54 or 55.

For the purposes of all other trade of heading 5704 the following rule of origin applies:

- (a) A change to heading 5704 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5311, chapter 54 or headings 5508 through 5516.
- 4. A change to heading 5705 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5311, chapter 54 or headings 5508 through 5516.

#### Chapter 58

1. A change to subheadings 5801.10 through 5801.33 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, or chapters 54 through 55.

**Subheading rule**: For the purposes of trade between the territory of Canada and the territory of the United States of goods of subheading 5801.36 the following rule of origin applies:

(a) A change to subheading 5801.36 from any other chapter, except headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54, headings 5501 through 5502, subheadings 5503.10 through 5503.20 or 5503.40 through 5503.90 or headings 5504 through 5516.

For the purposes of all other trade of subheading 5801.36 the following rule of origin applies:

(a) A change to subheading 5801.36 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, or chapters 54 through 55.

**Subheading rule**: For the purposes of trade between the territory of Canada and the territory of the United States of goods of subheading 5801.37 the following rules of origin apply:

- (a) A change to warp pile fabrics, cut, of subheading 5801.37 (if such fabrics are fabrics with pile of dry-spun acrylic staple fibers of subheading 5503.30 and dyed in the piece to a single uniform color) from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54, headings 5501 through 5502, subheadings 5503.10 through 5503.20 or 5503.40 through 5503.90 or headings 5504 through 5516; or
- (b) A change to any other good of subheading 5801.37 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, or chapters 54 through 55.

For the purposes of all other trade of subheading 5801.37 the following rule of origin applies:

- (a) A change to subheading 5801.37 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, or chapters 54 through 55.
- A change to subheading 5801.90 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, or chapters 54 through 55.

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3. A change to headings 5802 through 5811 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, or chapters 54 through 55.

#### Chapter 59

- 1. A change to heading 5901 from any other chapter, except from headings 5111 through 5113, 5208 through 5212, 5310 through 5311, 5407 through 5408 or 5512 through 5516.
- 2. A change to heading 5902 from any other heading, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311 or chapters 54 through 55.
- 3. A change to headings 5903 through 5908 from any other chapter, except from headings 5111 through 5113, 5208 through 5212, 5310 through 5311, 5407 through 5408 or 5512 through 5516.
- 4. A change to heading 5909 from any other chapter, except from headings 5111 through 5113, 5208 through 5212 or 5310 through 5311, chapter 54 or headings 5512 through 5516.
- 5. A change to heading 5910 from any other heading, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, or chapters 54 through 55.
- 6. A change to heading 5911 from any other chapter, except from headings 5111 through 5113, 5208 through 5212, 5310 through 5311, 5407 through 5408 or 5512 through 5516.

#### Chapter 60

1. A change to headings 6001 through 6006 from any other chapter, except from headings 5106 through 5113, chapter 52,headings 5310 through 5311 or chapters 54 through 55.

#### Chapter 61

**Chapter Rule 1**: For the purposes of determining the origin of a good of this chapter, the rule applicable to that good shall only apply to the component that determines the tariff classification of the good and such component must satisfy the tariff change requirements set out in the rule for that good.

**Chapter Rule 2**: Effective on January 1, 2022, and notwithstanding chapter rule 1 of this chapter, a good of this chapter containing fabrics of subheading 5806.20 or heading 6002 is originating only if such fabrics are both formed from yarn and finished in the territory of one or more of the USMCA countries.

**Chapter Rule 3**: Effective July 1, 2021, and notwithstanding chapter rule 1 of this chapter, a good of this chapter containing sewing thread of headings 5204, 5401 or 5508, or yarn of heading 5402 used as sewing thread shall be considered originating only if such sewing thread is both formed and finished in the territory of one or more of the USMCA countries.

Chapter Rule 4: Effective January 1, 2022, and notwithstanding chapter rule 1 of this chapter, if a good of this chapter contains a pocket or pockets, the pocket bag fabric must be formed and finished in the territory of one or more of the USMCA countries from yarn wholly formed in one or more of the USMCA countries.

- 1. A change to headings 6101 through 6102 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 2. A change to subheading 6103.10 through 6103.22 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, provided that the goodis both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.

**Subheading rule**: For the purposes of trade between the territory of Mexico and the territory of the United States of goods of subheading 6103.23 the following rules of origin apply:

(a) A change to sweaters of subheading 6110.30 classified as part of an ensemble of subheading 6103.23 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapters 54 or 55 or headings 6001 through

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6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries; or

(b) A change to any other good of subheading 6103.23 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54, headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.

For the purposes of all other trade of subheading 6103.23 the following rule of origin applies:

- (a) A change to subheading 6103.23 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54, headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 3. A change to subheadings 6103.29 through 6103.49 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, provided that the goodis both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 4. A change to subheadings 6104.13 through 6104.22 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, provided that the goodis both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.

**Subheading rule**: For the purposes of trade between the territory of Mexico and the territory of the United States of goods of subheading 6104.23 the following rules of origin apply:

- (a) A change to sweaters of subheading 6110.30 classified as part of an ensemble of subheading 6104.23 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapters 54 or 55 or headings 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries; or
- (b) A change to any other good of subheading 6104.23 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54, headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.

For the purposes of all other trade of subheading 6104.23 the following rule of origin applies:

- (a) A change to subheading 6104.23 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54, headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 5. A change to subheadings 6104.29 through 6104.69 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, provided that the goodis both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 6. A change to headings 6105 through 6106 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, provided that the good is bothcut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 7. A change to subheadings 6107.11 through 6107.19 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, or other made-up textile articles of heading 9619, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 8. (A) A change to subheading 6107.21 from circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.21, circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.22, circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.23 or circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.24, provided that the good, exclusive of collar, cuffs, waistband or elastic, is wholly of such fabric and the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries, and such goods will not be subject to chapter rules 2 through 4 of this chapter; or

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- (B) A change to subheading 6107.21 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 9. A change to subheadings 6107.22 through 6107.99 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 10. A change to subheadings 6108.11 through 6108.19 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 11. (A) A change to subheading 6108.21 from circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.21, circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.22, circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.23 or circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.24, provided that the good, exclusive of waistband, elastic or lace, is wholly of such fabric and the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries, and such goods will not be subject to chapter rules 2 through 4 of this chapter; or
  - (B) A change to subheading 6108.21 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, or other made-up textile articles of heading 9619, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 12. A change to subheadings 6108.22 through 6108.29 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, or other made-up textile articles of heading 9619, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 13. (A) A change to subheading 6108.31 from circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.21, circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.22, circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.23 or circular knit fabric, wholly of cotton yarns exceeding 100 metric number per single yarn, of subheading 6006.24, provided that the good, exclusive of collar, cuffs, waistband, elastic or lace, is wholly of such fabric and the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries, and such goods will not be subject to chapter rules 2 through 4 of this chapter; or
  - (B) A change to subheading 6108.31 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 14. A change to subheadings 6108.32 through 6108.99 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 15. A change to heading 6109 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, or other made-up textile articles of heading 9619, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 16. A change to subheadings 6110.11 through 6110.20 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, or other made-up textile articles of heading 9619, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.

**Subheading rule**: For the purposes of trade between the territory of Mexico and the territory of the United States of goods of subheading 6110.30 the following rules of origin apply:

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- (a) A change to sweaters of subheading 6110.30 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapters 54 or 55 or headings 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries; or
- (b) A change to any other good of subheading 6110.30 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54, headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.

For the purposes of all other trade of subheading 6110.30 the following rule of origin applies:

- (a) A change to subheading 6110.30 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54, headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 17. A change to subheading 6110.90 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, or other made-up textile articles of heading 9619, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 18. A change to heading 6111 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, or other made-up textile articles of heading 9619, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 19. A change to headings 6112 through 6117 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.

## Chapter 62

Chapter rule 1: Apparel goods of this chapter shall be considered to originate if they are both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries and if the fabric of the outer shell, exclusive of collars or cuffs, is wholly of one or more of the following:

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- (A) Velveteen fabrics of subheading 5801.23, containing 85 percent or more by weight of cotton;
- (B) Corduroy fabrics of subheading 5801.22, containing 85 percent or more by weight of cotton and containing more than 7.5 wales per centimeter;
- (C) Fabrics of subheadings 5111.11 or 5111.19, if handwoven, with a loom width of less than 76 cm, woven in the United Kingdom in accordance with the rules and regulations of the Harris Tweed Authority, Ltd., and so certified by the Authority;
- (D) Fabrics of subheading 5112.30, weighing not more than 340 grams per square meter, containing wool, not less than 20 percent by weight of fine animal hair and not less than 15 percent by weight of man-made staple fibers; or
- (E) Batiste fabrics of subheadings 5513.11 or 5513.21, of square construction, of single yarns exceeding 76 metric count, containing between 60 and 70 warp ends and filling picks per square centimeter, of a weight not exceeding 110 grams per square meter.

Such apparel goods shall not be subject to rules 3 through 5 of this chapter.

Chapter rule 2: For the purposes of determining the origin of a good of this chapter, the rule applicable to that good shall only apply to the component that determines the tariff classification of the good and such component must satisfy the tariff change requirements set out in the rule for that good.

Chapter rule 3: Effective January 1, 2022, and notwithstanding chapter rule 2 of this chapter, a good of this chapter containing fabrics of subheading 5806.20 or heading 6002 is originating only if such fabrics are both formed from yarn and finished in the territory of one or more of the USMCA countries.

Chapter rule 4: Effective 12 months from the date of entry into force of the agreement, and notwithstanding chapter rule 2 of this chapter, a good of this chapter containing sewing thread of headings 5204, 5401 or 5508, or yarn of heading 5402 used as sewing thread shall be considered originating only if such sewing thread is both formed and finished in the territory of one or more of the USMCA countries.

**Chapter rule 5**: For apparel made of blue denim fabric of subheadings 5209.42, 5211.42, 5212.24 and 5514.30, effective 30 months from the date of entry into force of the agreement, and notwithstanding chapter rule 2 of this chapter, if such goods of this chapter contain a pocket or pockets, the pocket bag fabric must be formed and finished in the territory of one or more of the USMCA countries from yarn wholly formed in one or more of the USMCA countries.

Chapter rule 6: For all other apparel, effective 18 months from the date of entry into force of the agreement, and notwithstanding chapter rule 2 of this chapter, if a good of this chapter contains a pocket or pockets, the pocket bag fabric must be formed and finished in the territory of one or more of the USMCA countries from yarn wholly formed in one or more of the USMCA countries.

 A change to headings 6201 through 6204 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54, headings 5508 through 5516, 5801 through 5802 or 6001 through 6006, provided thatthe good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.

**Subheading rule**: Men's or boys' shirts of cotton or man-made fibers shall be considered to originate if they are both cut and assembled in the territory of one or more of the USMCA countries and if the fabric of the outer shell, exclusive of collars or cuffs, is wholly of one or more of the following:

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- (a) Fabrics of subheadings 5208.21, 5208.22, 5208.29, 5208.31, 5208.32, 5208.39, 5208.41, 5208.42, 5208.49, 5208.51, 5208.52 or 5208.59, other than 3-thread or 4-thread twill, including cross twill, fabric of subheading 5208.59 of average yarn number exceeding 135 metric:
- (b) Fabrics of subheadings 5513.11 or 5513.21, not of square construction, containing more than 70 warp ends and filling picks per square centimeter, of average yarn number exceeding 70 metric;
- (c) Fabrics of subheadings 5210.21 or 5210.31, not of square construction, containing more than 70 warp ends and filling picks per square centimeter, of average yarn number exceeding 70 metric:
- (d) Fabrics of subheadings 5208.22 or 5208.32, not of square construction, containing more than 75 warp ends and filling picks per square centimeter, of average yarn number exceeding 65 metric;
- (e) Fabrics of subheadings 5407.81, 5407.82 or 5407.83, weighing less than 170 grams per square meter, having a dobby weave created by a dobby attachment;
- (f) Fabrics of subheadings 5208.42 or 5208.49, not of square construction, containing more than 85 warp ends and filling picks per square centimeter, of average yarn number exceeding 85 metric;
- (g) Fabrics of subheading 5208.51, of square construction, containing more than 75 warp ends and filling picks per square centimeter, made with single yarns, of average yarn number 95 or greater metric;
- (h) Fabrics of subheading 5208.41, of square construction, with a gingham pattern, containing more than 85 warp ends and filling picks per square centimeter, made with single yarns, of average yarn number 95 or greater metric, and characterized by a check effect produced by the variation in color of the yarns in the warp and filling; or
- (i) Fabrics of subheading 5208.41, with the warp colored with vegetable dyes, and the filling yarns white or colored with vegetable dyes, of average yarn number greater than 65 metric.

Such apparel goods shall not be subject to rules 3 through 5 of this chapter.

- A change to any other good of subheadings 6205.20 through 6205.30 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516, 5801 through 5802 or 6001 through 6006, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 3. A change to subheading 6205.90 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516, 5801 through 5802 or 6001 through 6006, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 4. A change to heading 6206 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, or 5310 through 5311, chapter 54 or headings 5508 through 5516, 5801 through 5802 or 6001 through 6006, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries.

**Subheading rule**: Men's or boys' boxer shorts of cotton of subheading 6207.11 shall be considered to originate if they are both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries, and if the plain weave fabric of the outer shell, exclusive of waistbands, is wholly of one or more of the following:

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- a) Fabrics of subheading 5208.41, yarn-dyed, with a fiber content of 100 percent cotton, 95 to 100 grams per square meter, of average yarn number 37 to 42 metric;
- (b) Fabrics of subheading 5208.42, yarn-dyed, with a fiber content of 100 percent cotton, weighing not more than 105 grams per square meter, of average yarn number 47 to 53 metric;
- (c) Fabrics of subheading 5208.51, printed, with a fiber content of 100 percent cotton, 93 to 97 grams per square meter, of average yarn number 38 to 42 metric;
- (d) Fabrics of subheading 5208.52, printed, with a fiber content of 100 percent cotton, 112 to 118 grams per square meter, of average yarn number 38 to 42 metric;
- (e) Fabrics of subheading 5210.11, greige, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 100 to 112 grams per square meter, of average yarn number 55 to 65 metric;
- (f) Fabrics of subheading 5210.41, yarn-dyed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 77 to 82 grams per square meter, of average yarn number 43 to 48 metric;
- (g) Fabrics of subheading 5210.41, yarn-dyed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 85 to 90 grams per square meter, of average yarn number 69 to 75 metric;
- (h) Fabrics of subheading 5210.51, printed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 107 to 113 grams per square meter, of average yarn number 33 to 37 metric;
- (i) Fabrics of subheading 5210.51, printed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 92 to 98 grams per square meter, of average yarn number 43 to 48 metric; or
- (j) Fabrics of subheading 5210.51, printed, with a fiber content of 51 to 60 percent cotton, 49 to 40 percent polyester, 105 to 112 grams per square meter, of average yarn number 50 to 60 metric.

Such apparel goods shall not be subject to rules 3 through 5 of this chapter.

- 5. A change to any other good of subheading 6207.11 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516, 5801 through 5802 or 6001 through 6006, or other made-up textile articles of heading 9619, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 6. A change to subheadings 6207.19 through 6207.99 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516, 5801 through 5802 or 6001 through 6006, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 7. A change to headings 6208 through 6211 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54, headings 5508 through 5516, 5801 through 5802 or 6001 through 6006, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 8. A change to subheading 6212.10 from any other chapter, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries. Such goods shall not be subject to rules 3 through 5 of this chapter.
- 9. A change to subheadings 6212.20 through 6212.90 from any other chapter, except from heading 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516, 5801 through 5802 or 6001 through 6006, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 10. A change to headings 6213 through 6217 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54 or headings 5508 through 5516, 5801 through 5802 or 6001 through 6006, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries.

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#### Chapter 63

Chapter Rule 1: For the purposes of determining the origin of a good of this chapter, the rule applicable to that good shall only apply to the component that determines the tariff classification of the good and such component must satisfy the tariff change requirements set out in the rule for that good.

**Chapter Rule 2**: Effective January 1, 2022, and not withstanding chapter rule 1 of this chapter, for the purposes of determining the origin of a good of this chapter, a good of this chapter containing fabrics of heading 5903 shall be considered originating only if all fabrics used in the production of the fabrics of heading 5903 are formed and finished in the territory of one or more of the USMCA countries. This note shall not apply to goods of heading 6305, goods of subheadings 6306.12 or 6306.22 or goods of subheading 6307.90 that are not surgical drapes or national flags.

- 1. A change to headings 6301 through 6302 from any other chapter, except from headings 5106 through 5113, 5204 through 5212 5310 through 5311, chapters 54 through 55, or headings 5801 through 5802 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 2. A change to subheadings 6303.12 through 6303.91 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapters 54 through 55 or headings 5801 through 5802 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 3. (A) A change to curtains of subheading 6303.92 made of fabrics wholly of non-textured polyester filaments from yarn, with a twist of 900 or more turns per meter, wholly of polyesters other than partially oriented, measuring not less than 75 decites but not more than 80 decitex, and having 24 filaments per yarn of subheadings 5402.44, 5402.47 or 5402.52, provided that the good is both cut and sewn or otherwise assembled in the territory of one or more of the USMCA countries, and such goods will not be subject to chapter rule 2 of this chapter;
  - (B) A change to any other good of subheading 6303.92 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapters 54 through 55 or headings 5801 through 5802 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 4. A change to subheading 6303.99 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapters 54 through 55 or headings 5801 through 5802 or 6001 through 6006, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.
- 5. A change to headings 6304 through 6310 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapters 54 through 55 or headings 5801 through 5802 or 6001 through 6006, or other made-up textile articles of heading 9619, provided that the good is both cut (or knit to shape) and sewn or otherwise assembled in the territory of one or more of the USMCA countries.

## Chapter 64

- 1 A change to headings 6401 through 6405 from any heading outside that group, except from subheading 6406.10, provided there is a regional value content of not less than 55 percent under the net cost method.
- A change to subheading 6406.10 from any other subheading, except from headings 6401 through 6405, provided there is a regional value content of not less than 55 percent under the net cost method.
- 3. A change to subheadings 6406.20 through 6406.90 from any other chapter.

## Chapter 65

- 1. A change to headings 6501 through 6502 from any other chapter.
- 2. A change to headings 6504 through 6507 from any heading outside that group.

## Chapter 66

1. A change to heading 6601 from any other heading, except from a combination of both:

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- (A) subheading 6603.20; and
- (B) headings 3920 through 3921, 5007, 5111 through 5113, 5208 through 5212, 5309 through 5311, 5407 through 5408, 5512 through 5516, 5602 through 5603, 5801 through 5811, 5901 through 5911 or 6001 through 6006.
- 2. A change to heading 6602 from any other heading.
- 3. A change to heading 6603 from any other chapter.

#### Chapter 67

- 1. (A) A change to heading 6701 from any other heading; or
  - (B) A change to a good of feather or down of heading 6701 from within that heading or any other heading.
- 2. A change to headings 6702 through 6704 from any other heading, including another heading within that group.

- 1. A change to headings 6801 through 6811 from any other chapter.
- 2. (A) A change to clothing, clothing accessories, footwear and headgear of subheading 6812.80 from any other subheading;
  - (B) A change to fabricated crocidolite fibers or mixtures with a basis of crocidolite or with a basis of crocidolite and magnesium carbonate of subheading 6812.80 from any other chapter;
  - (C) A change to yarn or thread of subheading 6812.80 from any other good of subheading 6812.80 or any other subheading;
  - (D) A change to cords or string, whether or not plaited, of subheading 6812.80 from any other good of subheading 6812.80 or any other subheading, except from woven or knitted fabric of subheading 6812.80;
  - (E) A change to woven or knitted fabric of subheading 6812.80 from any other good of subheading 6812.80 or any other subheading, except from cords or string, whether or not plaited, of subheading 6812.80; or
  - (F) A change to any other good of subheading 6812.80 from fabricated crocidolite fibers or mixtures with a basis of crocidolite and magnesium carbonate, yarn or thread, cords or string, whether or not plaited, or woven or knitted fabric of subheading 6812.80 or from any other subheading.
- 3. A change to subheading 6812.91 from any other subheading.
- (A) A change to fabricated asbestos fibers or mixtures with a basis of asbestos or with a basis of asbestos and magnesium carbonate
  of subheading 6812.99 from any other chapter;
  - (B) A change to yarn or thread of subheading 6812.99 from any other good of subheading 6812.99 or any othersubheading;
  - (C) A change to cords or string, whether or not plaited, of subheading 6812.99 from any other good of subheading 6812.99 or any other subheading, except from woven or knitted fabric of subheading 6812.99;
  - (D) A change to woven or knitted fabric of subheading 6812.99 from any other good of subheading 6812.99 or any other subheading, except from cords or string, whether or not plaited, of subheading 6812.99; or
  - (E) A change to any other good of subheadings 6812.92 through 6812.99 from fabricated asbestos fibers or mixtures with a basis of asbestos or with a basis of asbestos and magnesium carbonate, yarn or thread, cords or string, whether or not plaited, or woven or knitted fabric of subheading 6812.99 or from any subheadingoutside that group.
- 5. A change to heading 6813 from any other heading.
- 6. A change to headings 6814 through 6815 from any other chapter.

