The Harmonized Commodity Description and Coding System and the Egyptian Customs Tariff

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[DATE]
HARMONIZED SYSTEM HISTORY

- 1952 - CUSTOMS COOPERATION COUNCIL (CCC) ESTABLISHED
- 1955 - BTN (RENAMED “CCCN” IN 1976)
- 1973 - HS COMMITTEE ESTABLISHED
- 1983 - HS NOMENCLATURE PUBLISHED
- 1988 - HS IMPLEMENTED
- 1995 - CCC RENAMED AS "WCO"
HARMONIZED SYSTEM HISTORY

WHY ESTABLISH A “HARMONIZED SYSTEM”? 
HARMONIZED SYSTEM HISTORY

Individual Country Tariffs were:

• INCONSISTENT
  • NUMBERING STRUCTURE
  • DESCRIPTIONS
  • INTERPRETATION

• DIFFICULT AND COMPLICATED for:
  • IMPORTERS
  • EXPORTERS
  • GOVERNMENTS

• NON-TARIFF BARRIER
HARMONIZED SYSTEM STRUCTURE

21 SECTIONS....
HARMONIZED SYSTEM STRUCTURE

- Section I  Live animals; Animal products
- Section II  Vegetable products
- Section III  Animal or vegetable fats and oils and their cleavage products; ; Waxes
- Section IV  Prepared foodstuffs; Beverages, spirits and vinegar; Tobacco ......
- Section V  Mineral products
- Section VI  Products of the chemical or allied industries
- Section VII  Plastics and articles thereof; Rubber and articles thereof
- Section VIII  Raw hides and skins, leather, furskins .... Travel goods, handbags ......
- Section IX  Wood and articles of wood ........
- Section X  Pulp of wood or other fibrous cellulosic material ..., Paper and paperboard ...
- Section XI  Textiles and textile articles
- Section XII  Footwear, headgear, umbrellas ...... feathers ...... artificial flowers ........
- Section XIII  Articles of stone, plaster, cement .... ceramic products .... glass and glassware
- Section XIV  Pearls, precious or semi-precious stones, precious metals ......; Jewellery; Coin
- Section XV  Base metals and articles of base metals
- Section XVI  Machinery and mechanical appliances; Electrical equipment; Parts thereof......
- Section XVII  Vehicles, aircraft, vessels and associated transportation equipment
- Section XVIII  Optical, photographic.... precision, medical.....; Clocks....; Musical instruments....
- Section XIX  Arms and ammunition; Parts and accessories thereof
- Section XX  Miscellaneous manufactured articles
- Section XXI  Works of art, collectors’ pieces and antiques
HARMONIZED SYSTEM STRUCTURE

• EACH SECTION DIVIDED INTO CHAPTERS:

97 + 2
HARMONIZED SYSTEM STRUCTURE

- Section XV: BASE METALS AND ARTICLES OF BASE METALS

- Chapter 72 Iron and Steel
- Chapter 73 Articles of Iron or Steel
- Chapter 74 Copper and Articles Thereof
- Chapter 75 Nickel and Articles Thereof
- Chapter 76 Aluminium and Articles Thereof
- Chapter 77 --
- Chapter 78 Lead and Articles Thereof
- Chapter 79 Zinc and Articles Thereof
- Chapter 80 Tin and Articles Thereof
- Chapter 81 Other Base Metals; Cermets; Articles Thereof
- Chapter 82 Tools, Implements, Cutlery, Spoons and Forks, of Base Metal; Parts Thereof of Base Metal
- Chapter 83 Miscellaneous Articles of Base Metal
HARMONIZED SYSTEM STRUCTURE

- EACH CHAPTER DIVIDED INTO HEADINGS (4 DIGIT LEVEL)