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#### Chapter 69

1. A change to headings 6901 through 6914 from any other chapter.

#### Chapter 70

Chapter rule 1: For the purposes of the subdivisions pertaining to this chapter, whenever the subdivision designation is underscored, the provisions of subdivision (k) of this note may apply to goods for use in a motor vehicle of chapter 87.

- 1. A change to heading 7001 from any other heading.
- 2. A change to subheading 7002.10 from any other heading.
- 3. A change to subheading 7002.20 from any other chapter.
- 4. A change to subheading 7002.31 from any other heading.
- 5. A change to subheadings 7002.32 through 7002.39 from any other chapter.

**Heading rule**: The underscoring of the designations in subdivision 6 pertains to goods provided for in headings 7003 through 7008 for use in a motor vehicle of chapter 87.

6. A change to headings 7003 through 7008 from any heading outside that group, except from heading 7009.

**Subheading rule**: The underscoring of the designations in subdivision 7 pertains to goods provided for in subheadings 7009.10 through 7009.91 for use in a motor vehicle of chapter 87.

- 7. A change to subheadings 7009.10 through 7009.91 from any other heading, except from headings 7003 through 7008.
- 8. A change to subheading 7009.92 from any other subheading.
- 9. A change to headings 7010 through 7018 from any other chapter.
- 10. A change to heading 7019 from any other heading, except from headings 7007 through 7018 or 7020.
- 11. A change to heading 7020 from any other chapter.

- 1. A change to headings 7101 through 7105 from any other chapter.
- (A) A change to subheadings 7106.10 through 7106.92 from any other subheading, including another subheading within that group; or
  - (B) No change in tariff classification to a good of subheading 7106.91, whether or not there is also a change from another subheading, provided that the nonoriginating materials undergo electrolytic, thermal or chemical separation or alloying.
- 3. A change to heading 7107 from any other chapter.
- (A) A change to subheadings 7108.11 through 7108.20 from any other subheading, including another subheading within that group;
  - (B) No change in tariff classification to a good of subheading 7108.12, whether or not there is also a change from another subheading, provided that the nonoriginating materials undergo electrolytic, thermal or chemical separation or alloying.
- 5. A change to heading 7109 from any other chapter.
- 6. A change to subheadings 7110.11 through 7110.49 from any other subheading, including another subheading within that group.

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- 7. A change to heading 7111 from any other chapter.
- 8. A change to heading 7112 from any other heading.
- 9. A change to headings 7113 through 7118 from any heading outside that group.

## Chapter 72

- 1. A change to heading 7201 from any other chapter.
- 2. A change to subheadings 7202.11 through 7202.60 from any other chapter.
- 3. A change to subheading 7202.70 from any other chapter, except from subheading 2613.10.
- 4. A change to subheadings 7202.80 through 7202.99 from any other chapter.
- 5. A change to headings 7203 through 7205 from any other chapter.
- 6. A change to headings 7206 through 7207 from any heading outside that group.
- 7. A change to headings 7208 through 7216 from any heading outside that group.
- 8. A change to heading 7217 from any other heading, except from headings 7213 through 7215.
- 9. A change to headings 7218 through 7222 from any heading outside that group.
- 10. A change to heading 7223 from any other heading, except from headings 7221 through 7222.
- 11. A change to headings 7224 through 7228 from any heading outside that group.
- 12. A change to heading 7229 from any other heading, except from headings 7227 through 7228.

## Chapter 73

- 1. A change to headings 7301 through 7303 from any other chapter.
- 2. A change to subheadings 7304.11 through 7304.39 from any other chapter.
- 3. A change to tariff item 7304.41.30 from subheading 7304.49 or any other chapter.
- 4. A change to subheading 7304.41 from any other chapter.
- 5. A change to subheadings 7304.49 through 7304.90 from any other chapter.

Heading rule: Beginning on July 1, 2020, until June 30, 2023, the following rule of origin shall apply to headings 7305 through 7307:

(a) A change to headings 7305 through 7307 from any other chapter.

Heading rule: Beginning on July 1, 2023, and thereafter, the following rules of origin shall apply to headings 7305 through 7307:

- (a) A change to headings 7305 through 7307 from any other heading, except from headings 7208 through 7229 or 7301 through 7326; or
- (b) A change to headings 7305 through 7307 from headings 7208 through 7229 or 7301 through 7326, provided that at least 70 percent by weight of the materials of headings 7208 through 7229 or headings 7301 through 7326 is originating; or
- (c) No change in tariff classification to a good of headings 7305 through 7307, provided there is a regional value content of not less than:

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- (i) 75 percent where the transaction value method is used; or
- (i) 75 percent where the transaction value method is used; or

Subheading rule: Beginning on July 1, 2020, until July 1, 2022, the following rules of origin shall apply to subheading 7308.10:

- (a) A change to subheading 7308.10 from any other heading, except for changes resulting from the following processes performed on angles, shapes, or sections of heading 7216:
  - (i) drilling, punching, notching, cutting, cambering, or sweeping, whether performed individually or in combination;
  - (ii) adding attachments or weldments for composite construction;
  - (iii) adding attachments for handling purposes;
  - (iv) adding weldments, connectors or attachments to H-sections or I-sections, provided that the maximum dimension of the weldments, connectors, or attachments is not greater than the dimension between the inner surfaces of the flanges of the H-sections or I-sections;
  - (v) painting, galvanizing, or otherwise coating; or
  - (vi) adding a simple base plate without stiffening elements, individually or in combination with drilling, punching, notching, or cutting, to create an article suitable as a column.

Subheading rule: Beginning on July 1, 2022, and thereafter, the following rules of origin shall apply to subheading 7308.10:

- (a) A change to subheading 7308.10 from any other heading, except from headings 7208, 7211, 7216, 7225 or 7226; or
- (b) A change to subheading 7308.10 from headings 7208, 7211, 7216, 7225 or 72.26, provided that at least 70 percent by weight of the materials of headings 7208, 7211, 7216, 7225 and 7226 is originating; or
- (c) No change in tariff classification to a good of subheading 7308.10 provided there is a regional value content of not less than:
  - (i) 75 percent where the transaction value method is used; or
  - (ii) 65 percent where the net cost method is used.

Subheading rule: Beginning on July 1, 2020 until July 1, 2022, the following rules of origin shall apply to subheading 7308.20:

- (a) A change to subheading 7308.20 from any other heading, except for changes resulting from the following processes performed on angles, shapes, or sections of heading 7216:
  - (i) drilling, punching, notching, cutting, cambering, or sweeping, whether performed individually or in combination;
  - (ii) adding attachments or weldments for composite construction;
  - (iii) adding attachments for handling purposes;
  - (iv) adding weldments, connectors or attachments to H-sections or I-sections, provided that the maximum dimension of the weldments, connectors, or attachments is not greater than the dimension between the inner surfaces of the flanges of the H-sections or I-sections;
  - (v) painting, galvanizing, or otherwise coating; or
  - (vi) adding a simple base plate without stiffening elements, individually or in combination with drilling, punching, notching, or cutting, to create an article suitable as a column.

Subheading rule: Beginning on July 1, 2022, and thereafter, the following rules of origin shall apply to subheading 7308.20:

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- (a) A change to subheading 7308.20 from any other heading, except from headings 7208, 7211, 7216, 7225 or 7226; or
- (b) A change to subheading 7308.20 from headings 7208, 7211, 7216, 7225, or 7226, provided that at least 70 percent by weight of the materials of headings 7208, 7211, 7216, 7225 and 7226 is originating; or
- (c) No change in tariff classification to a good of subheading 7308.20 provided there is a regional value content of not less than:
  - (i) 65 percent where the transaction value method is used; or
  - (ii) 55 percent where the net cost method is used.

Subheading rule: Beginning on July 1, 2020 until July 1, 2022, the following rules of origin shall apply to subheading 7308.30:

- (a) A change to subheading 7308.30 from any other heading, except for changes resulting from the following processes performed on angles, shapes, or sections of heading 7216:
  - (i) drilling, punching, notching, cutting, cambering, or sweeping, whether performed individually or in combination;
  - (ii) adding attachments or weldments for composite construction;
  - (iii) adding attachments for handling purposes;
  - (iv) adding weldments, connectors or attachments to H-sections or I-sections, provided that the maximum dimension of the weldments, connectors, or attachments is not greater than the dimension between the inner surfaces of the flanges of the H-sections or I-sections;
  - (v) painting, galvanizing, or otherwise coating; or
  - (vi) adding a simple base plate without stiffening elements, individually or in combination with drilling, punching, notching, or cutting, to create an article suitable as a column.

Subheading rule: Beginning on July 1, 2022, and thereafter, the following rules of origin shall apply to subheading 7308.30:

- (a) A change to subheading 7308.30 from any other heading, except from headings 7208, 7211, 7216, 7225 or 7226;
- (b) A change to subheading 7308.30 from headings 7208, 7211, 7216, 7225, or 7226, provided that at least 70 percent by weight of the materials of headings 7208, 7211, 7216, 7225 and 7226 is originating; or
- (c) No change in tariff classification to a good of subheading 7308.30 provided there is a regional value content of not less than:
  - (i) 75 percent where the transaction value method is used; or
  - (ii) 65 percent where the net cost method is used.

Subheading rule: Beginning on July 1, 2020 until July 1, 2022, the following rules of origin shall apply to subheading 7308.40:

(a) A change to subheading 7308.40 from any other heading, except for changes resulting from the following processes performed on angles, shapes, or sections of heading 7216:

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- (i) drilling, punching, notching, cutting, cambering, or sweeping, whether performed individually or in combination;
- (ii) adding attachments or weldments for composite construction;
- (iii) adding attachments for handling purposes;
- (iv) adding weldments, connectors or attachments to H-sections or I-sections, provided that the maximum dimension of the weldments, connectors, or attachments is not greater than the dimension between the inner surfaces of the flanges of the H-sections or I-sections;
- (v) painting, galvanizing, or otherwise coating; or
- (vi) adding a simple base plate without stiffening elements, individually or in combination with drilling, punching, notching, or cutting, to create an article suitable as a column.

Subheading rule: Beginning on July 1, 2022, and thereafter, the following rules of origin shall apply to subheading 7308.40:

- (a) A change to subheading 7308.40 from any other heading, except from headings 7208, 7211, 7216, 7225 or 7226;
- (b) A change to subheading 7308.40 from headings 7208, 7211, 7216, 7225, or 7226, provided that at least 70 percent by weight of the materials of headings 7208, 7211, 7216, 7225 and 7226 is originating; or
- (c) No change in tariff classification to a good of subheading 7308.40 provided there is a regional value content of not less than:
  - (i) 65 percent where the transaction value method is used; or
  - (ii) 55 percent where the net cost method is used.

Subheading rule: Beginning on July 1, 2020 until July 1, 2022, the following rules of origin shall apply to subheading 7308.90:

- (a) A change to subheading 7308.90 from any other heading, except for changes resulting from the following processes performed on angles, shapes, or sections of heading 7216:
  - (i) drilling, punching, notching, cutting, cambering, or sweeping, whether performed individually or in combination;
  - (ii) adding attachments or weldments for composite construction;
  - (iii) adding attachments for handling purposes;
  - (iv) adding weldments, connectors or attachments to H-sections or I-sections, provided that the maximum dimension of the weldments, connectors, or attachments is not greater than the dimension between the inner surfaces of the flanges of the H-sections or I-sections;
  - (v) painting, galvanizing, or otherwise coating; or
  - (vi) adding a simple base plate without stiffening elements, individually or in combination with drilling, punching, notching, or cutting, to create an article suitable as a column.

Subheading rule: Beginning on July 1, 2022, and thereafter, the following rules of origin shall apply to subheading 7308.90:

- (a) A change to subheading 7308.90 from any other heading, except from headings 7208, 7211, 7216, 7225 or 7226;
- (b) A change to subheading 7308.90 from headings 7208, 7211, 7216, 7225, or 7226, provided that at least 70 percent by weight of the materials of headings 7208, 7211, 7216, 7225 and 7226 is originating; or
- (c) No change in tariff classification to a good of subheading 7308.90 provided there is a regional value content of not less than 65 percent where the net cost method is used.
- A change to headings 7309 through 7311 from any heading outside that group.

Subheading rule: Beginning on July 1, 2020 until July 1, 2023, the following rule of origin shall apply to subheading 7312.10:

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(a) A change to subheading 7312.10 from any other heading.

Subheading rule: Beginning on January 1, 2023, and thereafter, the following rules of origin shall apply to subheading 7312.10:

- (a) A change to subheading 7312.10 from any other heading, except from headings 7208 through 7229 or 7301 through 7326;
- (b) A change to subheading 7312.10 from headings 7208 through 7229 or 7301 through 7326, provided that at least 70 percent by weight of the materials of headings 7208 through 7229 and 7301 through 7326 is originating; or
- (c) No change in tariff classification to a good of subheading 7312.10, provided there is a regional value content of not less than:
  - (i) 75 percent where the transaction value method is used; or
  - (ii) 65 percent where the net cost method is used.
- 7. A change to subheading 7312.90 from any other heading.

Subheading rule: Beginning on July 1, 2020 until July 1, 2023, the following rule of origin shall apply to heading 7313:

(a) A change to heading 7313 from any other heading.

Subheading rule: Beginning on July 1, 2023, and thereafter, the following rules of origin shall apply to heading 7313:

- (a) A change to heading 7313 from any other heading, except from headings 7208 through 7229 or 7301 through 7326;
- (b) A change to heading 7313 from headings 7208 through 7229 or 7301 through 7326, provided that at least 70 percent by weight of the materials of headings 7208 through 7229 and 7301 through 7326 is originating; or
- c) No change in tariff classification to a good of heading 7313, provided there is a regional value content of not less than:
  - (i) 75 percent where the transaction value method is used; or
  - (ii) 65 percent where the net cost method is used.
- 8. A change to subheadings 7314.12 through 7314.14 from any other heading.

Subheading rule: Beginning on July 1, 2020 until July 1, 2023, the following rule of origin shall apply to subheading 7314.19:

(a) A change to subheading 7314.19 from any other heading.

Subheading rule: Beginning on July 1, 2023, and thereafter, the following rules of origin shall apply to subheading 7314.19:

- (a) A change to subheading 7314.19 from any other heading, except from headings 7208 through 7229 or 7301 through7326;
- (b) A change to subheading 7314.19 from headings 7208 through 7229 or 7301 through 7326, provided that at least 70 percent by weight of the materials of headings 7208 through 7229 and 7301 through 7326 is originating; or
- (c) No change in tariff classification to a good of subheading 7314.19, provided there is a regional value content of not less than:
  - (i) 75 percent where the transaction value method is used; or
  - (ii) 65 percent where the net cost method is used.
- 9. A change to subheading 7314.20 from any other heading.

Subheading rule: Beginning on July 1, 2020 until July 1, 2023, the following rule of origin shall apply to subheadings 7314.31 through 7314.49:

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(a) A change to subheadings 7314.31 through 7314.49 from any other heading.

Subheading rule: Beginning on July 1, 2023, and thereafter, the following rules of origin shall apply to subheadings 7314.31 through 7314.49:

- (a) A change to subheadings 7314.31 through 7314.49 from any other heading, except from headings 7208 through 7229 or 7301 through 7326:
- (b) A change to subheadings 7314.31 through 7314.49 from headings 7208 through 7229 or 7301 through 7326, provided that at least 70 percent by weight of the materials of headings 7208 through 7229 and 7301 through 7326 is originating; or
- (c) No change in tariff classification to a good of subheadings 7314.31 through 7314.49 provided there is a regional value content of not less than:
  - (i) 75 percent where the transaction value method is used; or
  - (ii) 65 percent where the net cost method is used.
- 10. A change to subheading 7314.50 from any other heading.
- 11. (A) A change to subheadings 7315.11 through 7315.12 from any other heading; or
  - (B) A change to subheadings 7315.11 through 7315.12 from subheading 7315.19, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 12. A change to subheading 7315.19 from any other heading.
- 13. (A) A change to subheadings 7315.20 through 7315.81 from any other heading; or
  - (B) A change to subheadings 7315.20 through 7315.81 from subheading 7315.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Subheading rule**: Beginning on July 1, 2020 until July 1, 2023, the following rules of origin shall apply to subheadings 7315.82 through 7315.89:

- (a) A change to subheadings 7315.82 through 7315.89 from any other heading; or
- (b) A change to subheadings 7315.82 through 7315.89 from subheading 7315.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
  - (i) 60 percent where the transaction value method is used, or
  - (ii) 50 percent where the net cost method is used.

Subheading rule: Beginning on July 1, 2023, and thereafter, the following rules of origin shall apply to subheadings 7315.82 through 7315.89:

- (a) A change to subheadings 7315.82 through 7315.89 from any other heading, except from headings 7208 through 7229 or 7301 through 7326.
- (b) A change to subheadings 7315.82 through 7315.89 from headings 7208 through 7229 or 7301 through 7326, provided that at least 70 percent by weight of the materials of headings 7208 through 7229 and 7301 through 7326 is originating; or
- (c) No change in tariff classification to a good of subheadings 7315.82 through 7315.89 provided there is a regional value content of not less than:

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- (i) 75 percent where the transaction value method is used; or
- (ii) 65 percent where the net cost method is used.
- 14. A change to subheading 7315.90 from any other heading.
- 15. A change to heading 7316 from any other heading, except from headings 7312 or 7315.

Heading rule: Beginning on July 1, 2020 until July 1, 2023, the following rule of origin shall apply to heading 7317:

(a) A change to heading 7317 from any other heading, except from heading 7318.

Heading rule: Beginning on July 1, 2023, and thereafter, the following rules of origin shall apply to heading 7317:

- (a) A change to heading 7317 from any other heading, except from headings 7208 through 7229 or 7301 through 7326; or
- (b) A change to heading 7317 from headings 7208 through 7229 or 7301 through 7326, provided that at least 70 percent by weight of the materials of headings 7208 through 7229 and 7301 through 7326 is originating; or
- (c) No change in tariff classification to a good of heading 7317 provided there is a regional value content of not less than:
  - (i) 75 percent where the transaction value method is used; or
  - (ii) 65 percent where the net cost method is used.
- 16. A change to heading 7318 from any other heading, except from heading 7317.
- 17. A change to headings 7319 through 7320 from any heading outside that group.
- 18. A change to tariff item 7321.11.30 from any other subheading, except from tariff items 7321.90.10, 7321.90.20 or 7321.90.40.
- 19. (A) A change to subheading 7321.11 from any other heading; or
  - (B) A change to subheading 7321.11 from subheading 7321.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used, or
    - (2) 50 percent where the net cost method is used.
- 20. (A) A change to subheadings 7321.12 through 7321.89 from any other heading; or
  - (B) A change to subheadings 7321.12 through 7321.89 from subheading 7321.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used, or
    - (2) 50 percent where the net cost method is used.
- 21. A change to tariff item 7321.90.10 from any other tariff item.
- 22. A change to tariff item 7321.90.20 from any other tariff item.
- 23. A change to tariff item 7321.90.40 from any other tariff item.
- 24. A change to subheading 7321.90 from any other heading.
- 25. A change to headings 7322 through 7323 from any heading outside that group.
- 26. (A) A change to subheadings 7324.10 through 7324.29 from any other heading; or

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- (B) A change to subheadings 7324.10 through 7324.29 from subheading 7324.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
  - (1) 60 percent where the transaction value method is used; or
  - (2) 50 percent where the net cost method is used.
- 27. A change to subheading 7324.90 from any other heading.
- 28. A change to headings 7325 through 7326 from any heading outside that group.

- (A) A change to headings 7401 through 7403 from any other heading, including another heading within that group, except from heading 7404; or
  - (B) A change to headings 7401 through 7403 from heading 7404, whether or not there is also a change from any other heading, including another heading within that group, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 2. A change to a good of heading 7404 from any other good within that heading or any other heading.
- 3. (A) A change to headings 7405 through 7407 from any other chapter; or
  - (B) A change to headings 7405 through 7407 from headings 7401 through 7402 or tariff item 7404.00.30, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 4. (A) A change to tariff item 7408.11.60 from any other chapter; or
  - (B) A change to tariff item 7408.11.60 from headings 7401 through 7402 or tariff item 7404.00.30, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 5. A change to subheading 7408.11 from any other heading, except from heading 7407.
- A change to subheadings 7408.19 through 7408.29 from any other heading, except from heading 7407.
- 7. A change to heading 7409 from any other heading.
- 8. A change to heading 7410 from any other heading, except from heading 7409.
- 9. A change to heading 7411 from any other heading, except from tariff items 7407.10.15, 7407.21.15, 7407.29.16 or heading 7409.
- 10. A change to heading 7412 from any other heading, except from heading 7411.
- 11. (A) A change to heading 7413 from any other heading, except from headings 7407 through 7408; or
  - (B) A change to heading 7413 from headings 7407 through 7408, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 12. A change to headings 7415 through 7418 from any other heading, including another heading within that group.
- 13. A change to subheading 7419.10 from any other heading, except from heading 7407.
- 14. A change to subheading 7419.91 from any other heading.
- 15. A change to a good of subheading 7419.99 from any other good within that subheading or any other heading.