- EACH HEADING DIVIDED INTO SUBHEADINGS (6 DIGIT LEVEL)
HARMONIZED SYSTEM STRUCTURE

• Chapter 76:
  – ALUMINIUM AND ARTICLES THEREOF

• Heading 7608:
  – ALUMINIUM TUBES AND PIPES

• SUBHEADING 7608.10:
  – OF ALUMINIUM, NOT ALLOYED
HARMONIZED SYSTEM STRUCTURE

CLASSIFICATION NUMBER

7608.10 10

International Convention National Subdivisions
-tariff rate breakouts
-statistical detail
HARMONIZED SYSTEM STRUCTURE

7608

HEADING
ALUMINIUM PIPES AND TUBES

7608.10

SUBHEADING
OF ALUMINIUM, NOT ALLOYED

7608.10.10

NATIONAL SUBDIVISIONS:
- FOR AIR CONDITIONERS, HEAT EXCHANGERS AND RADIATORS

7608.10.90
- OTHER
THE LEGAL NOTES ARE AN ESSENTIAL ELEMENT TO ENSURE THE COMMON, CONSISTENT APPLICATION OF THE HARMONIZED SYSTEM BY ALL COUNTRIES.
HARMONIZED SYSTEM LEGAL NOTES

• MANDATORY

• LOCATED AT THE BEGINNING OF SECTIONS AND CHAPTERS

• 4 TYPES:
  - SECTION
  - CHAPTER
  - SUBHEADING
  - SUPPLEMENTARY
SOME LEGAL NOTES PROVIDE LISTS OF GOODS INCLUDED IN A PARTICULAR SECTION OR CHAPTER OR GROUP OF HEADINGS

Example: Legal Note 2 to Chapter 38 requires that ink removers and correcting fluids be classified only in Heading 38.24
HARMONIZED SYSTEM LEGAL NOTES

SOME LEGAL NOTES PROVIDE LISTS OF GOODS EXCLUDED FROM A PARTICULAR SECTION OR CHAPTER OR GROUP OF HEADINGS

EXCLUSION NOTES CROSS-REFER TO THE CORRECT CHAPTER

Example: Legal Note 2 to Chapter 40 states that rubber footwear is not classified in Chapter 40, but rather in Chapter 64.
HARMONIZED SYSTEM LEGAL NOTES

SOME LEGAL NOTES PROVIDE
A DEFINITION OF PARTICULAR TERMS

Example: Legal Note 1 to Chapter 51
- definition of “wool”
HARMONIZED SYSTEM LEGAL NOTES

“THROUGHOUT THE NOMENCLATURE”

- Chapter 5, note 3 ivory
- Chapter 5, note 4 horsehair
- Chapter 39, note 1 plastics
- Chapter 41, note 2 composition leather
- Chapter 43, note 1 furskins
- Chapter 43, note 5 artificial fur
- Chapter 51, note 1a wool
- Chapter 51, note 1b fine animal hair
- Chapter 51, note 1c coarse animal hair
- Chapter 54, note 1 man made fibers
- Chapter 60, note 3 knitted goods
- Chapter 70, note 5 glass
- Chapter 71, note 6 alloys of precious metals
- Chapter 71, note 7 metal clad with precious metals
- Section XV, note 2 parts of general use
- Chapter 72, note 1d steel
- Chapter 72, note 1e stainless steel
- Chapter 72, note 1f other alloy steel

“EXCEPT WHERE THE CONTEXT OTHERWISE REQUIRES”

Example: - Note 1 to Chapter 28 organic chemicals
HARMONIZED SYSTEM GENERAL INTERPRETATIVE RULES

THE GENERAL INTERPRETATIVE RULES ARE THE KEY TO CONSISTENT INTERPRETATION OF THE HARMONIZED SYSTEM BY ALL USERS
HARMONIZED SYSTEM GENERAL INTERPRETATIVE RULES

RULE 1:

CHAPTER AND SECTION TITLES ARE FOR CONVENIENCE ONLY

CLASSIFICATION IS DEFINED BY THE HEADING TEXT, SUBJECT TO ANY APPLICABLE LEGAL NOTES
RULE 2(a):

Incomplete goods  Unassembled goods

ARE CLASSIFIED AS COMPLETE AND ASSEMBLED IF THEY HAVE THE “ESSENTIAL CHARACTER” OF THE WHOLE
Rule 2(a) has the effect of broadening the scope of various Headings beyond the terms of their texts, in that it provides for the classification in a Heading of an article referred to therein, even if that article is incomplete or unfinished, or is presented unassembled or disassembled.

Two separate principles are embodied in this Rule:

- an incomplete or unfinished article is to be treated as a complete article;

- an unassembled or disassembled article is to be classified as if it were assembled.

In order to be classified in the same Heading as the complete or finished article, the article in its incomplete or unfinished state must have the essential character of the complete or finished article.
Rule 2(a):

As a general rule, blanks are also regarded as incomplete or unfinished articles classifiable in the same Heading as the complete article, unless they are specifically referred to in a given Heading.

- For example, "sharp-edged blanks for corks or stoppers" cannot be classified in Heading 45.03 as finished corks or stoppers because the blanks are provided for in another Heading, namely 45.02.

In general, the term "blank" means an article not ready for direct use, having the approximate shape or outline of the finished article or part, and which (other than in exceptional cases) can be used only for completion into the finished article or part.

Semi-manufactured goods not yet having the essential shape of the finished articles (such as bars, discs, tubes, etc) are not regarded as blanks, and are classified in their own right.
Rule 2(a):

For purposes of this Rule, "articles presented unassembled or disassembled" means articles whose components are to be assembled either by means of simple fixing devices (such as nuts, bolts, screws, electrical connections, etc) or by riveting or welding, provided that only simple assembly operations are required.

This Rule applies only if the Headings or Legal Notes do not require otherwise.
RULE 2(b):

MIXTURES OR COMBINATIONS: EACH HEADING IS OF EQUAL WEIGHT
Rule 2(b) states that:

"Any reference in a Heading to a material or substance shall be taken to include a reference to mixtures or combinations of that material or substance with other materials or substances. Any reference to goods of a given material or substance shall be taken to include a reference to goods consisting wholly or partly of such material or substance. The classification of goods consisting of more than one material or substance shall be according to the principles of Rule 3."

Rule 2(b) says that when a Heading refers to a material or substance it includes a reference to that material or substance mixed or combined with other materials or substances.

For example:

- Milk to which vitamins or minerals have been added remains classified as milk – on the basis that its essential character has not changed.
- Corks remain classified as natural cork in Heading 45.03 even if they have been coated with paraffin.
Rule 2(b) does not apply where there are specific provisions in the Headings and Legal Notes to the contrary. For example:

- Heading 15.03 cannot cover mixed lard oil because the Heading specifies "lard oil . . not . . mixed".

- the classification of mixtures of textile materials is governed by the specific provisions of Legal Note 2 to Section XI, with the result that Rule 2(b) does not apply to textile mixtures.

- the classification of alloys of iron and steel is governed by the specific provisions of Legal Note 1 to Chapter 72, with the result that Rule 2(b) does not apply to alloys of iron and steel.
Rule 2(b) cannot be used to broaden the scope of a Heading so that the Heading then covers articles which cannot be regarded as answering the description of the Heading.

This would be the case when the addition of other materials or substances deprives the goods in question of the character of the goods classifiable in that Heading.

For example:
- adding sugar to milk (Heading 04.02 vs. Heading 04.01)
- adding alcohol to fruit juice (Chapter 22 vs. Heading 20.09)
RULE 3(a):

THE HEADING PROVIDING THE MOST SPECIFIC DESCRIPTION WILL TAKE PRECEDENCE OVER MORE GENERAL HEADINGS
Rule 3(a):

In general:

- a description by name is more specific than a description by class. e.g., steel forks are classified in Heading 82.15 and not in Heading 73.23 (table articles);

- a description which identifies goods clearly and precisely is more specific than one which is less complete.
Examples of classification under Rule 3(a):

- tires for motor vehicles: Heading 40.11 rather than Heading 87.08;

- seats for motor vehicles: Heading 94.01 rather than Heading 87.08;