#### Chapter 75

- 1. A change to headings 7501 through 7504 from any other heading, including another heading within that group.
- A change to subheadings 7505.11 through 7505.12 from any other heading.
- 3. (A) A change to subheadings 7505.21 through 7505.22 from any other heading; or
  - (B) A change to subheadings 7505.21 through 7505.22 from subheadings 7505.11 through 7505.12, whether or not there is also a change from any other heading, provided that, if bar or rod is used, the cross-sectional area of the bar or rod is reduced by at least 50 percent.
- 4. A change to tariff item 7506.10.05 from any other tariff item.
- 5. A change to tariff item 7506.20.05 from any other tariff item.
- 6. A change to heading 7506 from any other heading.
- 7. A change to subheadings 7507.11 through 7508.90 from any other subheading, including another subheading within that group.

#### Chapter 76

- 1. A change to heading 7601 from any other chapter.
- 2. A change to heading 7602 from any other heading.
- 3. A change to heading 7603 from any other chapter.
- 4. A change to heading 7604 from any other heading.
- 5. A change to heading 7605 from any other heading, except from headings 7604 or 7606.
- 6. A change to heading 7606 from any other heading.
- 7. A change to heading 7607 from any other heading.
- 8. A change to headings 7608 through 7609 from any heading outside that group.
- 9. A change to headings 7610 through 7613 from any other heading, including another heading within that group.
- 10. A change to heading 7614 from any other heading, except from headings 7604 through 7605.
- 11. A change to headings 7615 through 7616 from any other heading, including another heading within that group.

## Chapter 78

1. A change to headings 7801 through 7802 from any other chapter.

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- 2. (A) A change to subheadings 7804.11 through 7804.20 from any other subheading, including another subheading within that group; or
  - (B) A change to foil of a thickness not exceeding 0.15 mm (excluding backing) of subheading 7804.11 from within that subheading, whether or not there is also a change from any other subheading.
- 3. A change to a good of heading 7806 from any other good within that heading or any other heading.

#### Chapter 79

- 1. A change to headings 7901 through 7902 from any other chapter.
- 2. A change to subheading 7903.10 from any other chapter.
- 3. A change to subheading 7903.90 from any other heading.
- 4. (A) A change to heading 7904 from any other heading; or
  - (B) A change to wire of heading 7904 from within that heading, whether or not there is also a change from any other heading, provided that, if bar or rod is used, the cross-sectional area of the bar or rod is reduced by at least 50 percent.
- 5. (A) A change to heading 7905 from any other heading; or
  - (B) A change to foil of a thickness not exceeding 0.15 mm (excluding backing) of heading 7905 from within that heading, whether or not there is also a change from any other heading.
- 6. A change to a good of heading 7907 from any other good within that heading or any other heading.

#### Chapter 80

- 1. A change to headings 8001 through 8002 from any other chapter.
- (A) A change to heading 8003 from any other heading; or
  - (B) A change to wire of heading 8003 from within that heading, whether or not there is also a change from any other heading, provided that, if bar or rod is used, the cross-sectional area of the bar or rod is reduced by at least 50 percent.
- 3. A change to a good of heading 8007 from any other good within that heading or any other heading.

- 1 A change to subheadings 8101.10 through 8101.97 from any other subheading, including another subheading within that group.
- 2. A change to a good of subheading 8101.99 from any other good within that subheading or any other subheading.
- 3. A change to subheadings 8102.10 through 8107.90 from any other subheading, including another subheading within that group.
- 4. (A) A change to subheading 8108.20 from any other chapter; or
  - (B) A change from any other subheading whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 5. A change to subheading 8108.30 from any other subheading.
- 6. (A) A change to subheading 8108.90 from any other chapter; or

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- (B) A change to subheading 8108.90 from any other subheading, whether or not there is also a change from any otherchapter, provided there is a regional value content of not less than:
  - (1) 60 percent where the transaction value method is used; or
  - (2) 50 percent where the net cost method is used.
- 7. A change to subheadings 8109.20 through 8110.90 from any other subheading, including another subheading within that group.
- 8. (A) A change to manganese powders or articles of manganese of heading 8111 from any other good of heading 8111; or
  - (B) A change to any other good of heading 8111 from any other heading.
- 9. A change to subheadings 8112.12 through 8112.59 from any other subheading, including another subheading within that group.
- 10. A change to a good of any of subheadings 8112.92 through 8112.99 from any other good within that subheading or any other subheading, including another subheading within that group.
- 11. A change to heading 8113 from any other heading.

- 1. A change to heading 8201 from any other chapter.
- 2. A change to subheadings 8202.10 through 8202.20 from any other chapter.
- 3. (A) A change to subheading 8202.31 from any other chapter; or
  - (B) A change to subheadings 8202.31 from subheading 8202.39, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
      - (2) 50 percent where the net cost method is used.
- 4. A change to subheadings 8202.39 through 8202.99 from any other chapter.
- 5. A change to headings 8203 through 8206 from any other chapter.
- 6. (A) A change to subheading 8207.13 from any other chapter; or
  - (B) A change to subheading 8207.13 from subheading 8207.19, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 7. A change to subheadings 8207.19 through 8207.90 from any other chapter.
- 8. A change to headings 8208 through 8210 from any other chapter.
- 9. A change to subheading 8211.10 from any other chapter.
- 10. (A) A change to subheadings 8211.91 through 8211.93 from any other chapter; or
  - (B) A change to subheadings 8211.91 through 8211.93 from subheading 8211.95, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 11. A change to subheadings 8211.94 through 8211.95 from any other chapter.
- 12. A change to headings 8212 through 8215 from any other chapter.

#### Chapter 83

Chapter rule 1: For the purposes of the subdivisions pertaining to this chapter, whenever the subdivision designation is underscored, the provisions of subdivision (k) of this note may apply to goods for use in a motor vehicle of chapter 87.

**Subheading rule**: The underscoring of the designations in subdivision 1 pertain to goods provided for in subheadings 8301.10 through 8301.50 for use in a motor vehicle of chapter 87.

- 1. (A) A change to subheadings 8301.10 through 8301.50 from any other chapter; or
  - (B) A change to subheadings 8301.10 through 8301.50 from subheading 8301.60, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 2. A change to subheadings 8301.60 through 8301.70 from any other chapter.
- 3. A change to headings 8302 through 8304 from any other heading, including another heading within that group.
- 4. (A) A change to subheadings 8305.10 through 8305.20 from any other chapter; or
  - (B) A change to subheadings 8305.10 through 8305.20 from subheading 8305.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 5. A change to subheading 8305.90 from any other heading.
- 6. A change to headings 8306 through 8307 from any other chapter.
- 7. (A) A change to subheadings 8308.10 through 8308.20 from any other chapter; or
  - (B) A change to subheadings 8308.10 through 8308.20 from subheading 8308.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 8. A change to subheading 8308.90 from any other heading.
- 9. A change to headings 8309 through 8310 from any other chapter.
- 10. (A) A change to subheadings 8311.10 through 8311.30 from any other chapter; or
  - (B) A change to subheadings 8311.10 through 8311.30 from subheading 8311.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 11. A change to subheading 8311.90 from any other heading.

#### Chapter 84

Chapter rule 1: For the purposes of this chapter, the term "printed circuit assembly" means a good consisting of one or more printed circuits of heading 8534 with one or more active elements assembled thereon, with or without passive elements. For the purposes of this note, "active elements" means diodes, transistors and similar semiconductor devices, whether or not photosensitive, of heading 8541 and integrated circuits of heading 8542 and microassemblies of headings 8543 or 8548.

Chapter rule 2: For the purposes of subheading 8471.49, the origin of each unit presented within a system shall be determined in accordance with the rule that would be applicable to such unit if it were presented separately and the rate of duty applicable to each unit presented within a system shall be:

- (a) in the case of the territory of Mexico, the rate that would be applicable to such unit if it were presented separately; and
- (b) in the case of the territory of Canada and the territory of the United States, the rate that is applicable to such unit under the appropriate tariff item within subheading 8471.49.

For the purposes of this rule, the term "unit presented within a system" shall mean:

- (a) a separate unit as described in Note 5(B) to chapter 84 of the tariff schedule; or
- (b) any other separate machine that is presented and classified with a system under subheading 8471.49.

Chapter rule 3: The following are parts for those goods of subheadings 8443.31 or 8443.32:

- (a) control or command assemblies, incorporating more than one of the following: printed circuit assembly; hard or flexible (floppy) disc drive; keyboard; user interface;
- (b) light source assembly; gas laser; mirror polygon assembly; base casting;
- (c) laser imaging assemblies, incorporating more than one of the following: photoreceptor belt or cylinder; toner receptable unit; toner developing unit; charge/discharge unit; cleaning unit;
- (d) image fixing assemblies, incorporating more than one of the following: fuser; pressure roller; heating element; release oil dispenser; cleaning unit; electrical control;
- (e) ink-jet marking assemblies, incorporating more than one of the following: thermal print head; ink dispensing unit; nozzle and reservoir unit: ink heater;
- (f) maintenance/sealing assemblies, incorporating more than one of the following: vacuum unit; ink-jet covering unit; sealing unit; purging unit:
- (g) paper handling assemblies, incorporating more than one of the following: paper transport belt; roller; print bar; carriage; gripper roller; paper storage unit; exit tray;
- (h) thermal transfer imaging assemblies, incorporating more than one of the following: thermal print head, cleaning unit; supply or take-up roller:
- (i) ionographic imaging assemblies, incorporating more than one of the following: ion generation and emitting unit; air assist unit; printed circuit assembly; charge receptor belt or cyclinder; toner receptacle unit; toner distribution unit; developer receptacle and distribution unit; developing unit; charge/discharge unit; cleaning unit; or
- (j) combinations of the above specified assemblies.

Chapter rule 4: The following are parts for facsimile machines:

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- (a) control or command assemblies, incorporating more than one of the following: printed circuit assembly; modem; hard or flexible (floppy) disc drive; keyboard; user interface;
- (b) optics module assemblies, incorporating more than one of the following: optics lamp; charge couples device and appropriate optics; lenses; mirror;
- (c) laser imaging assemblies, incorporating more than one of the following: photoreceptor belt or cylinder; toner receptacle unit; toner developing unit; charge/discharge unit; cleaning unit;
- (d) ink-jet marking assemblies, incorporating more than one of the following: thermal print head; ink dispensing unit; nozzle and reservoir unit; ink heater;
- (e) thermal transfer imaging assemblies, incorporating more than one of the following: thermal print head, cleaning unit; supply or take-up roller:
- (f) ionographic imaging assemblies, incorporating more than one of the following: ion generation and emitting unit; air assist unit; printed circuit assembly; charge receptor belt or cyclinder; toner receptacle unit; toner distribution unit; developer receptacle and distribution unit; developing unit; charge/discharge unit; cleaning unit;
- (g) image fixing assemblies, incorporating more than one of the following: fuser; pressure roller; heating element; release oil dispenser; cleaning unit; electrical control;
- (h) paper handling assemblies, incorporating more than one of the following: paper transport belt; roller; print bar; carriage; gripper roller; paper storage unit; exit tray; or
- (i) combinations of the above specified assemblies.

Chapter rule 5: The following are parts for photocopying apparatus of subheadings 8443.32 and 8443.39 which refer to this rule:

- (a) imaging assemblies, incorporating more than one of the following: photoreceptor belt or cylinder; toner receptacle unit; toner distribution unit; developer receptacle unit; developer distribution unit; charge/discharge unit; cleaning unit;
- (b) optics assemblies, incorporating more than one of the following: lens; mirror; illumination source; document exposure glass;
- (c) user control assemblies incorporating more than one of the following: printed circuit assembly; power supply; user input keyboard; wiring harness; display unit (cathode-ray type or flat panel);
- (d) image fixing assemblies, incorporating more than one of the following: fuser; pressure roller; heating element; release oil dispenser; cleaning unit; electrical control;
- (e) paper handling assemblies incorporating more than one of the following: paper transport belt; roller; print bar; carriage; gripper roller; paper storage unit; exit tray;
- (f) or combinations of the above specified assemblies.

Chapter rule 6: The origin of each unit presented within a system shall be determined as though each unit were presented separately and were classified under the appropriate tariff provision for that unit.

Chapter rule 7: For the purposes of the subdivisions pertaining to this chapter, whenever the subdivision designation is underscored, the provisions of subdivision (k) of this note may apply to goods for use in a motor vehicle of chapter 87.

- (A) A change to subheadings 8401.10 through 8401.30 from any other heading; or
  - (B) A change to subheadings 8401.10 through 8401.30 from subheading 8401.40, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 2. A change to subheading 8401.40 from any other heading.

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- 3. (A) A change to subheadings 8402.11 through 8402.20 from any other heading; or
  - (B) A change to subheadings 8402.11 through 8402.20 from subheading 8402.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 4. (A) A change to subheading 8402.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8402.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 5. (A) A change to subheading 8403.10 from any other heading; or
  - (B) A change to subheadings 8403.10 from subheading 8403.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 6. A change to subheading 8403.90 from any other heading.
- 7. (A) A change to subheadings 8404.10 through 8404.20 from any other heading; or
  - (B) A change to subheadings 8404.10 through 8404.20 from subheading 8404.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 8. A change to subheading 8404.90 from any other heading.
- 9. (A) A change to subheading 8405.10 from any other heading; or
  - (B) A change to subheading 8405.10 from subheading 8405.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 10. A change to subheading 8405.90 from any other heading.
- 11. A change to subheading 8406.10 from any other subheading.
- 12. A change to subheadings 8406.81 through 8406.82 from any subheading outside that group.
- 13. (A) A change to tariff items 8406.90.20 or 8406.90.50 from tariff items 8406.90.30 or 8406.90.60 or any other heading; or
  - (B) A change to tariff item 8406.90.20 or 8406.90.50 from any other good within subheading 8406.90, whether or not there is also a change from tariff items 8406.90.30 or 8406.90.60 or any other heading, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 14. (A) A change to tariff item 8406.90.40 or 8406.90.70 from any other tariff item; or
  - (B) No change in tariff classification to a good of tariff items 8406.90.40 or 8406.90.70, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 15. A change to subheading 8406.90 from any other heading.
- 16. A change to subheadings 8407.10 through 8407.29 from any other heading, provided there is a regional value content of not less than:
  - (A) 60 percent where the transaction value method is used; or
  - (B) 50 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designations in subdivisions 17 through 19 pertain to goods provided for in subheadings 8407.31 through 8407.34 for use in a motor vehicle of chapter 87.

- 17. For a good of subheadings 8407.31 through 8407.34 for use in a passenger vehicle or light truck:
  - (A)No change in tariff classification to a good of subheadings 8407.31 through 8407.34, provided there is a regional value content of not less than 75 percent under the net cost method.
- 18. For a good of subheadings 8407.31 through 8407.34 for use in a heavy truck:
  - (A) No change in tariff classification to a good of subheadings 8407.31 through 8407.34, provided there is a regional value content of not less than 70 percent under the net cost method.
- 19. For any other good of headings 8407.31 through 8407.34:
  - (A) A change to subheadings 8407.31 through 8407.34 from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 20. A change to subheading 8407.90 from any other subheading.
- 21. A change to subheading 8408.10 from any other subheading.

**Subheading rule:** The underscoring of the designations in subdivisions 22 through 24 pertain to goods provided for in subheading 8408.20 for use in a motor vehicle of chapter 87.

- 22. For a compression-ignition internal combustion piston engine of subheading 8408.20 used for a light truck:
  - (A) No change in tariff classification to a good of subheading 8408.20, provided there is a regional value content of not less than:
    - (1) 85 percent where the transaction value method is used; or
    - (2) 75 percent where the net cost method is used.
- 23. For a good of subheading 8408.20 for use in a heavy truck:
  - (A) A change to subheading 8408.20 from any other heading, provided there is a regional value content of not less than:

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- (1) 80 percent where the transaction value method is used; or
- (2) 70 percent where the net cost method is used.
- 24. For any other good of subheading 8408.20:
  - (A) A change to subheading 8408.20 from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 25. A change to subheading 8408.90 from any other subheading.
- 26. A change to subheading 8409.10 from any other heading.

**Subheading rule**: The underscoring of the designations in subdivisions 27 through 29 pertain to goods provided for in subheading 8409.91 for use in a motor vehicle of chapter 87.

- 27. For a good of subheading 8409.91 for use in a passenger vehicle or light truck:
  - (A) No change in tariff classification to a good of subheading 8409.91, provided there is a regional value content of not less than 75 percent under the net cost method.
- 28. For a good of subheading 8409.91 for use in a heavy truck:
  - (A) No change in tariff classification to a good of subheading 8409.91, provided there is a regional value content of not less than 70 percent under the net cost method.
- 29. For any other good of subheading 8409.91:
  - (A) A change to subheading 8409.91 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8409.91, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designations in subdivisions 30 through 32 pertain to goods provided for in subheading 8409.99 for use in a motor vehicle of chapter 87.

- 30. For a good of subheading 8409.99 for use in a passenger vehicle or light truck:
  - (A) No change in tariff classification to a good of subheading 8409.91, provided there is a regional value content of not less than 75 percent under the net cost method.
- 31. For a good of subheading 8409.99 for use in a heavy truck:
  - (A) No change in tariff classification to a good of subheading 8409.91, provided there is a regional value content of not less than 70 percent under the net cost method.
- 32. For any other good of subheading 8409.99:
  - (A) A change to subheading 8409.99 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8409.99, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

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- 33. (A) A change to subheadings 8410.11 through 8410.13 from any other heading; or
  - (B) A change to subheadings 8410.11 through 8410.13 from subheading 8410.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 34. A change to subheading 8410.90 from any other heading.
- 35. A change to subheadings 8411.11 through 8411.82 from any subheading outside that group.
- 36. A change to subheading 8411.91 from any other heading.
- 37. (A) A change to subheading 8411.99 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8411.99, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 38. A change to subheadings 8412.10 through 8412.80 from any other subheading, including another subheading within that group.
- 39. A change to subheading 8412.90 from any other heading.

**Subheading rule**: The underscoring of the designations in subdivision 40 pertain to goods provided for in subheadings 8413.11 through 8413.82 for use in a motor vehicle of chapter 87.

- 40. (A) A change to subheadings 8413.11 through 8413.82 from any other heading; or
  - (B) A change to subheadings 8413.11 through 8413.82 from subheadings 8413.91 through 8413.92, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 41. A change to subheading 8413.91 from any other heading.
- 42. (A) A change to subheading 8413.92 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8413.92, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 43. (A) A change to subheadings 8414.10 through 8414.20 from any other heading; or
  - (B) A change to subheadings 8414.10 through 8414.20 from subheading 8414.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

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Subheading rule: The underscoring of the designation in subdivision 44 pertains to goods provided for in subheading 8414.30 for use in a motor vehicle of chapter 87.

- 44. A change to subheading 8414.30 from any other subheading, except from tariff item 8414.90.30.
- 45. (A) A change to subheading 8414.40 from any other heading; or
  - (B) A change to subheading 8414.40 from subheading 8414.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 46. A change to subheading 8414.51 from any other subheading.

**Subheading rule**: The underscoring of the designations in subdivision 47 pertain to goods provided for in subheadings 8414.59 through 8414.80 for use in a motor vehicle of chapter 87.

- 47. (A) A change to subheadings 8414.59 through 8414.80 from any other heading; or
  - (B) A change to subheadings 8414.59 through 8414.80 from subheading 8414.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 48. (A) A change to subheading 8414.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8414.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 49. (A) A change to self-contained window or wall type air conditioning machines of subheading 8415.10 from any other subheading, except from tariff item 8415.90.40 or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing;
  - (B) A change to "split-systems" of subheading 8415.10 from any other subheading, except from subheadings 8415.20 through 8415.83, tariff item 8415.90.40 or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing; or
  - (C) A change to "split-systems" of subheading 8415.10 from tariff item 8415.90.40 or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing, whether or not there is also a change from subheadings 8415.20 through 8415.83, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designations in subdivision 50 pertain to goods provided for in subheadings 8415.20 through 8415.83 for use in a motor vehicle of chapter 87.