- tufted textile carpets, identifiable as being intended for use in motor cars, cannot be classified in Heading 87.08 as motor vehicle accessories, but must be classified in Heading 57.03, where they are more specifically described;

- unframed safety glass, shaped and identifiable as being intended for use in airplanes, cannot be classified in Heading 88.03 as parts of goods of Heading 88.01 or 88.02, but must be classified in Heading 70.07, where it is more specifically described.
If two or more Headings each refer to one only of the materials or substances contained in mixed or composite goods, or to some only of the items in a set put up for retail sale, those Headings are to be regarded as equally specific in relation to those goods, even if one of them gives a more complete or precise description than the others. In such cases, the classification of the goods concerned must be determined by application of Rule 3(b) or 3(c).

For example, an endless conveyor belt of plastic on one surface, and of vulcanized rubber on the other. Two Headings enter into consideration:

- Heading 39.26 . Other articles of plastics; and
- Heading 40.10 . Conveyor belts of vulcanized rubber.

These two Headings must be regarded as equally specific: Heading 40.10 cannot be considered to be more specific than Heading 39.26, even though it gives a more precise description ("Conveyor belts"), because each of the two Headings refers to only one of the two materials of which the belt is made.

As Rule 3(a) cannot be applied, this conveyor belt would have to be classified by application of Rule 3(b) or 3(c).
HARMONIZED SYSTEM GENERAL INTERPRETATIVE RULES

RULE 3(b):

CLASSIFY ACCORDING TO
“ESSENTIAL CHARACTER”
Rule 3(b) relates only to:
- mixtures;
- composite goods consisting of different materials;
- composite goods consisting of different components;
- goods put up in sets for retail sale.

Rule 3(b) applies only if Rule 3(a) fails.

In all of these cases, the goods are to be classified as if they consisted of the material or component which gives them their essential character.

The factor which determines essential character will vary between different kinds of goods. It may, for example, be determined by the nature of the material or component, its bulk, quantity, weight or value, or the role of a constituent material in relation to the use made of the goods.
Rule 3(b):

An example of a mixture would be a mixture for brewing, consisting of 70% wheat (Heading 10.01) and 30% barley (Heading 10.03).

Examples of composite goods consisting of different materials might be:

- a conveyor belt of plastics and rubber;
- a wooden coat hanger with a metal hook;
- road-signaling studs ("cats eyes") consisting of a cast iron housing and glass reflectors set in a rubber cushion;
- tire studs of tungsten carbide sheathed in plastic.
Rule 3(b):  

**Composite goods** consisting of different components are to be taken to mean not only those in which the components are attached to each other to form a virtually inseparable whole, but also those with separable components, provided that these components are adapted one to the other and are mutually complementary and together form a whole which it would be difficult to sell in separate parts.

Examples include:
- leather belts fitted with pouches of various sizes;
- small spice racks consisting of a specially designed frame (usually of wood) and an appropriate number of empty spice jars of suitable shape and size.

As a general rule, the components of these composite goods are put up in a common packing.
Rule 3(b) also applies to goods put up in sets for retail sale.

To be regarded as goods put up in sets for retail sale, goods must fulfill all of the following conditions:

- they must consist of at least two different articles. For example, six fondue forks would not be regarded as a set within the meaning of this Rule;
- they must consist of products or articles having independent or complementary uses, presented together for meeting a need or carrying out a specific activity;
- they must be put up for retail sale (in boxes or cases or on boards, etc.).

For example, Rule 3(b) would apply to a set of different foodstuffs intended to be used together in the preparation of a ready-to-eat dish or meal, e.g. sets of foodstuffs intended to be used together for the preparation of a spaghetti meal, consisting of a packet of uncooked spaghetti (Heading 19.02), a sachet of grated cheese (Heading 04.06) and a small tin of tomato sauce (Heading 21.03), put up in a carton.

- this set would be classified in Heading 19.02.

(The essential character of the set is defined by the spaghetti.)
Rule 3(b):

Other examples of sets include:

Hairdressing sets consisting of a pair of electric hair clippers (Heading 85.10), a comb (Heading 96.15), a pair of scissors (Heading 82.13), a brush (Heading 96.03), a towel of textile fabric (Heading 63.02), put up in a leather case:

- classify in Heading 85.10.

Drawing kits comprising a ruler (Heading 90.17), a disc calculator (Heading 90.17), a drawing compass (Heading 90.17), a pencil (Heading 96.09) and a pencil sharpener (Heading 82.14), put up in a case of plastic sheeting:

- classify by reference to the articles which, taken together, can be regarded as giving the article its essential character: Heading 90.17.

A babies' feeding set comprising a bowl of stainless steel (Heading 73.23), a napkin ring (73.23), a spoon and fork (82.15), also of stainless steel, put up in a paperboard case:

- classify in Heading 73.23.
Rule 3(b):

These provisions do not apply to just any group of goods presented together. The following would not be classified as sets:

- a can of shrimps (Heading 16.05), a can of pâté de foie (Heading 16.02), a can of cheese (Heading 04.06), a can of sliced bacon (Heading 16.02) and a can of cocktail sausages (Heading 16.01);
- a bottle of mineral water of Heading 22.01 and a tin of whole tomatoes of Heading 20.02.

Nor do they apply to sets referred to as such in particular Heading texts, or to sets whose classification is governed by specific provisions in the Legal Notes, such as:

- Legal Note 3 to Section VI
- Legal Note 1 to Section VII
- Headings 48.17, 61.03, 61.04, 61.07, 61.12, 62.03, 62.04, 63.08
- Legal Note 3 to Chapter 82
- Heading 82.06
- Heading 84.84
RULE 3(c):

IF 3(a) AND 3(b) WON'T WORK,
USE THE HEADING WHICH OCCURS
LAST IN NUMERICAL ORDER
Rule 3 applies only if the terms of the Headings and Legal Notes do not otherwise require. For example:

- A pump for liquids used in agriculture is covered by the text of Headings 84.13 and 84.36.

  But, Legal Note 2 to Chapter 84 provides that "a machine or appliance which answers to a description in one or more of the Headings 84.01 to 84.24 and at the same time to a description of one or more of the Headings 84.25 to 84.80 is to be classified under the appropriate Heading of the former group and not the latter".

- A man's anorak, made up of knitted or crocheted fabric of Heading 59.03 appears to be covered by the texts of Headings 61.01 and 61.13.

  However, Legal Note 8 to Chapter 61 provides that garments which are classifiable in Heading 61.13 and in other Headings of the Chapter (except Heading 61.11) are to be classified in Heading 61.13.

Thus, it is not always appropriate to resort to Rule 3, even if, at first sight, several Headings appear to apply.
HARMONIZED SYSTEM GENERAL INTERPRETATIVE RULES

RULE 4:

IF NO HEADING CAN BE FOUND, USE
THE HEADING FOR GOODS MOST AKIN
RULE 5(a):

FITTED CASES DESIGNED FOR LONG-TERM USE WITH AN ARTICLE CAN BE CLASSIFIED WITH THE ARTICLE
Rule 5(a) (Cases, boxes and similar containers)

This Rule covers only those containers which:

- are specially shaped or fitted to contain a specific article or set of articles;
- are suitable for long-term use;
- are presented with the articles for which they are intended, whether or not the articles are packed separately for convenience of transport; and
- are of a kind normally sold with such articles.

This Rule does not apply to containers of unusually high value in relation to their contents, that are not of a kind normally sold therewith.

This Rule does not apply to containers which give the whole or the set its essential character, even if they are normally sold with their contents.
Rule 5(a):

Examples of containers presented with the articles for which they are intended, which are to be classified by reference to Rule 5(a), include:

- plastic soap boxes (Heading 34.01);
- jewelry boxes and cases (Heading 71.13);
- electric shaver cases (Heading 85.10);
- binocular cases, telescope cases (Heading 90.05);
- musical instrument cases, boxes and bags (for example, Heading 92.02);
- gun cases (for example, Heading 93.03).