50. (A) A change to subheadings 8415.20 through 8415.83 from any subheading outside that group, except from "split-systems" of subheading 8415.10, tariff item 8415.90.40 or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing; or

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- (B) A change to subheadings 8415.20 through 8415.83 from tariff item 8415.90.40 or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing, whether or not there is also a change from any subheading outside that group, except from "split-systems" of subheading 8415.10, provided there is a regional value content of not less than:
  - (1) 60 percent where the transaction value method is used; or
  - (2) 50 percent where the net cost method is used.
- 51. A change to tariff item 8415.90.40 from any other tariff item.
- 52. A change to subheading 8415.90 from any other heading.
- 53. (A) A change to subheadings 8416.10 through 8416.30 from any other heading; or
  - (B) A change to subheadings 8416.10 through 8416.30 from subheading 8416.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 54. A change to subheading 8416.90 from any other heading.
- 55. (A) A change to subheadings 8417.10 through 8417.80 from any other heading; or
  - (B) A change to subheadings 8417.10 through 8417.80 from subheading 8417.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 56. A change to subheading 8417.90 from any other heading.
- 57. A change to subheadings 8418.10 through 8418.21 from any subheading outside that group, except from subheading 8418.91, tariff item 8418.99.40 or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing.
- 58. (A) A change to absorption-type electrical household refrigerators of subheading 8418.29 from any other heading;
  - (B) A change to absorption-type electrical household refrigerators of subheading 8418.29 from subheadings 8418.91 through 8418.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used; or
  - (C) A change to any other good of subheading 8418.29 from any other subheading, except from subheadings 8418.30, 8418.40 or 8418.91, door assemblies incorporating more than one of the following: inner panel, outer panel, insulation, hinges, handles of subheading 8418.99 or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing.
- 59. A change to subheadings 8418.30 through 8418.40 from any subheading outside that group, except from any good, other than absorption-type electrical household refrigerators, of subheadings 8418.29 or 8418.91, door assemblies incorporating more than one of the following: inner panel, outer panel, insulation, hinges, handles of subheading 8418.99 or assemblies incorporating more than one of the following: compressor, condenser, evaporator, connecting tubing.
- 60. (A) A change to subheadings 8418.50 through 8418.69 from any other heading; or
  - (B) A change to subheadings 8418.50 through 8418.69 from subheadings 8418.91 through 8418.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 61. A change to subheading 8418.91 from any other subheading.
- 62. A change to tariff item 8418.99.40 from any other tariff item.
- 63. A change to subheading 8418.99 from any other heading.
- 64. (A) A change to subheadings 8419.11 through 8419.89 from any other heading; or
  - (B) A change to subheadings 8419.11 through 8419.89 from subheading 8419.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 65. (A) A change to subheading 8419.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8419.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 66. (A) A change to subheading 8420.10 from any other heading; or
  - (B) A change to subheading 8420.10 from subheadings 8420.91 through 8420.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 67. A change to subheadings 8420.91 through 8420.99 from any other heading.
- 68. (A) A change to subheading 8421.11 from any other heading; or
  - (B) A change to subheading 8421.11 from subheading 8421.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 69. A change to subheading 8421.12 from any other subheading, except from tariff items 8421.91.20, 8421.91.40 or 8537.10.30.

**Subheading rule**: The underscoring of the designations in subdivision 70 pertain to goods provided for in subheadings 8421.19 through 8421.39 for use in a motor vehicle of chapter 87.

- 70. (A) A change to subheadings 8421.19 through 8421.39 from any other heading; or
  - (B) A change to subheadings 8421.19 through 8421.39 from subheadings 8421.91 through 8421.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

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- 71. A change to tariff item 8421.91.20 from any other tariff item.
- 72. A change to tariff item 8421.91.40 from any other tariff item.
- 73. A change to subheading 8421.91 from any other heading.
- 74. (A) A change to subheading 8421.99 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8421.99, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 75. A change to subheading 8422.11 from any other subheading, except from tariff items 8422.90.02, 8422.90.04, 8537.10.30 or water circulation systems incorporating a pump, whether or not motorized, and auxiliary apparatus for controlling, filtering, or dispersing a spray.
- 76. (A) A change to subheadings 8422.19 through 8422.40 from any other heading; or
  - (B) A change to subheadings 8422.19 through 8422.40 from subheading 8422.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 77. A change to tariff item 8422.90.02 from any other tariff item.
- 78. A change to tariff item 8422.90.04 from any other tariff item.
- 79. A change to subheading 8422.90 from any other heading.
- 80. (A) A change to subheadings 8423.10 through 8423.89 from any other heading; or
  - (B) A change to subheadings 8423.10 through 8423.89 from subheading 8423.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 81. A change to subheading 8423.90 from any other heading.
- 82. A change to subheadings 8424.10 through 8424.89 from any other subheading, including another subheading within that group.
- 83. A change to subheading 8424.90 from any other heading.
- 84. (A) A change to headings 8425 through 8426 from any other heading, including another heading within that group, except from heading 84.31; or
  - (B) A change to headings 8425 through 8426 from heading 8431, whether or not there is also a change from any other heading, including another heading within that group, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 85. (A) A change to tariff item 8427.10.40 from any other heading, except from subheadings 8431.20 or 8483.40 or heading 8501; or

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- (B) A change to tariff item 8427.10.40 from subheadings 8431.20 or 8483.40 or heading 8501, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
  - (1) 60 percent where the transaction value method is used; or
  - (2) 50 percent where the net cost method is used.
- 86. (A) A change to subheading 8427.10 from any other heading, except from subheading 8431.20; or
  - (B) A change to subheading 8427.10 from subheading 8431.20, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 87. A change to subheading 8427.20 from any other subheading.
- 88. (A) A change to subheading 8427.90 from any other heading, except from subheading 8431.20; or
  - (B) A change to subheading 8427.90 from subheading 8431.20, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 89. A change to subheadings 8428.10 through 8430.69 from any other subheading, including another subheading within that group.
- 90. (A) A change to subheadings 8431.10 through 8431.49 from any other heading; or
  - (B) No change in tariff classification to a good of subheadings 8431.10 through 8431.49, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 91. A change to subheadings 8432.10 through 8432.80 from any other subheading, including another subheading within that group.
- 92. A change to subheading 8432.90 from any other heading.
- 93. A change to subheadings 8433.11 through 8433.60 from any other subheading, including another subheading within that group.
- 94. A change to subheading 8433.90 from any other heading.
- 95. (A) A change to subheadings 8434.10 through 8434.20 from any other heading; or
  - (B) A change to subheadings 8434.10 through 8434.20 from subheading 8434.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 96. A change to subheading 8434.90 from any other heading.
- 97. A change to a good of subheading 8435.10 from any other good within that subheading or any other subheading.
- 98. A change to subheading 8435.90 from any other heading.

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- 99. A change to subheadings 8436.10 through 8436.80 from any other subheading, including another subheading within thatgroup.
- 100. A change to subheadings 8436.91 through 8436.99 from any other heading.
- 101. (A) A change to subheadings 8437.10 through 8437.80 from any other heading; or
  - (B) A change to subheadings 8437.10 through 8437.80 from subheading 8437.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 102. A change to subheading 8437.90 from any other heading.
- 103. (A) A change to subheadings 8438.10 through 8438.80 from any other heading; or
  - (B) A change to subheadings 8438.10 through 8438.80 from subheading 8438.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 104. A change to subheading 8438.90 from any other heading.
- 105. (A) A change to subheadings 8439.10 through 8439.30 from any other heading; or
  - (B) A change to subheadings 8439.10 through 8439.30 from subheadings 8439.91 through 8439.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 106. A change to subheadings 8439.91 through 8439.99 from any other heading.
- 107. (A) A change to subheading 8440.10 from any other heading; or
  - (B) A change to subheading 8440.10 from subheading 8440.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 108. A change to subheading 8440.90 from any other heading.
- 109. (A) A change to subheadings 8441.10 through 8441.80 from any other heading; or
  - (B) A change to subheadings 8441.10 through 8441.80 from subheading 8441.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 110. (A) A change to subheading 8441.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8441.90, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 111. (A) A change to subheading 8442.30 from any other heading; or
  - (B) A change to subheading 8442.30 from subheadings 8442.40 through 8442.50, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 112. A change to subheadings 8442.40 through 8442.50 from any other heading.
- 113. (A) A change to subheadings 8443.11 through 8443.19 from any other heading; or
  - (B) A change to subheadings 8443.11 through 8443.19 from any other subheading within that group or subheading 8443.91, whether or not there is also a change from any other heading, provided there is a regional value content ofnot less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 114. A change to a good of any of subheadings 8443.31 through 8443.39 from any other good within that subheading or any other subheading, including another subheading within that group.
- 115. (A) A change to subheading 8443.91 from any other subheading; or
  - (B) A change to a good of subheading 8443.91 from any other good within that subheading, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 116. A change to a good of subheading 8443.99 from any other good within that subheading or any other subheading.
- 117. (A) A change to headings 8444 through 8447 from any heading outside that group, except from heading 8448; or
  - (B) A change to headings 8444 through 8447 from heading 8448, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 118. (A) A change to subheadings 8448.11 through 8448.19 from any other heading; or
  - (B) A change to subheadings 8448.11 through 8448.19 from subheadings 8448.20 through 8448.59, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 119. A change to subheadings 8448.20 through 8448.59 from any other heading.
- 120. A change to heading 8449 from any other heading.

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- 121. A change to subheadings 8450.11 through 8450.20 from any subheading outside that group, except from tariff items 8450.90.20, 8450.90.40, or 8537.10.30 or washer assemblies incorporating more than one of the following: agitator, motor, transmission, clutch.
- 122. A change to tariff item 8450.90.20 from any other tariff item.
- 123. A change to tariff item 8450.90.40 from any other tariff item.
- 124. A change to subheading 8450.90 from any other heading.
- 125. (A) A change to subheading 8451.10 from any other heading; or
  - (B) A change to subheadings 8451.10 from subheading 8451.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 126. A change to subheadings 8451.21 through 8451.29 from any subheading outside that group, except from tariff items 8451.90.30 or 8451.90.60 or subheading 8537.10.
- 127. (A) A change to subheadings 8451.30 through 8451.80 from any other heading; or
  - (B) A change to subheadings 8451.30 through 8451.80 from subheading 8451.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 128. A change to tariff item 8451.90.30 from any other tariff item.
- 129. A change to tariff item 8451.90.60 from any other tariff item.
- 130. A change to subheading 8451.90 from any other heading.
- 131. (A) A change to subheadings 8452.10 through 8452.30 from any other heading; or
  - (B) A change to subheadings 8452.10 through 8452.30 from subheading 8452.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 132. A change to subheading 8452.90 from any other heading.
- 133. (A) A change to subheadings 8453.10 through 8453.80 from any other heading; or
  - (B) A change to subheadings 8453.10 through 8453.80 from subheading 8453.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 134. A change to subheading 8453.90 from any other heading.
- 135. (A) A change to subheadings 8454.10 through 8454.30 from any other heading; or

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- (B) A change to subheadings 8454.10 through 8454.30 from subheading 8454.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
  - (1) 60 percent where the transaction value method; or
  - (2) 50 percent where the net cost method is used.
- 136. A change to subheading 8454.90 from any other heading.
- 137. A change to subheadings 8455.10 through 8455.22 from any subheading outside that group, except from tariff item 8455.90.40.
- 138. (A) A change to subheading 8455.30 from any other heading; or
  - (B) A change to subheadings 8455.30 from subheading 8455.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 139. A change to subheading 8455.90 from any other heading.
- 140. A change to subheading 8456.10 from any other heading, except from more than one of the following:
  - (A) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (B) subheading 8537.10,
  - (C) subheading 9013.20.
- 141. A change to subheadings 8456.20 through 8456.30 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (C) subheadings 8501.32 or 8501.52,
  - (D) subheading 8537.10.
- 142. (A) A change to water-jet cutting machinery of subheading 8456.90 from any other good within that subheading, subheadings 8456.10 through 8456.30 or any other heading, except from subheading 8466.93 or heading 8479;
  - (B) A change to water-jet cutting machinery of subheading 8456.90 from subheading 8466.93, whether or not there is also a change from any other good within subheading 8456.90, subheadings 8456.10 through 8456.30 or any other heading, except from heading 8479, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used, or
    - (2) 50 percent where the net cost method is used; or
  - (C) A change to any other good of subheading 8456.90 from water-jet cutting machinery within that subheading or any other heading, except from more than one of the following:
    - (1) subheadings 8413.50 through 8413.60,
    - (2) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
    - (3) subheadings 8501.32 or 8501.52,
    - (4) subheading 8537.10.

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- 143. A change to heading 8457 from any other heading, except from heading 8459 or more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (C) subheadings 8501.32 or 8501.52,
  - (D) subheading 8537.10.
- 144. A change to subheading 8458.11 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (C) subheadings 8501.32 or 8501.52,
  - (D) subheading 8537.10.
- 145. A change to subheading 8458.19 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 146. A change to subheading 8458.91 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (C) subheadings 8501.32 or 8501.52,
  - (D) subheading 8537.10.
- 147. A change to subheading 8458.99 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 148. A change to subheading 8459.10 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 149. (A) A change to subheading 8459.21 from any other heading, except from more than one of the following: [Compiler's note: the following numbered provisions 1-4 are subordinate to this subdivision.]
  - (1) subheadings 8413.50 through 8413.60,
  - (2) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (3) subheadings 8501.32 or 8501.52,
  - (4) subheading 8537.10; or
  - (B) A change to subheading 8459.21 from more than one of the following:
    - (1) subheadings 8413.50 through 8413.60,
    - (2) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
    - (3) subheadings 8501.32 or 8501.52,
    - (4) subheading 8537.10,
  - (C) Whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 150. A change to subheading 8459.29 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 151. (A) A change to subheading 8459.31 from any other heading, except from more than one of the following: [Compiler's note: the following subdivisions 1-4 are subordinate to this subdivivision.]
  - (1) subheadings 8413.50 through 8413.60,
  - (2) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (3) subheadings 8501.32 or 8501.52,
  - (4) subheading 8537.10; or
  - (B) A change to subheading 8459.31 from more than one of the following:
    - (1) subheadings 8413.50 through 8413.60,
    - (2) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
    - (3) subheadings 8501.32 or 8501.52,
    - 4) subheading 8537.10,
  - (C) Whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 152. A change to subheading 8459.39 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 153. (A)A change to subheadings 8459.40 through 8459.51 from any other heading, except from more than one of the following: [Compiler's note: The following subdivisions 1-4 are subordinate to this subdivision.]
  - (1) subheadings 8413.50 through 8413.60,
  - (2) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (3) subheadings 8501.32 or 8501.52,
  - (4) subheading 8537.10; or
  - (B) A change to subheadings 8459.40 through 8459.51 from more than one of the following:
    - (1) subheading 8413.50 through 8413.60,
    - (2) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
    - (3) subheadings 8501.32 or 8501.52, or
    - (4) subheading 8537.10,
  - (C) Whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 154. A change to subheading 8459.59 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 155. (A) A change to subheading 8459.61 from any other heading, except from more than one of the following: [Compiler's note: The following subdivisions 1-4 are subordinate to this subdivision.]
  - (1) subheadings 8413.50 through 8413.60,
  - (2) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (3) subheadings 8501.32 or 8501.52,
  - (4) subheading 8537.10; or
  - (B) A change to subheading 8459.61 from more than one of the following:
    - (1) subheadings 8413.50 through 8413.60,
    - (2) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
    - (3) subheadings 8501.32 or 8501.52,
    - (4) subheading 8537.10,
  - (C) Whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 156. A change to subheading 8459.69 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 157. (A) A change to tariff item 8459.70.40 from any other heading, except from more than one of the following: [Compiler's note: The following subdivisions 1-4 are subordinate to this subdivision.]
  - (1) subheadings 8413.50 through 8413.60,
  - (2) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (3) subheadings 8501.32 or 8501.52,
  - (4) subheading 8537.10; or
  - (B) A change to tariff item 8459.70.40 from more than one of the following:
    - (1) subheadings 8413.50 through 8413.60,
    - (2) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
    - (3) subheadings 8501.32 or 8501.52,
    - (4) subheading 8537.10;
  - (C) Whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 158. A change to subheading 8459.70 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 159. A change to subheading 8460.11 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (C) subheadings 8501.32 or 8501.52,
  - (D) subheading 8537.10.
- 160. A change to subheading 8460.19 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 161. A change to subheading 8460.21 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (C) subheadings 8501.32 or 8501.52,
  - (D) subheading 8537.10.
- 162. A change to subheading 8460.29 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 163. A change to subheading 8460.31 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (C) subheadings 8501.32 or 8501.52,
  - (D) subheading 8537.10.
- 164. A change to subheading 8460.39 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 165. A change to tariff item 8460.40.40 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (C) subheadings 8501.32 or 8501.52,
  - (D) subheading 8537.10.
- 166. A change to subheading 8460.40 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 167. A change to tariff item 8460.90.40 from any other heading, except from more than one of the following:

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- (A) subheadings 8413.50 through 8413.60,
- (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
- (C) subheadings 8501.32 or 8501.52,
- (D) subheading 8537.10.
- 168. A change to subheading 8460.90 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53, or subheadings 8501.32 or 8501.52.
- 169. A change to tariff item 8461.20.40 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (C) subheadings 8501.32 or 8501.52,
  - (D) subheading 8537.10.
- 170. A change to subheading 8461.20 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53.
- 171. A change to tariff item 8461.30.40 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (C) subheadings 8501.32 or 8501.52,
  - (D) subheading 8537.10.
- 172. A change to subheading 8461.30 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53.
- 173. A change to subheading 8461.40 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53.
- 174. A change to tariff item 8461.50.40 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (C) subheadings 8501.32 or 8501.52,
  - (D) subheading 8537.10.
- 175. A change to subheading 8461.50 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53.
- 176. A change to tariff item 8461.90.30 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.93.15, 8466.93.30 or 8466.93.53,
  - (C) subheadings 8501.32 or 8501.52,
  - (D) subheading 8537.10.
- 177. A change to subheading 8461.90 from any other heading, except from tariff items 8466.93.15, 8466.93.30 or 8466.93.53.

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- 178. A change to subheading 8462.10 from any other heading, except from tariff items 8466.94.20, 8466.94.65, 8483.50.40, 8483.50.60 or 8483.50.90.
- 179. A change to subheading 8462.21 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.94.20 or 8466.94.65,
  - (C) tariff items 8483.50.40, 8483.50.60 or 8483.50.90,
  - (D) subheadings 8501.32 or 8501.52,
  - (E) subheading 8537.10.
- 180. A change to subheading 8462.29 from any other heading, except from tariff items 8466.94.20, 8466.94.65, 8483.50.40, 8483.50.60 or 8483.50.90.
- 181. A change to subheading 8462.31 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.94.20 or 8466.94.65,
  - (C) tariff items 8483.50.40, 8483.50.60 or 8483.50.90,
  - (D) subheadings 8501.32 or 8501.52,
  - (E) subheading 8537.10.
- 182. A change to subheading 8462.39 from any other heading, except from tariff items 8466.94.20, 8466.94.65, 8483.50.40, 8483,50.60 or 8483.50.90.
- 183. A change to subheading 8462.41 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.94.20 or 8466.94.65,
  - (C) tariff items 8483.50.40, 8483.50.60 or 8483.50.90,
  - (D) subheadings 8501.32 or 8501.52,
  - (E) subheading 8537.10.
- 184. A change to subheading 8462.49 from any other heading, except from tariff items 8466.94.20, 8466.94.65, 8483.50.40, 8483.50.60 or 8483.50.90.
- 185. A change to subheading 8462.91 from any other heading.
- 186. A change to tariff item 8462.99.40 from any other heading, except from more than one of the following:
  - (A) subheadings 8413.50 through 8413.60,
  - (B) tariff items 8466.94.20 or 8466.94.65,
  - (C) tariff items 8483.50.40, 8483.50.60 or 8483.50.90,
  - (D) subheadings 8501.32 or 8501.52,
  - (E) subheading 8537.10.

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- 187. A change to subheading 8462.99 from any other heading, except from tariff items 8466.94.20, 8466.94.65, 8483.50.40, 8483.50.60 or 8483.50.90.
- 188. A change to heading 8463 from any other heading, except from tariff items 8466.94.20, 8466.94.65, 8483.50.40, 8483.50.60 or 8483.50.90 or subheadings 8501.32 or 8501.52.
- 189. (A) A change to heading 8464 from any other heading, except from subheading 8466.91; or
  - (B) A change to heading 8464 from subheading 8466.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 190. (A) A change to heading 8465 from any other heading, except from subheading 8466.92; or
  - (B) A change to heading 8465 from subheading 8466.92, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 191. (A) A change to heading 8466 from any other subheading; or
  - (B) No change in tariff classification to a good of heading 8466 provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 192. (A) A change to subheadings 8467.11 through 8467.19 from any other heading; or
  - (B) A change to subheadings 8467.11 through 8467.19 from subheadings 8467.91 or 8467.92, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 193. (A) A change to subheadings 8467.21 through 8467.29 from any subheading outside that group, except from housings of subheadings 8467.91 or 8467.99 or heading 8501; or
  - (B) A change to subheadings 8467.21 through 8467.29 from housings of subheadings 8467.91 or 8467.99 or heading 8501, whether or not there is also a change from any subheading outside that group, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 194. (A) A change to subheadings 8467.81 through 8467.89 from any other heading; or
  - (B) A change to subheadings 8467.81 through 8467.89 from subheadings 8467.91 or 8467.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 195. A change to subheadings 8467.91 through 8467.99 from any other heading.