Presented separately, the containers are to be classified in their own appropriate Heading (e.g., Heading 39.23 or 42.02).

Examples of containers not covered by this Rule are containers such as a silver caddy containing tea, or an ornamental ceramic bowl containing sweets. These containers are to be classified separately from their contents.
RULE 5(b):

PACKING AND CONTAINERS WILL BE CLASSIFIED WITH THE GOODS, BUT PACKING OR CONTAINERS SUITABLE FOR REPETITIVE USE WILL BE CLASSIFIED UNDER THEIR RESPECTIVE HEADINGS.
HARMONIZED SYSTEM GENERAL INTERPRETATIVE RULES

RULE 6:

“MUTATIS MUTANDIS”

TRANSLATION:

CHANGE TERMS AS REQUIRED TO APPLY THE RULES AT THE NEXT LEVEL DOWN
Rule 6:

The classification of any product in its appropriate Subheading in the Harmonized System may only be contemplated after the product concerned has already been properly classified in its appropriate 4-digit Heading.

The temptation to classify directly in what might appear to be the correct Subheading, without first ensuring that the relevant 4-digit Heading is correct, must be avoided at all costs; otherwise, incorrect classification is quite likely to occur. (To find the correct box within the correct room, we must first ensure that we are in the right house!).

For example, an importation consisting of rolls of wallpaper which is 44 cm wide might appear to be classified in Subheading 4814.20, but this would not be correct because Legal Note 8 to Chapter 48 defines wallpaper as being not less than 45 cm in width. Thus the wallpaper could not fall in Subheading 4814.20 because it does not fall in Heading 48.14.
Rule 6 provides that classification in the Subheadings of a Heading must be determined, “mutatis mutandis”, in accordance with the principles applicable to classification in the 4-digit Headings. Consequently, the terms of the Subheadings and Subheading Legal Notes take precedence.

The Rule also specifies that, for classification purposes, only Subheadings at the same level are comparable. This means that, within the context of a single Heading, the choice of 1-dash Subheading may be made only on the basis of the texts of the 1-dash Subheadings; similarly, where a 2-dash Subheading then has to be selected, this may be done only with reference to the texts of the subdivisions within the applicable 1-dash Subheading.

For example, the first step in the classification to Subheading level of a women's petticoat of cotton (Heading 62.08), having decided on the 4-digit Heading, would be to identify the applicable 1-dash Subheading.

The second step would be to identify the appropriate 2-dash Subheading within that 1-dash Subheading, without regard to the subdivisions of any other 1-dash Subheading.
In applying Rule 6, it may sometimes be necessary to apply Rules 2(b) and 3 in order to identify the correct Subheading.

Thus, for the classification at the Subheading level of a piece of kitchen furniture made of wood and metal, two Subheadings appear to merit consideration:
- 9403.20 (Other metal furniture)
- 9403.40 (Wooden furniture of a kind used in the kitchen)

It is therefore necessary to apply Rule 3 for the classification of this composite article consisting of different materials.

It might be thought that Subheading 9403.40 describes this article better than Subheading 9403.20. However, by virtue of the last sentence of Rule 3(a), neither of these two Subheadings could be regarded as giving a more precise description, since each refers to one only of the materials contained in the article, although one appears to describe the article more fully.

The choice between the two Subheadings must therefore be made by application of the provisions of Rule 3(b) or, if it is not possible to determine which material gives the article its essential character, by application of Rule 3(c).
Rule 6:

The last sentence of Rule 6 stipulates that the Legal Notes also apply, unless the context otherwise requires.

This means that, unless the context otherwise requires, the Legal Notes (that, for example, establish precedence, determine the classification of mixtures or contain definitions, etc.) also govern the choice of Subheadings.

For example: in selecting a 1-dash Subheading for goods falling in Heading 75.05, account must be taken of the definitions set out in Legal Note 1 to Chapter 75.
Rule 6:

The Section and Chapter Notes apply to a Subheading classification only if the context does not otherwise require.