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- 196. (A) A change to subheadings 8468.10 through 8468.80 from any other heading; or
  - (B) A change to subheadings 8468.10 through 8468.80 from subheading 8468.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - 2) 50 percent where the net cost method is used.
- 197. A change to subheading 8468.90 from any other heading.
- 198. (A) A change to word-processing machines of heading 8469 from any other heading, except from heading 8473; or
  - (B) A change to word-processing machines of heading 8469 from heading 8473, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;
  - (C) A change to any other good of heading 8469 from any other heading, except from heading 8473; or
  - (D) A change to any other good of heading 8469 from heading 8473, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 199. (A) A change to heading 8470 from any other heading, except from heading 8473; or
  - (B) A change to heading 8470 from heading 8473, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 200. A change to a good of subheading 8471.30 from any other good within that subheading or any other subheading, except from subheadings 8471.41 through 8471.50.
- 201. A change to a good of subheading 8471.41 from any other good within that subheading or any other subheading, except from subheadings 8471.30 or 8471.49 through 8471.50.
- 202. (A) A change to analogue or hybrid automatic data processing machines of subheading 8471.50 from any other heading, except from heading 8473; or
  - (B) A change to analogue or hybrid automatic data processing machines of subheading 8471.50 from heading 8473, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used; or
  - (C) A change to any other good of subheading 8471.50 from analogue or hybrid automatic data processing machines of subheading 8471.50 or any other subheading, except from subheadings 8471.30 through 8471.49.
- 203. A change to subheading 8471.60 from any other subheading, except from subheading 8471.49.
- 204. A change to subheading 8471.70 from any other subheading, except from subheading 8471.49.
- 205. A change to tariff item 8471.80.10 from any other tariff item, except from subheading 8471.49.
- 206. A change to tariff item 8471.80.40 from any other tariff item, except from subheading 8471.49.

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- 207. A change to any other tariff item within subheading 8471.80 from tariff items 8471.80.10 or 8471.80.40 or any other subheading, except from subheading 8471.49.
- 208. A change to subheading 8471.90 from any other subheading.
- 209. (A) A change to heading 8472 from any other heading, except from heading 8473; or
  - (B) A change to heading 8472 from heading 8473, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 210. A change to tariff items 8473.10.20 and 8473.10.40 from any other heading.
- 211. (A) A change to tariff item 8473.10.60 from any other heading; or
  - (B) No change in tariff classification to a good of tariff item 8473.10.60, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 212. A change to subheading 8473.10 from any other heading.
- 213. (A) A change to subheading 8473.21 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8473.21, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 214. (A) A change to subheading 8473.29 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8473.29, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 215. A change to tariff item 8473.30.11 from any other tariff item.
- 216. A change to tariff item 8473.30.20 from any other tariff item.
- 217. (A) A change to subheading 8473.30 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8473.30, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 218. (A) A change to subheading 8473.40 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8473.40, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

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- 219. A change to tariff item 8473.50.30 from any other tariff item.
- 220. A change to tariff item 8473.50.60 from any other tariff item.

Subheading rule: The alternative rule which contains a regional value content requirement does not apply to a part or accessory provided for in subheading 8473.50 if that part or accessory is used in the production of a good provided for in subheading 8469.00 or heading 8471.

- 221. (A) A change to subheading 8473.50 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8473.50, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 222. (A) A change to subheadings 8474.10 through 8474.80 from any other heading; or
  - (B) A change to subheadings 8474.10 through 8474.80 from subheading 8474.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 223. (A) A change to subheading 8474.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8474.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 224. (A) A change to subheadings 8475.10 through 8475.29 from any other heading; or
  - (B) A change to subheadings 8475.10 through 8475.29 from subheading 8475.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 225. A change to subheading 8475.90 from any other heading.
- 226. (A) A change to subheadings 8476.21 through 8476.89 from any other heading; or
  - (B) A change to subheadings 8476.21 through 8476.89 from subheading 8476.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 227. A change to subheading 8476.90 from any other heading.
- 228. A change to subheading 8477.10 from any other subheading, except from tariff item 8477.90.25 or more than one of the following:
  - (A) Tariff item 8477.90.45,
  - (B) Subheading 8537.10.
- 229. A change to subheading 8477.20 from any other subheading, except from tariff item 8477.90.25 or more than one of the following:

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- (A) Tariff item 8477.90.45,
- (B) Subheading 8537.10.
- 230. A change to subheading 8477.30 from any other subheading, except from tariff item 8477.90.25 or more than one of the following:
  - (A) Tariff item 8477.90.65,
  - (B) Subheading 8537.10.
- 231. (A) A change to subheadings 8477.40 through 8477.80 from any other heading; or
  - (B) A change to subheadings 8477.40 through 8477.80 from subheading 8477.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 232. A change to subheading 8477.90 from any other heading.
- 233. (A) A change to subheading 8478.10 from any other heading; or
  - (B) A change to subheadings 8478.10 from subheading 8478.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 234. A change to subheading 8478.90 from any other heading.
- 235. A change to subheadings 8479.10 through 8479.82 from any other subheading, including another subheading within that group.

**Subheading rule**: The underscoring of the designations in subdivision 236 pertain to goods provided for in subheading 8479.89 for use in a motor vehicle of chapter 87.

- 236. (A) A change to trash compactors of subheading 8479.89 from any other good within that subheading or any other subheading; or
  - (B) A change to any other good of subheading 8479.89 from any other subheading.
- 237. A change to tariff item 8479.90.45 from any other tariff item.
- 238. A change to tariff item 8479.90.55 from any other tariff item.
- 239. A change to tariff item 8479.90.65 from any other tariff item.
- 240. A change to tariff item 8479.90.75 from any other tariff item.
- 241. A change to subheading 8479.90 from any other heading.
- 242. A change to heading 8480 from any other heading.

**Subheading rule**: The underscoring of the designations in subdivision 243 pertain to goods provided for in subheadings 8481.10 through 8481.30 for use in a motor vehicle of chapter 87.

- 243. (A) A change to subheadings 8481.10 through 8481.30 from any other heading; or
  - (B) A change to subheadings 8481.10 through 8481.30 from subheading 8481.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used or
- (2) 50 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designations in subdivision 244 pertain to goods provided for in subheadings 8481.40 through 8481.80 for use in a motor vehicle of chapter 87.

- 244. (A) A change to subheadings 8481.40 through 8481.80 from any other heading; or
  - (B) A change to subheadings 8481.40 through 8481.80 from subheading 8481.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 45 percent where the transaction value method is used; or
    - (2) 35 percent where the net cost method is used.
- 245. A change to subheading 8481.90 from any other heading.

**Subheading rule**: The underscoring of the designations in subdivision 246 pertain to goods provided for in subheadings 8482.10 through 8482.80 for use in a motor vehicle of chapter 87.

- 246, (A) A change to subheadings 8482.10 through 8482.80 from any subheading outside that group, except from tariff items 8482.99.05, 8482.99.15 or 8482.99.25; or
  - (B) A change to subheadings 8482.10 through 8482.80 from tariff items 8482.99.05, 8482.99.15 and 8482.99.25, whether or not there is also a change from any subheading outside that group, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 247. A change to subheadings 8482.91 through 8482.99 from any other heading.

Subheading rule: The underscoring of the designations in subdivision 248 pertain to goods provided for in subheading 8483.10 for use in a motor vehicle of chapter 87.

- 248. (A) A change to subheading 8483.10 from any other heading; or
  - (B) A change to subheadings 8483.10 from subheading 8483.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designations in subdivision 249 pertain to goods provided for in subheading 8483.20 for use in a motor vehicle of chapter 87.

- 249. (A) A change to subheading 8483.20 from any other subheading, except from subheadings 8482.10 through 8482.80, tariff items 8482.99.05, 8482.99.15 or 8482.99.25, or subheading 8483.90; or
  - (B) A change to subheading 8483.20 from subheadings 8482.10 through 8482.80, tariff items 8482.99.05, 8482.99.15 and 8482.99.25 or subheading 8483.90, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

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**Subheading rule**: The underscoring of the designations in subdivision 250 pertain to goods provided for in subheading 8483.30 for use in a motor vehicle of chapter 87.

- 250, (A) A change to subheading 8483.30 from any other heading; or
  - (B) A change to subheading 8483.30 from subheading 8483.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designation in subdivision 251 pertains to goods provided for in subheadings 8483.40 through 8483.90 for use in a motor vehicle of chapter 87.

- 251, A change to subheadings 8483.40 through 8483.90 from any other subheading, including another subheading within that group.
- 252. A change to heading 8484 from any other heading.
- 253. A change to a good of any of subheadings 8486.10 through 8486.90 from any other good within that subheading or any other subheading, including another subheading within that group.
- 254. A change to heading 8487 from any other heading.

#### Chapter 85

Chapter Rule 1: For the purposes of this chapter, the term "printed circuit assembly" means a good consisting of one or more printed circuits of heading 8534 with one or more active elements assembled thereon, with or without passive elements. For the purposes of this Note, "active elements" means diodes, transistors and similar semiconductor devices, whether or not photosensitive, of heading 8541, integrated circuits of heading 8542, and microassemblies of headings 8543 or 8548.

Chapter Rule 2: For purposes of this chapter:

- (a) references to "high definition" as it applies to television receivers and cathode-ray tubes refers to goods having:
  - (i) an aspect ratio of the screen equal to or greater than 16:9, and
  - (ii) aviewing screen capable of displaying more than 700 scanning lines; and
  - (iii) the video display diagonal is determined by measuring the maximum straight line dimension across the visible portion of the face plate used for displaying video.

Chapter Rule 3: Tariff items 8529.90.83, 8529.90.93 and 8529.90.99 cover the following parts of television receivers, video monitors, and video projectors:

- (a) Video intermediate (IF) amplifying and detecting systems;
- (b) Video processing and amplification systems;
- (c) Synchronizing and deflection circuitry;
- (d) Tuners and tuner control systems; and
- (e) Audio detection and amplification systems.

Chapter Rule 4: For the purposes of tariff item 8540.91.15, the term "front panel assembly" refers to:

(a) with respect to a monochrome cathode-ray television picture tube, video monitor tube or video projector tube, an assembly which consists of either a glass panel or a glass envelope, which is suitable for incorporation into amonochrome cathode-ray television picture tube, video monitor tube or video projector tube and which has undergone the necessary chemical and physical processes for imprinting

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phosphors on the glass panel or glass envelope with sufficient precision to render a video image when excited by a stream of electrons; or

(b) with respect to a color cathode-ray television picture tube, video monitor tube or video projector tube, an assembly which consists of a glass panel and a shadow mask or aperture grille, attached for ultimate use, which is suitable for incorporation into a color cathode-ray television picture tube, video monitor tube or video projector tube and which has undergone the necessary chemical and physical processes for imprinting phosphors on the glass panel with sufficient precision to render a video image when excited by a stream of electrons.

Chapter Rule 5: The origin of a television combination unit shall be determined in accordance with the rule that would be applicable to such unit if it were solely a television receiver.

Chapter rule 6: For the purposes of the subdivisions pertaining to this chapter, whenever the subdivision designation is underscored, the provisions of subdivision (k) of this note may apply to goods for use in a motor vehicle of chapter 87.

**Heading rule**: The underscoring of the designations in subdivision 1 pertain to goods provided for in heading 8501 for use in a motor vehicle of chapter 87.

- 1, (A) A change to heading 8501 from any other heading, except from tariff items 8503.00.35, 8503.00.45 or 8503.00.65; or
  - (B) A change to heading 8501 from tariff items 8503.00.35, 8503.00.45 and 8503.00.65, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 2. (A) A change to heading 8502 from any other heading, except from headings 8406, 8411, 8501 or 8503; or
  - (B) A change to heading 8502 from headings 8406, 8411, 8501 or 8503, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 3. A change to heading 8503 from any other heading.
- 4. A change to subheading 8504.10 from any other subheading.

**Subheading Rule**: Beginning on July 1, 2020 until July 1, 2025, the following rules of origin shall apply to subheadings 8504.21 through 8504.34:

- (a) A change to subheadings 8504.21 through 8504.34 from any other heading; or
- (b) A change to subheadings 8504.21 through 8504.34 from subheading 8504.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
  - (i) 60 percent where the transaction value method is used; or
  - (ii) 50 percent where the net cost method is used.

Subheading rule: Beginning on July 1, 2025, and thereafter, the following rules of origin shall apply to subheadings 8504.21 through 8504.34:

- (a) A change to subheadings 8504.21 through 8504.34 from any other heading, except from headings 7225, 7226 or 7326; or
- (b) No change in tariff classification to a good of subheadings 8504.21 through 8504.34, provided there is a regional value content of not less than:
  - (i) 65 percent where the transaction value method is used; or
  - (ii) 55 percent where the net cost method is used.

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- 5. A change to tariff item 8504.40.40 from any other subheading.
- 6. A change to tariff item 8504.40.60 from any other subheading, except from subheading 8471.49.
- 7. A change to subheading 8504.40 from any other subheading.
- 8. (A) A change to subheading 8504.50 from any other heading; or
  - (B) A change to subheadings 8504.50 from subheading 8504.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 9. A change to tariff item 8504.90.65 or 8504.90.75 from any other tariff item.
- 10. A change to tariff item 8504.90.40 from any other tariff item.

Subheading rule: Beginning on July 1, 2020 until July 1, 2025, the following rules of origin shall apply to subheading 8504.90:

- (a) A change to subheading 8504.90 from any other heading; or
- (b) No change in tariff classification to a good of subheading 8504.90, provided there is a regional value content of not less than:
  - (i) 60 percent where the transaction value method is used; or
  - (ii) 50 percent where the net cost method is used.

Subheading rule: Beginning on July 1, 2025, and thereafter, the following rules of origin shall apply to subheading 8504.90:

- (a) A change to subheading 8504.90 from any other heading, except from headings 7225, 7226 or 7326; or
- (b) No change in tariff classification to a good of subheading 8504.90, provided there is a regional value content of not less than:
  - (i) 65 percent where the transaction value method is used; or
  - (ii) 55 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designations in subdivision 11 pertain to goods provided for in subheadings 8505.11 through 8505.20 for use in a motor vehicle of chapter 87.

- 11. (A) A change to subheadings 8505.11 through 8505.20 from any other heading; or
  - (B) A change to subheadings 8505.11 through 8505.20 from subheading 8505.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

Subheading rule: The underscoring of the designations in subdivision 12 pertain to goods provided for in subheading 8505.90 for use in a motor vehicle of chapter 87.

- 12. (A) A change to subheading 8505.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8505.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

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- 13. A change to subheadings 8506.10 through 8506.40 from any other subheading, including another subheading within that group.
- 14. A change to subheadings 8506.50 through 8506.80 from any subheading outside that group.
- 15. A change to a good of subheading 8506.90 from within that subheading or any other subheading.

**Subheading rule**: The underscoring of the designations in subdivision 16 pertain to goods provided for in subheadings 8507.10 through 8507.50 for use in a motor vehicle of chapter 87.

- 16. (A) A change to subheadings 8507.10 through 8507.50 from any other heading, except from tariff items 8548.10.05 or 8548.10.15, or
  - (B) A change to subheadings 8507.10 through 8507.50 from subheading 8507.90, whether or not there is also a change from any other heading, except from tariff items 8548.10.05 or 8548.10.15, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designations in subdivision 17 pertain to goods provided for in subheading 8507.60 for use in a motor vehicle of chapter 87.

- 17. (A) A change to a battery of subheading 8507.60, of a kind used as the primary source of electrical power for the propulsion of an electric passenger vehicle or light truck from any other subheading, excluding battery cells of 8507.90;
  - (B) No change in tariff classification to a battery of subheading 8507.60, used as the primary source of electrical power for the propulsion of an electric passenger vehicle or light truck provided that the regional value content is:
    - (1) 85 percent where the transaction value method is used; or
    - (2) 75 percent where the net cost method is used;
  - (C) A change to any other good of subheading 8507.60 from any other heading; or
  - (D) A change to any other good of subheading 8507.60 from subheading 8507.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designations in subdivision 18 pertain to goods provided for in subheading 8507.80 for use in a motor vehicle of chapter 87.

- 18. (A) A change to subheading 8507.80 from any other heading, except from tariff items 8548.10.05 or 8548.10.15; or
  - (B) A change to subheading 8507.80 from subheading 8507.90, whether or not there is also a change from any other heading, except from tariff items 8548.10.05 or 8548.10.15, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used, or
    - (2) 50 percent where the net cost method is used.
- 19. (A) A change to subheading 8507.90 from any other heading, except from tariff items 8548.10.05 or 8548.10.15; or
  - (B) No change in tariff classification to a good of subheading 8507.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

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- (A) A change to subheading 8508.11 from any other subheading, except from heading 8501, subheading 8508.19 or housings of subheading 8508.70; or
  - (B) A change to subheading 8508.11 from heading 8501, subheading 8508.19 or housings of subheading 8508.70, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 21. (A) A change to domestic vacuum cleaners of subheading 8508.19 from any other subheading, except from heading 8501, subheading 8508.11 or housings of subheading 8508.70;
  - (B) A change to domestic vacuum cleaners of subheading 8508.19 from heading 8501, subheading 8508.11 or housings of subheading 8508.70, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used;
  - (C) A change to any other good of subheading 8508.19 from any other heading, except from heading 8479; or
  - (D) A change to any other good of subheading 8508.19 from subheading 8508.70, whether or not there is also a change from any other heading, except from heading 8479, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 22. (A) A change to subheading 8508.60 from any other heading, except from heading 8479; or
  - (B) A change to subheading 8508.60 from subheading 8508.70, whether or not there is also a change from any other heading, except from heading 8479, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 23. (A) A change to parts of domestic vacuum cleaners of subheading 8508.70 from any other heading, except from heading 8509;
  - (B) No change in tariff classification to parts of domestic vacuum cleaners of subheading 8508.70, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used; or
  - (C) A change to any other good of subheading 8508.70 from parts of domestic vacuum cleaners of subheading 8508.70 or any other heading, except from heading 8479.
- 24. A change to subheading 8509.40 from any other subheading.
- 25. A change to a good of subheading 8509.80 from any other good within that subheading or any other subheading.
- 26. (A) A change to subheading 8509.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8509.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

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- 27. (A) A change to subheadings 8510.10 through 8510.30 from any other heading; or
  - (B) A change to subheadings 8510.10 through 8510.30 from subheading 8510.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 28. A change to subheading 8510.90 from any other heading.

**Subheading rule**: The underscoring of the designations in subdivision 29 pertain to goods provided for in subheadings 8511.10 through 8511.80 for use in a motor vehicle of chapter 87.

29. A change to subheadings 8511.10 through 8511.80 from any other subheading, including another subheading within that group.

**Subheading rule**: The underscoring of the designation in subdivision 30 pertains to goods provided for in subheading 8511.90 for use in a motor vehicle of chapter 87.

- 30. (A) A change to subheading 8511.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8511.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designations in subdivision 31 pertain to goods provided for in subheadings 8512.10 through 8512.40 for use in a motor vehicle of chapter 87.

- 31. (A) A change to subheadings 8512.10 through 8512.40 from any other heading; or
  - (B) A change to subheadings 8512.10 through 8512.40 from subheading 8512.90, whether or not there is also a change from any other heading, provided there is also a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 32. A change to subheading 8512.90 from any other heading.
- 33. (A) A change to subheading 8513.10 from any other heading; or
  - (B) A change to subheading 8513.10 from subheading 8513.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 34. A change to subheading 8513.90 from any other heading.
- 35. A change to subheadings 8514.10 through 8514.30 from any other subheading, including another subheading within that group.
- 36. (A) A change to subheading 8514.40 from any other heading; or
  - (B) A change to subheading 8514.40 from subheading 8514.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 37. (A) A change to subheading 8514.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8514.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 38. (A) A change to subheadings 8515.11 through 8515.80 from any other heading; or
  - (B) A change to subheadings 8515.11 through 8515.80 from subheading 8515.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 39. A change to subheading 8515.90 from any other heading.
- 40. A change to subheadings 8516.10 through 8516.80 from any other subheading, including another subheading within that group.
- 41. A change to tariff item 8516.90.35 from any other tariff item.
- 42. A change to tariff item 8516.90.45 from any other tariff item.
- 43. A change to tariff item 8516.90.55 from any other tariff item.
- 44. A change to tariff item 8516.90.65 from any other tariff item.
- 45. A change to tariff item 8516.90.75 from any other tariff item.
- 46. (A) A change to subheading 8516.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8516.90, provided there is a regional value content of notless than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 47. A change to subheading 8517.11 from any other subheading.
- 48. A change to subheadings 8517.12 through 8517.61 from any other subheading, including another subheading within that group.
- 49. A change to a good of any of subheadings 8517.62 through 8517.70 from any other good within that subheading or any other subheading, including another subheading within that group.
- 50. A change to a good of any of subheadings 8518.10 through 8518.30 from any other good within that subheading or any other subheading, including another subheading within that group.
- 51. (A) A change to subheadings 8518.40 through 8518.50 from any other heading; or
  - (B) A change to subheadings 8518.40 through 8518.50 from subheading 8518.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 52. (A) A change to subheading 8518.90 from any other heading; or
  - (B) A change to subheading 8518.90 from any other subheading within heading 8518, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 30 percent where the transaction value method is used; or
    - (2) 25 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designations in subdivision 53 pertain to goods provided for in subheadings 8519.20 through 8519.89 for use in a motor vehicle of chapter 87.

- 53. A change to a good of any of subheadings 8519.20 through 8519.89 from any other good within that subheading or any other subheading, including another subheading within that group.
- 54. A change to subheadings 8521.10 through 8521.90 from any other subheading, including another subheading within that group, except from tariff items 8522.90.25, 8522.90.45 or 8522.90.65.
- 55. A change to heading 8522 from any other heading.
- 56. A change to a good of any of subheadings 8523.21 through 8523.51 from any other good within that subheading or any other subheading, including another subheading within that group.

**Subheading rule**: Notwithstanding Article 4.18 (Transit and Transshipment), "smart cards" of subheading 8523.52 qualifying under the rule below as an originating good may undergo further production outside the territory of the USMCA countries and, when imported into the territory of a USMCA country, will originate in the territory of a USMCA country, provided that such further production did not result in a change to any other subheading.

- 57. (A)No change in tariff classification to "smart cards" which contain a single integrated circuit or parts of such "smart cards" of subheading 8523.52:
  - (B) A change to other "smart cards" of subheading 8523.52 from any other good of subheading 8523.52, except from parts of other "smart cards" of subheading 8523.52 or any other heading;
  - (C) A change to other "smart cards" of subheading 8523.52 from parts of other "smart cards" of subheading 8523.52, whether or not there is also a change from any other good of subheading 8523.52 or any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 58. (A) A change to parts of other "smart cards" of subheading 8523.52 from any other heading; or
  - (B) No change in tariff classification to parts of other "smart cards" of subheading 8523.52, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 59. A change to a good of any of subheadings 8523.59 through 8523.80 from any other good within that subheading or any other subheading, including another subheading within that group.
- 60. A change to subheadings 8525.50 through 8525.60 from any subheading outside that group, provided that, with respect to printed circuit assemblies (PCAs) of subheading 8529.90:

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- (A) Except as provided in subparagraph (B), for each multiple of nine PCAs, or any portion thereof, that is contained in the good, only one PCA may be a nonoriginating PCA; and
- (B) If the good contains less than three PCAs, all of the PCAs must be originating PCAs.
- 61. (A) A change to gyrostabilized television cameras of subheading 8525.80 from any other good of subheading 8525.80 or any other subheading, except from studio television cameras, other than shoulder-carried cameras and other portable cameras, of subheading 8525.80;
  - (B) A change to other television cameras of subheading 8525.80 from any other good of subheading 8525.80 or any other subheading, except from gyrostabilized television cameras of subheading 8525.80; or
  - (C) A change to any other good of subheading 8525.80 from television cameras of subheading 8525.80 or any other subheading.
- 62. A change to subheadings 8526.10 through 8526.92 from any other subheading, including another subheading within that group.

**Subheading rule**: The underscoring of the designations in subdivision 63 pertain to goods provided for in subheadings 8527.12 through 8527.99 for use in a motor vehicle of chapter 87.

- 63. A change to subheadings 8527.12 through 8527.99 from any other subheading, including another subheading within that group, except from printed circuit assemblies (PCAs) of subheading 8529.90.
- 64. (A) A change to heading 8528 from any other heading; or
  - (B) No change in tariff classification to a good of heading 8528, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 65. (A) A change to subheading 8529.10 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8529.10, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 66. (A) A change of subheading 8529.90 from any other good within the same subheading; or
  - (B) No change in tariff classification to a good of subheading 8529.90, provided there is a regional value content of not less than:
    - (1) 40 percent where the transaction value method is used; or
    - (2) 30 percent where the net cost method is used.
- 67. (A) A change to subheadings 8530.10 through 8530.80 from any other heading; or
  - (B) A change to subheadings 8530.10 through 8530.80 from subheading 8530.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 68. (A) A change to subheading 8530.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8530.90, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 69. A change to subheading 8531.10 from any other subheading.
- 70. A change to a good of subheading 8531.20 from any other good within that subheading or any other subheading.
- 71. A change to subheading 8531.80 from any other subheading.
- 72. A change to a good of subheading 8531.90 from any other good within that subheading or any other subheading.
- 73. A change to a good of any of subheadings 8532.10 through 8532.90 from any other good within that subheading or any other subheading, including another subheading within that group.
- 74. A change to subheadings 8533.10 through 8533.39 from any other subheading, includinganother subheading within that group.
- 75. A change to subheading 8533.40 from any other subheading, except from tariff item 8533.90.40.
- 76. A change to a good of subheading 8533.90 from any other good within that subheading or any other subheading.
- 77. A change to heading 8534 from any other heading.
- 78. (A) A change to tariff item 8535.90.40 from any other tariff item, except from tariff item 8538.90.40; or
  - (B) A change to tariff item 8535.90.40 from tariff item 8538.90.40, whether or not there is also a change from any other tariff item, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 79. (A) A change to heading 8535 from any other heading, except from tariff items 8538.90.10, 8538.90.30 or 8538.90.60; or
  - (B) A change to heading 8535 from tariff items 8538.90.10, 8538.90.30 or 8538.90.60, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 80. (A) A change to subheadings 8536.10 through 8536.20 from any other heading, except from tariff items 8538.90.10, 8538.90.30 or 8538.90.60; or
  - (B) A change to subheadings 8536.10 through 8536.20 from tariff items 8538.90.10, 8538.90.30 or 8538.90.60, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 81. (A) A change to tariff item 8536.30.40 from any other tariff item, except from tariff item 8538.90.40; or
  - (B) A change to tariff item 8536.30.40 from tariff item 8538.90.40, whether or not there is also a change from any other tariff item, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

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- (A) A change to any other good of subheading 8536.30 from any other heading, except from tariff items 8538.90.10, 8538.90.30 or 8538.90.60; or
  - (B) A change to any other good of subheading 8536.30 from tariff items 8538.90.10, 8538.90.30 or 8538.90.60, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 83. (A) A change to subheadings 8536.41 through 8536.49 from any other heading, except from tariff items 8538.90.10, 8538.90.30 or 8538.90.60; or
  - (B) A change to subheadings 8536.41 through 8536.49 from tariff items 8538.90.10, 8538.90.30 or 8538.90.60, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designations in subdivisions 84 through 85 pertain to goods provided for in subheading 8536.50 for use in a motor vehicle of chapter 87.

- 84. (A) A change to tariff item 8536.50.40 from any other tariff item, except from tariff item 8538.90.40; or
  - (B) A change to tariff item 8536.50.40 from tariff item 8538.90.40, whether or not there is also a change from any other tariff item, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 85. (A) A change to any other good of subheading 8536.50 from any other heading, except from tariff items 8538.90.10, 8538.90.30 or 8538.90.60; or
  - (B) A change to any other good of subheading 8536.50 from tariff items 8538.90.10, 8538.90.30 or 8538.90.60, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 86. (A) A change to subheadings 8536.61 through 8536.69 from any other heading, except from tariff items 8538.90.10, 8538.90.30 or 8538.90.60; or
  - (B) A change to subheadings 8536.61 through 8536.69 from tariff items 8538.90.10, 8538.90.30 or8538.90.60, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 87. (A) A change to plastic connectors of subheading 8536.70 from any other good of subheading 8536.70 or any other subheading, except from heading 3926, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- (B) A change to ceramic connectors of subheading 8536.70 from any other good of subheading 8536.70 or any other subheading, except from chapter 69; or
- (C) A change to copper connectors of subheading 8536.70 from any other good of subheading 8536.70 or any other subheading, except from heading 7419.

Subheading rule: The underscoring of the designations in subdivision 88 pertain to goods provided for in subheading 8536.90 for use in a motor vehicle of chapter 87.

- 88. (A) A change to subheading 8536.90 from any other heading, except from tariff items 8538.90.10, 8538.90.30 or 8538.90.60; or
  - (B) A change to subheading 8536.90 from tariff items 8538.90.10, 8538.90.30 or 8538.90.60, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Heading rule**: The underscoring of the designations in subdivision 89 pertain to goods provided for in heading 8537 for use in a motor vehicle of chapter 87.

- 89. (A) A change to heading 8537 from any other heading, except from printed circuit assemblies of subheading 8538.90 or moulded parts of subheading 8538.90; or
  - (B) A change to heading 8537 from printed circuit assemblies of subheading 8538.90 or moulded parts of subheading 8538.90 or, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 50 percent where the transaction value method is used; or
    - (2) 40 percent where the net cost method is used.
- 90. (A) A change to subheadings 8538.10 through 8538.90 from any other heading; or
  - (B) A change to subheadings 8538.10 through 8538.90 from any other subheading within that group, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Subheading rule**: The underscoring of the designations in subdivision 91 pertain to goods provided for in subheadings 8539.10 through 8539.49 for use in a motor vehicle of chapter 87.

- 91. A change to subheadings 8539.10 through 8539.49 from any other subheading, except from any subheading within thatgroup.
- 92. A change to subheading 8539.90 from any other heading.
- 93. A change to tariff item 8540.11.10 from any other subheading, except from more than one of the following:
  - (A) tariff item 7011.20.10,
  - (B) tariff item 8540.91.15.
- 94. A change to tariff items 8540.11.24 and 8540.11.28 from any other subheading, except from more than one of the following:

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- (A) Tariff item 7011.20.10,
- (B) Tariff item 8540.91.15.
- 95. A change to tariff item 8540.11.30 from any other subheading, except from tariff item 8540.91.15.
- 96. A change to tariff items 8540.11.44 or 8540.11.48 from any other subheading, except from tariff item 8540.91.15.
- 97. (A) A change to subheading 8540.11 from any other heading; or
  - (B) A change to subheading 8540.11 from subheading 8540.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Subheading rule**: The following rule applies to a good of tariff items 8540.12.10 and 8540.12.50 incorporating a glass panel referred to in subparagraph (b) of chapter rule 4 of chapter 85 and a glass cone provided for in tariff item 7011.20.10:

- (a) A change to tariff items 8540.12.10 or 8540.12.50 from any other subheading, except from more than one of the following:
  - (i) Tariff item 7011.20.10,
  - (ii) Tariff item 8540.91.15.

**Subheading rule**: The following rule applies to a good of tariff items 8540.12.10 and 8540.12.50 incorporating a glass envelope referred to in subparagraph (b) of chapter rule 4 of chapter 85:

- (a) A change to tariff items 8540.12.10 or 8540.12.50 from any other subheading, except from tariff item 8540.91.15.
- 98. A change to tariff items 8540.12.20 or 8540.12.70 from any other subheading, except from tariff item 8540.91.15.
- 99. (A) A change to subheading 8540.12 from any other heading; or
  - (B) A change to subheading 8540.12 from subheading 8540.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 100. (A) A change to subheading 8540.20 from any other heading; or
  - (B) A change to subheading 8540.20 from subheadings 8540.91 through 8540.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 101. A change to subheadings 8540.40 through 8540.60 from any subheading outside that group.
- 102. A change to subheading 8540.71 from any other subheading.
- 103. (A) A change to klystrons of subheading 8540.79 from any other good within that subheading or any other subheading; or
  - (B) A change to any other good of subheading 8540.79 from klystrons within that subheading or any other subheading.
- 104. A change to subheadings 8540.81 through 8540.89 from any other subheading, including another subheading within that group.

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- 105. A change to tariff item 8540.91.15 from any other tariff item.
- 106. (A) A change to subheading 8540.91 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8540.91, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 107. A change to tariff item 8540.99.40 from any other tariff item.
- 108. (A) A change to subheading 8540.99 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8540.99, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

**Subheading rule**: Notwithstanding Article 4.18 (Transit and Transshipment) of the USMCA, a good provided for in subheadings 8541.10 through 8541.60 or 8542.31 through 8542.39 qualifying under the rule below as an originating good may undergo further production outside the territory of the USMCA countries and, when imported into the territory of a USMCA country, will originate in the territory of a USMCA country, provided that such further production did not result in a change to a subheading outside of that group.

- 109. No change in tariff classification to a good of subheadings 8541.10 through 8542.90.
- 110. A change to subheading 8543.10 from any other subheading, except from subheading 8486.20.
- 111. A change to subheadings 8543.20 through 8543.30 from any other subheading, including another subheading within that group.
- 112. A change to subheading 8543.70 from any other subheading, except from "smart" cards, other than those containing a single integrated circuit, of subheading 8523.59.

Subheading rule: Notwithstanding Article 4.18 (Transit and Transshipment), electronic microassemblies of subheading 8543.90 qualifying under the rule below as an originating good may undergo further production outside the territory of the USMCA countries and, when imported into the territory of a USMCA country, will originate in the territory of a USMCA country, provided that such further production did not result in a change to any other subheading.

- 113. (A) No change in tariff classification electronic microassemblies of subheading 8543.90;
  - (B) A change to any other good of subheading 8543.90 from electronic microassemblies of subheading 8543.90 or any other heading; or
  - (C) No change in tariff classification to any other good of subheading 8543.90, provided there is a regional value content of not less than:
    - (2) 50 percent where the net cost method is used.
    - (1) 60 percent where the transaction value method is used; or

**Subheading rule**: The underscoring of the designations in subdivision 114 pertain to goods provided for in subheadings 8544.11 through 8544.60 for use in a motor vehicle of chapter 87.

- 114. (A) A change to subheadings 8544.11 through 8544.60 from any subheading outside that group, except from headings 7408, 7413, 7605 or 7614; or
  - (B) A change to subheadings 8544.11 through 8544.60 from any other subheading within that group or headings 7408, 7413, 7605 or 7614, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 115. (A) A change to subheading 8544.70 from any other subheading, except from headings 7002 or 9001; or
  - (B) A change to subheading 8544.70 from headings 7002 or 9001, whether or not there is also a change from any other subheading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 116. A change to subheadings 8545.11 through 8545.90 from any other subheading, including another subheading within that group.
- 117. A change to heading 8546 from any other heading.
- 118. A change to subheadings 8547.10 through 8547.90 from any other subheading, including another subheading within that group.
- 119. A change to subheading 8548.10 from any other chapter.

**Subheading rule**: Notwithstanding Article 4.18 (Transit and Transshipment), electronic microassemblies of subheading 8548.90 qualifying under the rule below as an originating good may undergo further production outside the territory of the USMCA countries and, when imported into the territory of a USMCA country, will originate in the territory of a USMCA country, provided that such further production did not result in a change to any other subheading.

- 120. (A) No change in tariff classification to electronic microassemblies of subheading 8548.90; or
  - (B) A change to any other good of subheading 8548.90 from electronic microassemblies of subheading 8548.90 or any other heading.

#### Chapter 86

- 1. A change to headings 8601 through 8602 from any other heading, including another heading within that group.
- (A) A change to headings 8603 through 8606 from any other heading, including another heading within that group, except from heading 8607; or
  - (B) A change to headings 8603 through 8606 from heading 8607, whether or not there is also a change from any other heading, including another heading within that group, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

Subheading rule: Beginning on July 1, 2020 until July 1, 2023, the following rule of origin shall apply to subheadings 8607.11 through 8607.12:

- (a) A change to subheadings 8607.11 through 8607.12 from any subheading outside that group.
- Subheading rule: Beginning on July 1, 2023, and thereafter, the following rules of origin shall apply to subheadings 8607.11 through 8607.12:
  - (a) A change to subheadings 8607.11 through 8607.12 from any other heading, except from headings 7208 through 7229 or 7301 through 7326;
  - (b) A change to subheadings 8607.11 through 8607.12 from headings 7208 through 7229 or 7301 through 7326, provided that at least 70 percent by weight of the materials of headings 7208 through 7229 or 7301 through 7326 isoriginating; or
  - (c) No change in tariff classification to a good of subheadings 8607.11 through 8607.12, provided there is a regional value content of not less than:

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- (i) 70 percent where the transaction value method is used; or
- (ii) 60 percent where the net cost method is used.
- 3. (A) A change to tariff item 8607.19.03 from any other heading; or
  - (B) A change to tariff item 8607.19.03 from tariff item 8607.19.06, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 4. (A) A change to tariff item 8607.19.12 from any other heading; or
  - (B) A change to tariff item 8607.19.12 from tariff items 8607.19.06 or 8607.19.15, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 5. A change to subheading 8607.19 from any other heading.
- 6. (A) A change to subheading 8607.21 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8607.21, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

Subheading rule: Beginning on July 1, 2020 until July 1, 2023, the following rule of origin shall apply to subheading 8607.29:

- (a) A change to subheading 8607.29 from any other heading; or
- (b) No change in tariff classification to a good of subheading 8607.29, provided there is a regional value content of not less than:
  - (i) 60 percent where the transaction value method is used, or
  - (ii) 50 percent where the net cost method is used.

Subheading rule: Beginning on July 1, 2023, and thereafter, the following rules of origin shall apply to subheading 8607.29:

- (a) A change to subheading 8607.29 from any other heading, except from headings 7208 through 7229 or headings 7301 through 7326;
- (b) A change to subheading 8607.29 from headings 7208 through 7229 or 7301 through 7326, provided that at least 70 percent by weight of the materials of headings 7208 through 7229 and 7301 through 7326 is originating; or
- (c) No change in tariff classification to a good of subheading 8607.29 provided there is a regional value content of not less than:
  - (i) 70 percent where the transaction value method is used; or
  - (ii) 60 percent where the net cost method is used.
- 7. (A) A change to subheading 8607.30 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8607.30, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

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Subheading rule: Beginning on July 1, 2020 until January 1, 2023, the following rule of origin shall apply to subheading 8607.91:

- (a) A change to subheading 8607.91 from any other heading; or
- (b) No change in tariff classification to a good of subheading 8607.91, provided there is a regional value content of not less than:
  - (i) 60 percent where the transaction value method is used, or
  - (ii) 50 percent where the net cost method is used.

Subheading rule: Beginning on July 1, 2023, and thereafter, the following rules of origin shall apply to subheading 8607.91:

- (a) A change to subheading 8607.91 from any other heading, except from headings 7208 through 7229 or 7301 through 7326;
- (b) A change to subheading 8607.91 from headings 7208 through 7229 or 7301 through 7326, provided that at least 70 percent by weight of the materials of headings 7208 through 7229 and 7301 through 7326 is originating; or
- (c) No change in tariff classification to a good of subheading 8607.91 provided there is a regional value content of not less than:
  - (i) 70 percent where the transaction value method is used; or
  - (ii) 60 percent where the net cost method is used.
- 8. (A) A change to subheading 8607.99 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8607.99, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 9. A change to heading 8608 from any other heading.

Heading rule: Beginning on July 1, 2020 until July 1, 2023, the following rule of origin shall apply to heading 8609:

(a) A change to heading 8609 from any other heading.

Heading rule: Beginning on July 1, 2023, and thereafter, the following rules of origin shall apply to heading 8609:

- (a) A change to heading 8609 from any other heading, except from headings 7208 through 7229 or 7301 through 7326; or
- (b) A change to heading 8609 from headings 7208 through 7229 or 7301 through 7326, provided that at least 70 percent by weight of the materials of headings 7208 through 7229 and 7301 through 7326 is originating; or
- (c) No change in tariff classification to a good of heading 8609 is required provided there is a regional value content of not less than:
  - (i) 70 percent where the transaction value method is used; or
  - (ii) 60 percent where the net cost method is used.

#### Chapter 87

- 1. A change to a good of subheading 8701.10 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method.
- 2. A change to a good of subheading 8701.20 from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method.
- 3. A change to a good of subheadings 8701.30 through 8701.90 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method.

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- 4. (A) A change to a motor vehicle for the transport of 15 or fewer persons of subheading 8702.10 from any other heading, provided there is a regional value content of not less than 62.5 percent under the net cost method; or
  - (B) A change to a motor vehicle for the transport of 16 or more persons of subheading 8702.10 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method.
- 5. (A) A change to a motor vehicle for the transport of 15 or fewer persons of subheading 8702.90 from any other heading, provided there is a regional value content of not less than 62.5 percent under the net cost method; or
  - (B) A change to a motor vehicle for the transport of 16 or more persons of subheading 8702.90 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method.
- 6. A change to subheading 8703.10 from any other heading, provided there is a regional value content of not less than:
  - (A) 60 percent where the transaction value method is used; or
  - (B) 50 percent where the net cost method is used.
- 7. (A) A change to a passenger vehicle of subheadings 8703.21 through 8703.90 from any other heading, provided there is a regional value content of not less than 75 percent under the net cost method; or
  - (B) A change to any other good of subheadings 8703.21 through 8703.90 from any other heading, provided there is a regional value content of not less than 62.5 percent under the net cost method.
- 8. A change to a good of subheading 8704.10 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method.
- 9. (A) A change to a light truck of subheading 8704.21 from any other heading, provided there is a regional value content of not less than 75 percent under the net cost method; or
  - (B) A change to a vehicle solely or principally for off-road use of subheading 8704.21 from any other heading, provided there is a regional value content of not less than 62.5 percent under the net cost method.
- 10. (A) A change to a heavy truck of subheadings 8704.22 through 8704.23 from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method; or
  - (B) A change to a vehicle that is solely or principally for off-road use of subheadings 8704.22 through 8704.23 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method.
- 11. (A) A change to a light truck of subheading 8704.31 from any other heading, provided there is a regional value content of not less than 75 percent under the net cost method; or
  - (B) A change to a vehicle solely or principally for off-road use of subheading 8704.31 from any other heading, provided there is a regional value content of not less than 62.5 percent under the net cost method.
- 12. (A) A change to a vehicle that is solely or principally for off-road use of subheadings 8704.32 through 8704.90 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method; or
  - (B) A change to any other good of subheadings 8704.32 through 8704.90 from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method.
- 13. A change to heading 8705 from any other heading, provided there is a regional value content of not less than 60 percent under the net cost method.