They do not apply if the Subheading Notes or Subheading texts are incompatible with a given Section or Chapter Note.

For example: Subheading Note 2 to Chapter 71 assigns to the term "platinum" a scope different from that specified in Legal Note 4(b) to the same Chapter, and is the only legal provision applicable for the interpretation of Subheadings 7110.11 and 7110.19.
HARMONIZED SYSTEM EXPLANATORY NOTES

☞ THE OFFICIAL INTERPRETATIVE POLICY OF THE HS COMMITTEE IN BRUSSELS

☞ QUASI-JUDICIAL STATUS in some countries; ENSHRINED IN LAW by other countries

☞ 1750+ PAGES OF TECHNICAL INFORMATION TO ASSIST IN CLASSIFICATION (properties, appearance, uses, production methods)

☞ LAID OUT IN THE SAME SEQUENCE AS THE HS NOMENCLATURE
Sections I – IV

LIVE ANIMALS; ANIMAL PRODUCTS

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VEGETABLE PRODUCTS

---

ANIMAL OR VEGETABLE FATS & OILS AND THEIR CLEAVAGE PRODUCTS; PREPARED EDIBLE FATS; ANIMAL OR VEGETABLE WAXES

---

PREPARED FOODSTUFFS; BEVERAGES, SPIRITS AND VINEGAR; TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES

Chapters 1 to 24
The first 24 Chapters comprise what is generally known as the agricultural sector. It covers animals (including marine mammals, fish, crustaceans and mollusks, etc.), vegetables (including marine plants such as seaweed), and a very wide range of products obtained from these source materials.

The sector also covers certain products which have important uses other than as foodstuffs or beverages. In general these products fall within the agricultural sector only when in the natural state or when they have been subjected to a very limited amount of processing. When further processed or transformed, these non-food products usually fall in later Chapters of the HS.

Certain products of animal or vegetable origin are themselves the raw materials for an economic activity other than agriculture and they are thus excluded from the agricultural sector, e.g. hides and skins, wood and cork, and textile materials of animal or vegetable origin such as silk, wool, and flax.
Section I (Chapters 1 - 5) covers, with certain exceptions, all live animals and products of animal origin which have not been processed or which have been processed to a limited extent only.

The products of this Section fall into three basic categories:

- Live animals (Chapters 1 and 3)
  - Note the use of Latin names for fish.

- Edible products, not processed or processed to a limited extent (Chapters 2, 3 and 4)

- Inedible products, not processed or processed to a limited extent (Chapter 5).
Question:

Where are animals classified which die during transit?
Answer:

Chapter 2 if edible and fit for human consumption; otherwise in Chapter 5.
Section II (Chapters 6-14) covers most products of vegetable origin which have not been processed (i.e., which are presented in their natural state) or which have been processed to a limited extent only.

The products of this Section may be grouped into three categories:

- Living plants, etc., which are suitable for planting or ornamental purposes (Chapter 6).

- Edible products, not processed or processed to a limited extent (Chapters 7 - 12)

- Inedible products, not processed or processed to a limited extent (Chapters 13 and 14).
Section III covers animal or vegetable fats and oils, both raw (or crude) materials and semi-processed or fully processed products, as well as various residues from the processing of the raw materials covered by the Section.

Chapter 15 - Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal or vegetable waxes.
Section IV covers products of animal or vegetable origin which have been processed to an extent beyond that allowed in Sections I and II and which are generally intended for human consumption. In addition, however, this Section covers animal foodstuffs of animal or vegetable origin, plus tobacco and manufactured tobacco substitutes.

Chapter 16 - Preparations of meat, fish or of crustaceans, molluscs or other aquatic invertebrates.
Chapter 17 - Sugars and sugar confectionery.
Chapter 18 - Cocoa and cocoa preparations.
Chapter 19 - Preparations of cereals, flour, starch or milk; pastrycooks’ products.
Chapter 20 - Preparations of vegetables, fruit, nuts or other parts of plants.
Chapter 21 - Miscellaneous edible preparations.
Chapter 22 - Beverages, spirits and vinegar.
Chapter 23 - Residues and waste from the food industries; prepared animal fodder.
Chapter 24 - Tobacco and manufactured tobacco substitutes.
In what Heading would you classify:

Dried and smoked, but otherwise not cooked, fish fillets?
In what Heading would you classify:

Dried and smoked, but otherwise not cooked, fish fillets?