**Heading rule**: The underscoring of the designations in subdivisions 14 through 16 pertain to goods provided for in heading 8706. If the good is for use in a passenger vehicle or light truck, Articles 3.2 and 3.3 of the automotive appendix apply. If the good is for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

14. For a good of heading 8706 for use in a passenger vehicle or light truck:

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- (A) No change in tariff classification to a good of heading 8706, provided there is a regional value content of not less than 75 percent under the net cost method.
- 15, For a good of heading 8706 for use in heavy truck:
  - (A) No change in tariff classification to a good of heading 8706, provided there is a regional value content of not less than 70 percent under the net cost method.
- 16. For any other good of heading 8706:
  - (A) No change in tariff classification to a good of heading 8706, provided there is a regional value content of not less than 60 percent under the net cost method;

**Heading rule**: The underscoring of the designations in subdivisions 17 through 19 pertain to goods provided for in heading 8707. If the good is for use in a passenger vehicle or light truck, Articles 3.2 and 3.3 of the automotive appendix apply. If the good is for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- <u>17</u>. For a good of heading 8707 for use in a passenger vehicle or light truck:
  - (A) No change in tariff classification to a good of heading 8707, provided there is a regional value content of not less than 75 percent under the net cost method.
- 18. For a good of heading 8707 for use in a heavy truck:
  - (A) A change to heading 8707 from any other chapter; or
  - (B) A change to heading 8707 from heading 8708, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than 70 percent under the net cost method.
- 19. For any other good of heading 8707:
  - (A) A change to heading 8707 from any other chapter; or
  - (B) A change to heading 8707 from heading 8708, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than 60 percent under the net cost method.

**Subheading rule**: The underscoring of the designations in subdivisions 20 through 21 pertain to goods provided for in heading 8708.10. If the good is for use in a passenger vehicle or light truck, Article 3.4 of the automotive appendix applies. If the good is for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- 20. For a good of subheading 8708.10 for use in a passenger vehicle, light truck, or heavy truck:
  - (A) A change to subheading 8708.10 from any other heading; or
  - (B) A change to subheading 8708.10 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method.
- 21. For any other good of subheading 8708.10:
  - (A) A change to subheading 8708.10 from any other heading; or
  - (B) A change to subheading 8708.10 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method.

Subheading rule: The underscoring of the designations in subdivisions 22 through 23 pertain to goods provided for in heading 8708.21. If the good is for use in a passenger vehicle or light truck, Article 3.4 of the automotive appendix applies. If the good is for use in a heavy truck,

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Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- 22. For a good of subheading 8708.21 for use in a passenger vehicle, light truck or heavy truck:
  - (A) A change to subheading 8708.21 from any other heading; or
  - (B) A change to subheading 8708.21 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method.
- 23. For any other good of subheading 8708.21:
  - (A) A change to subheading 8708.21 from any other heading; or
  - (B) A change to subheading 8708.21 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method.

**Subheading rule**: The underscoring of the designations in subdivisions 24 through 26 pertain to goods provided for in heading 8708.29. If the good is a body stamping for use in a passenger vehicle or light truck, Articles 3.2 and 3.3 of the automotive appendix apply. If the good is any other good for use in a passenger vehicle or light truck, Article 3.4 of the automotive appendix applies. If the good is for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- 24. For a body stamping of subheading 8708.29 for use in a passenger vehicle or light truck:
  - (A) No change in tariff classification to a body stamping of subheading 8708.29, provided there is a regional value content of at least 75 percent under the net cost method.
- 25. For any other good of subheading 8708.29 for use in a passenger vehicle, light truck or heavy truck:
  - (A) A change to subheading 8708.29 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8708.29, provided there is a regional value content of not less than 70 percent under the net cost method.
- 26. For any other good of subheading 8708.29:
  - (A) A change to subheading 8708.29 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8708.29, provided there is a regional value content of not less than 50 percent under the net cost method.

**Subheading rule**: The underscoring of the designations in subdivisions 27 through 28 pertain to goods provided for in heading 8708.30. If the good is a body stamping for use in a passenger vehicle or light truck, Articles 3.2 and 3.3 of the automotive appendix apply. If the good is any other good for use in a passenger vehicle or light truck, Article 3.4 of the automotive appendix applies. If the good is for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- 27. For a good of subheading 8708.30 for use in a passenger vehicle, light truck or heavy truck:
  - (A) A change to mounted brake linings of subheading 8708.30 from any other heading; or
  - (B) A change to mounted brake linings of subheading 8708.30 from parts of mounted brake linings, brakes or servo-brakes of subheadings 8708.30 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method;
  - (C) A change to any other good of subheading 8708.30 from any other heading; or
  - (D) A change to any other good of subheading 8708.30 from mounted brake linings or parts of brakes or servo-brakes of subheadings 8708.30, or 8708.99, whether or not there is also a change from any other heading, provided there is aregional value content of not less than 70 percent under the net cost method.

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- 28. For any other good of subheading 8708.30:
  - (A) A change to mounted brake linings of subheading 8708.30 from any other heading; or
  - (B) A change to mounted brake linings of subheading 8708.30 from parts of mounted brake linings, brakes or servo-brakes of subheadings 8708.30 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;
  - (C) A change to any other good of subheading 8708.30 from any other heading; or
  - (D) A change to any other good of subheading 8708.30 from mounted brake linings or parts of brakes or servo-brakes of subheadings 8708.30, or 8708.99, whether or not there is also a change from any other heading, provided there is aregional value content of not less than 50 percent under the net cost method.

**Subheading rule**: The underscoring of the designations in subdivisions 29 through 31 pertain to goods provided for in heading 8708.40. If the good is for use in a passenger vehicle or light truck, Articles 3.2 and 3.3 of the automotive appendix apply. If the good is for use in a heavy truck, Articles 4.2 and 4.4 of the automotive appendix apply. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- 29. For a good of subheading 8708.40 for use in a passenger vehicle or light truck:
  - (A) No change in tariff classification to a good of subheading 8708.40, provided there is a regional value content of not less than 75 percent under the net cost method.
- 30. For a good of subheading 8708.40 for use in a heavy truck:
  - (A) No change in tariff classification to a good of subheading 8708.40, provided there is a regional value content of not less than 70 percent under the net cost method.
- 31. For any other good of subheading 8708.40:
  - (A) A change to gear boxes of subheading 8708.40 from any other heading; or
  - (B) A change to gear boxes of subheading 8708.40 from any other good of subheadings 8708.40 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;
  - (C) A change to any other good of subheading 8708.40 from any other heading; or
  - (D) No change in tariff classification to any other good of subheading 8708.40, provided there is a regional value content of not less than 50 percent under the net cost method.

**Subheading rule**: The underscoring of the designations in subdivisions 32 through 34 pertain to goods provided for in heading 8708.50. If the good is for use in a passenger vehicle or light truck, Articles 3.2 and 3.3 of the automotive appendix apply. If the good is for use in a heavy truck, Articles 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Articles 10.1 and 10.2 of the automotive appendix apply.

- 32. For a good of subheading 8708.50 for use in a passenger vehicle or light truck:
  - (A) No change in tariff classification to a good of subheading 8708.50, provided there is a regional value content of not less than 75 percent under the net cost method.
- 33. For a good of subheading 8708.50 for use in a heavy truck:

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- (A) A change to drive-axles with differential, whether or not provided with other transmission components, for vehicles of heading 8703, of subheading 8708.50 from any other heading, except from subheadings 8482.10 through 8482.80;or
- (B) A change to drive-axles with differential, whether or not provided with other transmission components, for vehicles of heading 8703, of subheading 8708.50 from subheading 8482.10 through 8482.80 or parts of drive-axles of subheading 8708.50, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method;
- (C) A change to other drive-axles with differential, whether or not provided with other transmission components, of subheading 8708.50 from any other heading; or
- (D) A change to other drive-axles with differential, whether or not provided with other transmission components, of subheading 8708.50 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method;
- (E) A change to non-driving axles and parts thereof, for vehicles of heading 8703, of subheading 8708.50 from any other heading, except from subheadings 8482.10 through 8482.80; or
- (F) A change to non-driving axles and parts thereof, for vehicles of heading 8703, of subheading 8708.50 from subheadings 8482.10 through 8482.80 or 8708.99, whether or not there is also a change from any other heading, provided there is aregional value content of not less than 70 percent under the net cost method;
- (G) A change to other non-driving axles and parts thereof of subheading 8708.50 from any other heading; or
- (H) A change to other non-driving axles and parts thereof of subheading 8708.50 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method;
- (I) A change to any other good of subheading 8708.50 from any other heading; or
- (<u>J</u>) No change in tariff classification to any other good of subheading 8708.50, provided there is a regional value content of not less than 70 percent under the net cost method.
- 34. For any other good of subheading 8708.50:

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- (A) A change to drive-axles with differential, whether or not provided with other transmission components, for vehicles of heading 8703, of subheading 8708.50 from any other heading, except from subheadings 8482.10 through 8482.80; or
- (B) A change to drive-axles with differential, whether or not provided with other transmission components, for vehicles of heading 8703, of subheading 8708.50 from subheading 8482.10 through 8482.80 or parts of drive-axles of subheading 8708.50, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;
- (C) A change to other drive-axles with differential, whether or not provided with other transmission components, of subheading 8708.50 from any other heading; or
- (D) A change to other drive-axles with differential, whether or not provided with other transmission components, of subheading 8708.50 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;
- (E) A change to non-driving axles and parts thereof, for vehicles of heading 8703, of subheading 8708.50 from any other heading, except from subheadings 8482.10 through 8482.80; or
- (F) A change to non-driving axles and parts thereof, for vehicles of heading 8703, of subheading 8708.50 from subheadings 8482.10 through 8482.80 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;
- (G) A change to other non-driving axles and parts thereof of subheading 8708.50 from any other heading; or
- (H) A change to other non-driving axles and parts thereof of subheading 8708.50 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method;
- (I) A change to any other good of subheading 8708.50 from any other heading; or
- (<u>J)</u> No change in tariff classification to any other good of subheading 8708.50, provided there is a regional value content of not less than 50 percent under the net cost method.

**Subheading rule**: The underscoring of the designations in subdivisions 35 through 36 pertain to goods provided for in heading 8708.70. If the good is for use in a passenger vehicle or light truck, Article 3.4 of the automotive appendix applies. If the good is for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- 35. For a good of subheading 8708.70 for use in a passenger vehicle, light truck, or heavy truck:
  - (A) A change to subheading 8708.70 from any other heading; or
  - (B) A change to subheading 8708.70 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method.
- 36. For any other good of subheading 8708.70:
  - (A) A change to subheading 8708.70 from any other heading; or
  - (B) A change to subheading 8708.70 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method.

**Subheading rule**: The underscoring of the designations in subdivisions 37 through 39 pertain to goods provided for in heading 8708.80. If the good is for use in a passenger vehicle or light truck, Article 3.2 and 3.3 of the automotive appendix applies. If the good is for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- 37. For a good of subheading 8708.80 for use in a passenger vehicle or light truck:
  - (A) No change in tariff classification to a good of subheading 8708.80, provided there is a regional value content of not less than 75 percent under the net cost method.
- 38. For a good of subheading 8708.80 for use in a heavy truck:

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- (A) A change to McPherson struts of subheading 8708.80 from parts thereof of subheading 8708.80 or any other subheading, provided there is a regional value content of not less than 50 percent under the net cost method;
- (B) A change to any other good subheading 8708.80 from any other heading;
- (C) A change to suspension systems (including shock absorbers) of subheading 8708.80 from parts thereof of subheadings 8708.80 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method; or
- (D) No change in tariff classification to parts of suspension systems (including shock absorbers) of subheading 8708.80, provided there is a regional value content of not less than 70 percent under the net cost method.
- 39. For any other good of subheading 8708.80:
  - (A) A change to McPherson struts of subheading 8708.80 from parts thereof of subheading 8708.80 or any other subheading, provided there is a regional value content of not less than 50 percent under the net cost method;
  - (B) A change to any other good subheading 8708.80 from any other heading;
  - (C) A change to suspension systems (including shock absorbers) of subheading 8708.80 from parts thereof of subheadings 8708.80 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method; or
  - (D) No change in tariff classification to parts of suspension systems (including shock absorbers) of subheading 8708.80, provided there is a regional value content of not less than 50 percent under the net cost method.

**Subheading rule**: The underscoring of the designations in subdivisions 40 through 41 pertain to goods provided for in heading 8708.91. If the good is for use in a passenger vehicle or light truck, Article 3.4 of the automotive appendix applies. If the good is for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- 40. For a good of subheading 8708.91 for use in a passenger vehicle, light truck or heavy truck:
  - (A) A change to radiators of subheading 8708.91 from any other heading:
  - (B) A change to radiators of subheading 8708.91 from any other good of subheading 8708.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 70 percent under the netcost method; or
  - (C) No change in tariff classification to any other good of subheading 8708.91, provided there is a regional value content of not less than 70 percent under the net cost method.
- 41. For any other good of subheading 8708.91:
  - (A) A change to radiators of subheading 8708.91 from any other heading;
  - (B) A change to radiators of subheading 8708.91 from any other good of subheading 8708.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under thenet cost method; or
  - (C) No change in tariff classification to any other good of subheading 8708.91, provided there is a regional value content of not less than 50 percent under the net cost method.

**Subheading rule**: The underscoring of the designations in subdivision 42 pertain to goods provided for in heading 8708.92. If the good is for use in a passenger vehicle or light truck, Article 3.4 of the automotive appendix applies. If the good is for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

42. For a good of subheading 8708.92 for use in a passenger vehicle, light truck or heavy truck:

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- (A) A change to silencers (mufflers) or exhaust pipes of subheading 8708.92 from any other heading; or
- (B) A change to silencers (mufflers) or exhaust pipes of subheading 8708.92 from any other good of subheading 8708.92, whether or not there is also a change from any other heading, provided there is regional value content of not less than 70 percent under the net cost method; or
- (C) No change in tariff classification to any other good of subheading 8708.92, provided there is a regional value content of not less than 70 percent under the net cost method
- (D) For any other good of subheading 8708.92:
- (E) A change to silencers (mufflers) or exhaust pipes of subheading 8708.92 from any other heading; or
- (F) A change to silencers (mufflers) or exhaust pipes of subheading 8708.92 from any other good of subheading 8708.92, whether or not there is also a change from any other heading, provided there is regional value content of not less than 50 percent under the net cost method; or
- (G) No change in tariff classification to any other good of subheading 8708.92, provided there is a regional value content of not less than 50 percent under the net cost method

**Subheading rule**: The underscoring of the designations in subdivisions 43 through 44 pertain to goods provided for in heading 8708.93. If the good is for use in a passenger vehicle or light truck, Article 3.4 of the automotive appendix applies. If the good is for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- 43. For a good of subheading 8708.93 for use in a passenger vehicle, light truck or heavy truck:
  - (A) A change to subheading 8708.93 from any other heading; or
  - (B) A change to subheading 8708.93 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method.
- 44. For any other good of subheading 8708.93:
  - (A) A change to subheading 8708.93 from any other heading; or
  - (B) A change to subheading 8708.93 from subheading 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method.

**Subheading rule**: The underscoring of the designations in subdivisions 45 through 47 pertain to goods provided for in heading 8708.94. If the good is for use in a passenger vehicle or light truck, Article 3.2 and 3.3 of the automotive appendix apply. If the good is for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- 45. For a good of subheading 8708.94 for use in a passenger vehicle or light truck:
  - (A) No change in tariff classification to a good of subheading 8708.94, provided there is a regional value content of not less than 75 percent under the net cost method.
- 46. For a good of subheading 8708.94 for use in a heavy truck:
  - (A) A change to subheading 8708.94 from any other heading;
  - (B) A change to steering wheels, steering columns or steering boxes of subheading 8708.94 from parts thereof of subheadings 8708.94 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method; or
  - (C) No change in tariff classification to parts of steering wheels, steering columns or steering boxes of subheading 8708.94, provided there is a regional value content of not less than 70 percent under the net cost method.
- 47. For any other good of subheading 8708.94:

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- (A) A change to subheading 8708.94 from any other heading;
- (B) A change to steering wheels, steering columns or steering boxes of subheading 8708.94 from parts thereof of subheadings 8708.94 or 8708.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method; or
- (C) No change in tariff classification to parts of steering wheels, steering columns or steering boxes of subheading 8708.94, provided there is a regional value content of not less than 50 percent under the net cost method.

**Subheading rule**: The underscoring of the designations in subdivisions 48 through 49 pertain to goods provided for in heading 8708.95. If the good is for use in a passenger vehicle or light truck, Article 3.4 of the automotive appendix applies. If the good is for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- 48. For a good of subheading 8708.95 for use in a passenger vehicle, light truck or heavy truck:
  - (A) A change to subheading 8708.95 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8708.95, provided there is a regional value content of not less than 70 percent under the net cost method.
- 49. For any other good of subheading 8708.95:
  - (A) A change to subheading 8708.95 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8708.95, provided there is a regional value content of not less than 50 percent under the net cost method.

**Subheading rule**: The underscoring of the designations in subdivisions 50 through 55 pertain to goods provided for in heading 8708.99. If the good is a chassis frame for use in a passenger vehicle or light truck, Articles 3.2 and 3.3 of the automotive appendix apply. If the good is a chassis for use in a heavy truck, Articles 4.2 and 4.4 of the automotive appendix apply. If the good is any other good for use in a passenger vehicle or light truck, Article 3.4 of the automotive appendix applies. If the good is any other good for use in a heavy truck, Article 4.2 of the automotive appendix applies. If the good is for use in a vehicle specified in paragraphs 1 and 2 of Article 10, Articles 10.1 and 10.2 of the automotive appendix apply.

- 50. For a chassis frame of subheading 8708.99 for use in a passenger vehicle or light truck:
  - (A) No change in tariff classification to a good of subheading 8708.99, provided there is a regional value content of not less than 75 percent under the net cost method.
- 51. For a chassis of subheading 8708.99 for use in a heavy truck:
  - (A) No change in tariff classification to a good of subheading 8708.99, provided there is a regional value content of not less than 70 percent under the net cost method.
- 52. For any other good of subheading 8708.99 for use in a heavy truck or for any other good of subheading 8708.99 for use in a passenger vehicle or light truck:
  - (A) A change to tariff items 8708.99.03, 8708.99.27 or 8708.99.55 from any other subheading, provided there is a regional value content of not less than 70 percent under the net cost method,
  - (B) A change to tariff items 8708.99.06, 8708.99.31 or 8708.99.58 from any other heading, except from subheadings 8482.10 through 8482.80 or tariff items 8482.99.05, 8482.99.15 or 8482.99.25; or
  - (C) A change to tariff items 8708.99.06, 8708.99.31 or 8708.99.58 from subheadings 8482.10 through 8482.80 or tariff items 8482.99.05, 8482.99.15 or 8482.99.25, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 70 percent under the net cost method.
- 53. (A) A change to subheading 8708.99 from any other heading; or

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- (B) No change in tariff classification to a good of subheading 8708.99, provided there is a regional value content of not less than 70 percent under the net cost method.
- 54. For any other good of subheading 8708.99:
  - (A) A change to tariff items 8708.99.03, 8708.99.27 and 8708.99.55 from any other subheading, provided there is a regional value content of not less than 50 percent under the net cost method,
  - (B) A change to tariff items 8708.99.06, 8708.99.31 and 8708.99.58 from any other heading, except from subheadings 8482.10 through 8482.80 or tariff items 8482.99.05, 8482.99.15 or 8482.99.25; or
  - (C) A change to tariff items 8708.99.06, 8708.99.31 and 8708.99.58 from subheadings 8482.10 through 8482.80 or tariff items 8482.99.05, 8482.99.15 or 8482.99.25, whether or not there is also a change from any other heading, provided there is a regional value content of not less than 50 percent under the net cost method.
- 55. (A) A change to subheading 8708.99 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8708.99, provided there is a regional value content of not less than 50 percent under the net cost method.
- 56. (A) A change to subheadings 8709.11 through 8709.19 from any other heading; or
  - (B) A change to subheadings 8709.11 through 8709.19 from subheading 8709.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 57. A change to subheading 8709.90 from any other heading.
- 58. A change to heading 8710 from any other heading.
- 59. (A) A change to headings 8711 through 8713 from any other heading, including another heading within that group, except from heading 8714; or
  - (B) A change to headings 8711 through 8713 from heading 8714, whether or not there is also a change from any other heading, including another heading within that group, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 60. A change to headings 8714 through 8715 from any other heading, including another heading within that group.
- 61. (A) A change to subheadings 8716.10 through 8716.80 from any other heading; or
  - (B) A change to subheadings 8716.10 through 8716.80 from subheading 8716.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 62. (A) A change to subheading 8716.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 8716.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

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- 1. (A) A change to gliders or hang gliders of heading 8801 from any other good of heading 8801 or any other heading; or
  - (B) A change to any other good of heading 8801 from gliders or hang gliders of heading 8801 or any other heading.
- A change to subheadings 8802.11 through 8803.90 from any other subheading, including another subheading within that group.
- 3. A change to headings 8804 through 8805 from any other heading, including another heading within that group.

#### Chapter 89

- 1. (A) A change to headings 8901 through 8902 from any other chapter; or
  - (B) A change to headings 8901 through 8902 from any other heading within chapter 89, including another heading within that group, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 2. A change to heading 8903 from any other heading, provided there is a regional value content of not less than:
  - (1) 60 percent where the transaction value method is used; or
  - (2) 50 percent where the net cost method is used.
- 3. (A) A change to headings 8904 through 8905 from any other chapter; or
  - (B) A change to headings 8904 through 8905 from any other heading within chapter 89, including another heading within that group, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- A change to headings 8906 through 8908 from any other heading, including another heading within that group.

#### Chapter 90

Chapter rule 1: For the purposes of this chapter, the term "printed circuit assembly" means a good consisting of one or more printed circuits of heading 8534 with one or more active elements assembled thereon, with or without passive elements. For the purposes of this Note, "active elements" means diodes, transistors and similar semiconductor devices, whether or not photosensitive, of heading 8541 and integrated circuits of heading 8542 and microassemblies of headings 8543 or 8548.

Chapter rule 2: The origin of the goods of chapter 90 shall be determined without regard to the origin of any automatic data processing machines or units thereof of heading 8471, or parts and accessories thereof of heading 8473, which may be included therewith.

Chapter rule 3: For the purposes of the subdivisions pertaining to this chapter, whenever the subdivision designation is underscored, the provisions of subdivision (k) of this note may apply to goods for use in a motor vehicle of chapter 87.

- 1. (A) A change to subheading 9001.10 from any other chapter, except from pre-forms of heading 7002; or
  - (B) A change to subheading 9001.10 from any other good of heading 7002 except pre-forms, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 2. A change to subheadings 9001.20 through 9001.90 from any other heading.

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- A change to heading 9002 from any other heading, except from heading 9001.
- (A) A change to subheadings 9003.11 through 9003.19 from any other subheading, including another subheading within that group, except from subheading 9003.90; or
  - (B) A change to subheadings 9003.11 through 9003.19 from subheading 9003.90, whether or not there is also a change from any other subheading, including another subheading within that group, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 5. A change to subheading 9003.90 from any other heading.
- A change to subheading 9004.10 from any other subheading.
- 7. (A) A change to subheading 9004.90 from any other chapter; or
  - (B) A change to subheading 9004.90 from any other heading within chapter 90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 8. A change to subheadings 9005.10 through 9005.80 from any subheading outside that group, except from headings 9001 through 9002 or tariff item 9005.90.40.
- 9. A change to tariff item 9005.90.40 from any other heading, except from headings 9001 through 9002.
- 10. (A) A change to subheading 9005.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9005.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 11. (A) A change to subheadings 9006.10 through 9006.69 from any other heading; or
  - (B) A change to subheadings 9006.10 through 9006.69 from subheadings 9006.91 or 9006.99, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 12. (A) A change to subheadings 9006.91 through 9006.99 from any other heading; or
  - (B) A change to a good of any of subheadings 9006.91 through 9006.99 from within that subheading, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 13. (A) A change to gyrostabilized cameras of subheading 9007.10 from any other good within that subheading or any other subheading;

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- (B) A change to any other good of subheading 9007.10 from any other heading; or
- (C) A change to any other good of subheadings 9007.10 from subheading 9007.91, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
  - (1) 60 percent where the transaction value method is used, or
  - (2) 50 percent where the net cost method is used.
- 14. (A) A change to subheading 9007.20 from any other heading; or
  - (B) A change to subheading 9007.20 from subheading 9007.92, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost is used.
- 15. (A) A change to subheading 9007.91 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9007.91, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 16. (A) A change to subheading 9007.92 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9007.92, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 17. (A) A change to subheading 9008.50 from any other heading; or
  - (B) A change to subheading 9008.50 from subheading 9008.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 18. (A) A change to subheading 9008.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9008.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 19. (A) A change to subheadings 9010.10 through 9010.60 from any other heading; or
  - (B) A change to subheadings 9010.10 through 9010.60 from subheading 9010.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 20. (A) A change to subheading 9010.90 from any other heading; or

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- (B) No change in tariff classification to a good of subheading 9010.90, provided there is a regional value content of not less than:
  - (1) 60 percent where the transaction value method is used; or
  - (2) 50 percent where the net cost method is used.
- 21. (A) A change to subheadings 9011.10 through 9011.80 from any other heading; or
  - (B) A change to subheadings 9011.10 through 9011.80 from subheading 9011.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 22. A change to subheading 9011.90 from any other heading.
- 23. (A) A change to subheading 9012.10 from any other heading; or
  - (B) A change to subheading 9012.10 from subheading 9012.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 24. A change to subheading 9012.90 from any other heading.
- 25. (A) A change to subheadings 9013.10 through 9013.20 from any other heading; or
  - (B) A change to subheadings 9013.10 through 9013.20 from subheading 9013.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 26. (A) A change to Liquid Crystal Display Assemblies of subheading 9013.80 from any other subheading;
  - (B) No required tariff change to Liquid Crystal Display Assemblies of subheading 9013.80 provided there is a regional value content of not less than:
    - (1) 40 percent where the transaction value method is used; or
    - (2) 30 percent where the net cost method is used;
  - (C) A change to any other good of subheading 9013.80 from any other heading; or  $\,$
  - (D) No required tariff change to any other good of subheading 9013.80, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 27. (A) A change to subheading 9013.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9013.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

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- 28. (A) A change to subheadings 9014.10 through 9014.80 from any other heading; or
  - (B) A change to subheadings 9014.10 through 9014.80 from subheading 9014.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 29. (A) A change to subheading 9014.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9014.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 30. (A) A change to subheadings 9015.10 through 9015.80 from any other heading; or
  - (B) A change to subheadings 9015.10 through 9015.80 from subheading 9015.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 31. (A) A change to subheading 9015.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9015.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 32. A change to heading 9016 from any other heading.
- 33. (A) A change to subheadings 9017.10 through 9017.80 from any other heading; or
  - (B) A change to subheadings 9017.10 through 9017.80 from subheading 9017.90.01, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 34. A change to subheading 9017.90 from any other heading.
- 35. A change to tariff item 9018.11.30 from any other tariff item, except from tariff item 9018.11.60.
- 36. A change to subheading 9018.11 from any other heading.
- 37. A change to subheadings 9018.12 through 9018.14 from any other heading.
- 38. A change to tariff item 9018.19.55 from any other tariff item, except from tariff item 9018.19.75.
- 39. A change to subheading 9018.19 from any other heading.
- 40. A change to subheadings 9018.20 through 9018.50 from any other heading.
- 41. A change to tariff item 9018.90.64 from any other tariff item, except from tariff item 9018.90.68.

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- 42. A change to subheading 9018.90 from any other heading.
- 43. (A) A change to subheadings 9019.10 through 9019.20 from any other subheading, including another subheading within that group; or
  - (B) No change in tariff classification to a good of any of subheadings 9019.10 through 9019.20, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 44. A change to heading 9020 from any other heading.
- 45. (A) A change to subheadings 9021.10 through 9021.90 from any other subheading, including another subheading within that group; or
  - (B) No change in tariff classification to a good of any of subheadings 9021.10 through 9021.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 46. (A) A change to subheadings 9022.12 through 9022.30 from any other subheading, including another subheading within that group; or
  - (B) No change in tariff classification to a good of any of subheadings 9022.12 through 9022.30, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 47. A change to tariff item 9022.90.05 from any other tariff item.
- 48. (A) A change to subheading 9022.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9022.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 49. A change to heading 9023 from any other heading.
- 50. (A) A change to subheadings 9024.10 through 9024.80 from any other heading; or
  - (B) A change to subheadings 9024.10 through 9024.80 from subheading 9024.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 51. (A) A change to subheading 9024.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9024.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 52. (A) A change to subheadings 9025.11 through 9025.80 from any other heading; or

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- (B) A change to subheadings 9025.11 through 9025.80 from subheading 9025.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
  - (1) 45 percent where the transaction value method is used; or
  - (2) 35 percent where the net cost method is used.
- 53. A change to subheading 9025.90 from any other heading.
- 54. (A) A change to subheadings 9026.10 through 9026.80 from any other heading; or
  - (B) A change to subheadings 9026.10 through 9026.80 from subheading 9026.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 55. (A) A change to subheading 9026.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9026.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 56. A change to subheadings 9027.10 through 9027.50 from any other subheading, including another subheading within that group.
- 57. A change to a good of subheading 9027.80 from any other good within that subheading or any other subheading.
- 58. (A) A change to subheading 9027.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9027.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 59. (A) A change to subheadings 9028.10 through 9028.30 from any other heading; or
  - (B) A change to subheadings 9028.10 through 9028.30 from subheading 9028.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 60. A change to subheading 9028.90 from any other heading.
- 61. (A) A change to subheadings 9029.10 through 9029.20 from any other heading; or
  - (B) A change to subheadings 9029.10 through 9029.20 from subheading 9029.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 62. (A) A change to subheading 9029.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9029.90, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 63. A change to subheading 9030.10 from any other subheading.
- 64. (A) A change to cathode-ray oscilloscopes or cathode-ray oscillographs of subheading 9030.20 from any other good within that subheading or any other subheading; or
  - (B) A change to any other good of subheading 9030.20 from any other subheading.
- 65. A change to subheading 9030.31 from any other subheading.
- 66. (A) A change to subheading 9030.32 from any other heading; or
  - (B) A change to subheading 9030.32 from subheading 9030.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 67. A change to subheading 9030.33 from any other subheading, except from printed circuit assemblies (PCAs) of subheading 9030.90.
- 68. A change to subheading 9030.39 from any other subheading.
- 69. (A) Achange to subheadings 9030.40 through 9030.82 from any other heading; or
  - (B) A change to subheadings 9030.40 through 9030.82 from subheading 9030.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 70. A change to subheadings 9030.84 through 9030.89 from any other subheading, including another subheading within that group.
- 71. (A) A change to subheading 9030.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9030.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 72. A change to subheadings 9031.10 through 9031.20 from any other subheading, including another subheading within that group.
- 73. (A) A change to subheading 9031.41 from any other heading; or
  - (B) A change to subheading 9031.41 from subheading 9031.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 74. A change to tariff item 9031.49.40 from any other tariff item.
- 75. A change to subheading 9031.49 from any other subheading.

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Subheading rule: The underscoring of the designations in subdivision 76 pertain to goods provided for in subheading 9031.80 for use in a motor vehicle of chapter 87.

- 76. (A) A change to subheading 9031.80 from any other heading; or
  - (B) A change to subheading 9031.80 from subheading 9031.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 77. A change to a good of 9031.90 from any other good within that subheading or any other subheading.
- 78. (A) A change to subheading 9032.10 from any other heading; or
  - (B) A change to a good of subheading 9032.10 from within that subheading or subheadings 9032.89 through 9032.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 45 percent where the transaction value method is used; or
    - (2) 35 percent where the net cost method is used.
- 79. A change to subheadings 9032.20 through 9032.81 from any other subheading, includinganother subheading within that group.

**Subheading rule**: The underscoring of the designations in subdivision 80 pertain to goods provided for in subheading 9032.89 for use in a motor vehicle of chapter 87.

- 80. (A) A change to subheading 9032.89 from any other heading; or
  - (B) A change to subheading 9032.89 from subheading 9032.90, whether or not there is also a change from any other heading, provided there is a regional value content of not less than:
    - (1) 45 percent where the transaction value method is used; or
    - (2) 35 percent where the net cost method is used.
- 81. (A) A change to subheading 9032.90 from any other heading; or
  - (B) No change in tariff classification to a good of subheading 9032.90, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 82. (A) A change to heading 9033 from any other heading; or
  - (B) No change in tariff classification to a good of heading 9033, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.

#### Chapter 91

- 1. (A) A change to headings 9101 through 9106 from any other chapter; or
  - (B) A change to headings 9101 through 9106 from heading 9114, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 2. (A) A change to heading 9107 from any other chapter; or
  - (B) A change to headings 9107 from heading 9114, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 45 percent where the transaction value method is used; or
    - (2) 35 percent where the net cost method is used.
- 3. A change to headings 9108 through 9110 from any other heading, including another heading within that group, provided there is a regional value content of not less than:
  - (A) 60 percent where the transaction value method is used; or
  - (B) 50 percent where the net cost method is used.
- 4. A change to subheadings 9111.10 through 9111.80 from subheading 9111.90 or any other heading, provided there is a regional value content of not less than:
  - (A) 60 percent where the transaction value method is used; or
  - (B) 50 percent where the net cost method is used.
- 5. A change to subheading 9111.90 from any other heading, provided there is a regional value content of not less than:
  - (A) 60 percent where the transaction value method is used; or
  - (B) 50 percent where the net cost method is used.
- 6. A change to subheading 9112.20 from subheading 9112.90 or any other heading, provided there is a regional value content of not less than:
  - (A) 60 percent where the transaction value method is used; or
  - (B) 50 percent where the net cost method is used.
- 7. A change to subheading 9112.90 from any other heading, provided there is a regional value content of not less than:
  - (A) 60 percent where the transaction value method is used; or
  - (B) 50 percent where the net cost method is used.
- 8. A change to heading 9113 from any other heading, provided there is a regional value content of not less than:
  - (A) 60 percent where the transaction value method is used; or
  - (B) 50 percent where the net cost method is used.
- 9. A change to heading 9114 from any other heading.

#### Chapter 92

- 1. (A) A change to headings 9201 through 9208 from any other chapter; or
  - (B) A change to headings 9201 through 9208 from heading 9209, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:

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- (1) 60 percent where the transaction value method is used; or
- (2) 50 percent where the net cost method is used.
- 2. A change to heading 9209 from any other heading.

#### Chapter 93

- 1. (A) A change to headings 9301 through 9304 from any other chapter; or
  - (B) A change to headings 9301 through 9304 from heading 9305, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 2. A change to heading 9305 from any other heading.
- 3. A change to headings 9306 through 9307 from any other chapter.

#### Chapter 94

Chapter rule 1: For the purposes of the subdivisions pertaining to this chapter, whenever the subdivision designation is underscored, the provisions of subdivision (k) of this note may apply to goods for use in a motor vehicle of chapter 87.

**Subheading rule**: The underscoring of the designations in subdivision 1 pertain to goods provided for in subheadings 9401.10 through 9401.80 for use in a motor vehicle of chapter 87.

- 1. (A) A change to subheadings 9401.10 through 9401.80 from any other chapter; or
  - (B) A change to subheadings 9401.10 through 9401.80 from subheading 9401.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 2. A change to subheading 9401.90 from any other heading.
- 3. A change to subheadings 9402.10 through 9402.90 from any other subheading, including another subheading within that group.
- 4. (A) A change to subheadings 9403.10 through 9403.89 from any other chapter; or
  - (B) A change to subheadings 9403.10 through 9403.89 from subheading 9403.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- .5. A change to subheading 9403.90 from any other heading.
- 6. A change to subheadings 9404.10 through 9404.30 from any other chapter.
- A change to subheading 9404.90 from any other chapter, except from headings 5007, 5111 through 5113, 5208 through 5212, 5310 through 5311, 5407 through 5408 or 5512 through 5516.
- 8. A change to subheadings 9405.10 through 9405.40 from any subheading outside that group.

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- 9. (A) A change to subheading 9405.50 from any other chapter; or
  - (B) A change to subheading 9405.50 from subheadings 9405.91 through 9405.99, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 10. A change to subheading 9405.60 from any other subheading.
- 11. A change to subheadings 9405.91 through 9405.99 from any other heading.
- 12. A change to heading 9406 from any other chapter.

#### Chapter 95

- 1. (A) A change to subheadings 9503.00 through 9505.90 from any other subheading, including another subheading within that group; or
  - (B) No change in tariff classification to a good of any of subheadings 9503.00 through 9505.90, provided there is a regional value content of not less than:
    - (1) 45 percent where the transaction value method is used; or
    - (2) 35 percent where the net cost method is used.
- 2. A change to subheadings 9506.11 through 9506.29 from any other chapter.
- 3. (A) A change to subheading 9506.31 from any other chapter; or
  - (B) A change to subheading 9506.31 from subheading 9506.39, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 4. A change to subheadings 9506.32 through 9506.39 from any other chapter.
- 5. A change to subheadings 9506.40 through 9506.99 from any other chapter.
- 6. A change to headings 9507 through 9508 from any other chapter.

#### Chapter 96

- 1. A change to headings 9601 through 9605 from any other chapter.
- 2. A change to subheading 9606.10 from any other chapter.
- 3. (A) A change to subheadings 9606.21 through 9606.29 from any other chapter; or
  - (B) A change to subheadings 9606.21 through 9606.29 from subheading 9606.30, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 4. A change to subheading 9606.30 from any other heading.

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- 5. (A) A change to subheadings 9607.11 through 9607.19 from any other chapter; or
  - (B) A change to subheadings 9607.11 through 9607.19 from subheading 9607.20, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 6. A change to subheading 9607.20 from any other heading.
- 7. (A) A change to subheadings 9608.10 through 9608.50 from any other chapter; or
  - (B) A change to subheadings 9608.10 through 9608.50 from subheadings 9608.60 through 9608.99, whether or not thereis also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 8. A change to subheadings 9608.60 through 9608.99 from any other heading.
- 9. A change to headings 9609 through 9612 from any other chapter.
- 10. (A) A change to subheadings 9613.10 through 9613.80 from any other chapter; or
  - (B) A change to subheadings 9613.10 through 9613.80 from subheading 9613.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 45 percent where the transaction value method is used; or
    - (2) 35 percent where the net cost method is used.
- 11. A change to subheading 9613.90 from any other heading.
- 12. A change to a good of heading 9614 from any other good within that heading or any other heading.
- 13. (A) A change to subheadings 9615.11 through 9615.19 from any other chapter; or
  - (B) A change to subheadings 9615.11 through 9615.19 from subheading 9615.90, whether or not there is also a change from any other chapter, provided there is a regional value content of not less than:
    - (1) 60 percent where the transaction value method is used; or
    - (2) 50 percent where the net cost method is used.
- 14. A change to subheading 9615.90 from any other heading.
- 15. A change to headings 9616 through 9618 from any other chapter.

**Heading rule**: A good of heading 9619 shall be considered originating, notwithstanding the origin of the following materials, provided that the good otherwise meets the applicable product-specific rule of origin:

- (a) rayon filament, other than lyocell or acetate, of headings 5403 or 5405; or
- (b) rayon fiber, other than lyocell or acetate, of headings 5502, 5504, or 5507.
- 16. (A) A change to sanitary towels or tampons of heading 9619 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311 or chapters 54 through 55;

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- (B) A change to a good of textile wadding of heading 9619 from any other heading, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapters 54 through 56 or 61 through 62;
- (C) A change to any other good of textile material of heading 9619 from any other chapter, except from headings 5106 through 5113, 5204 through 5212, 5310 through 5311, chapter 54, headings 5508 through 5516 or 6001 through 6006or chapters 61 through 62, provided the good is cut or knit to shape, or both, and sewn or otherwise assembled in the territory of one or more of the USMCA countries; or
- (D) A change to any other good of heading 9619 from any other heading.

#### Chapter 97

- 1. A change to headings 9701 through 9706 from any other chapter.
- (p) Goods that shall be deemed to be originating goods.—Notwithstanding any other provisions of this note, the following goods named in the first column below and classified in the provisions enumerated in the second column shall be deemed to be originating goods when imported into the customs territory of the United States from another USMCA country:

Automated data processing machines8471.	30, 8471.41, 8471.49
Digital processing units8471.50	
Combined input/output units8471.6	50.10
Display units8528.4	12.00, 8528.52.00, 8528.62.00
Other input or output units8471.6	60.20, 8471.60.70, 8471.60.80, 8471.60.90
Storage units8471.7	<b>'</b> 0
Other units of automated data processing machines8471.80	
Parts of machines of subheading 8443.31 or 8443.32,	
excluding facsimile machines and teleprinters844	3.99
Parts of automated data processing machines and	
units thereof847	3.30
Parts of local area network (LAN) equipment of	
subheading 8517.62851	7.70
Parts of monitors and projectors of subheading	
8528.42, 8528.52 or 8528.62852	9.90.22, 8529.90.75, 8529.90.99
Computer power supplies8504.4	0.60, 8504.40.70, 8504.90.20, 8504.90.41

- (q) Exceptions to change in tariff classification rules.
  - (i) Notwithstanding the provisions of subdivision (o) of this note, a good imported from Canada in subheading 1517.10 shall be treated as originating if there is a change from heading 1511 or any other chapter.
  - (ii) Notwithstanding the provisions of subdivision (o) of this note, or general note 7 to the tariff schedule, a good provided for in tariff items 1702.90.05, 1702.90.10, 1702.90.20, 1702.90.35, 1702.90.40, 1702.90.52, 1702.90.54, 1702.90.58, 1702.90.64, 1702.90.68, 1702.90.90, 1806.10.43, 1806.10.45, 1806.10.55, 1806.10.65, 1806.10.75, 2106.90.42, 2106.90.44 or 2106.90.46 that is exported from the territory of Mexico shall not be treated as originating, if any material provided for in subheading 1701.99 used in the production of that good is not a qualifying good. For purposes of this subparagraph, the term "qualifying good" means an originating good that is an agricultural good, except that in determining whether the good is an originating good, operations performed in or materials obtained from Canada shall be considered as if they were performed in or obtained from a non-USMCA country.