- 0305.40.
In what Heading would you classify:

Dried and smoked, but otherwise not cooked, fish fillets?
- 0305.40.

The same fish fillets which were cooked before smoking?
In what Heading would you classify:

Dried and smoked, but otherwise not cooked, fish fillets?
- 0305.40.

The same fish fillets which were cooked before smoking?
- 0305.40.
In what Heading would you classify:

Dried and smoked, but otherwise not cooked, fish fillets?
- 0305.40.

The same fish fillets which were cooked before smoking?
- 0305.40.

Fish fillets which have been cooked but not smoked?
In what Heading would you classify:

Dried and smoked, but otherwise not cooked, fish fillets?
- 0305.40.

The same fish fillets which were cooked before smoking?
- 0305.40.

Fish fillets which have been cooked but not smoked?
- 16.04.
In what Heading would you classify:

Dried and smoked, but otherwise not cooked, fish fillets?
- 0305.40.

The same fish fillets which were cooked before smoking?
- 0305.40.

Fish fillets which have been cooked but not smoked?
- 16.04.

Classification is made according to the terms of the Headings and Legal Notes. There are no Legal Notes in Chapter 2 which exclude cooked fish, but the Headings do not permit cooked fish other than that which is smoked and cooked. So, cooked, unsmoked fish does not fall in Chapter 2 whereas smoked fish, whether or not cooked, does.
Section V
MINERAL PRODUCTS

Generally speaking, this Section of the Harmonized System covers all basic mineral substances in the form in which they are extracted from the earth (or the sea), together with a limited number of products obtained from these mineral substances by relatively simple degrees of processing.

The Section is divided into three Chapters:

Chapter 25 - Salt; sulphur; earths and stones; plastering materials, lime and cement.

Chapter 26 - Ores, slag and ash.

Chapter 27 - Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes.
Chapter 25 - Salt; sulphur; earths and stones; plastering materials, lime and cement.

The general principle that governs the overall scope of Chapter 25 is set out in Legal Note 1 which generally limits the Chapter to products which are in the crude state only, or which have been subjected to a very limited amount of processing (washing, crushing, grinding, etc.) but which have not been roasted, calcined or obtained by mixing.

There are three specific exceptions to this general rule:

- Where by their nature - as described in the Heading - they must have been further processed, e.g., 25.01 (pure sodium chloride), 25.20 (plasters) and 25.23 (hydraulic cements).

- Where the Heading specifically allows further processing such as witherite (25.11) and dolomite (25.18) which may be calcined; or magnesite and magnesia (25.19) which may be fused, etc.

- Where Legal Note 4 allows or requires a departure from the general rule. For example, by virtue of this Legal Note, Heading 25.30 covers not only certain products which have been calcined or mixed together but also broken pottery.
Chapter 26 - Ores, slag and ash.

The first 17 Headings cover various metallic ores and concentrates which are, by virtue of Legal Note 2, limited to metallic ores and concentrates. These products may have been subjected to physical, physico-chemical or chemical treatment (e.g., to remove part or all of the foreign matter).

Ores and concentrates which consist of more than one species are to be classified (usually) by application of Rule 3(b) or 3(c).

The ores of this Chapter must actually be used in the metallurgical industry for the extraction of mercury, of the metals of Heading 28.44 or of the metals of Sections XIV and XV, even if they are intended for non-metallurgical purposes.
Chapter 27 - Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral waxes.

The primary products of this Chapter are very important; they are the source materials from which we obtain much of the power that is used in manufacturing, in the transport industry and in the heating and lighting of our homes, offices, etc. They are also important in that they represent the source materials from which a vast range of other products are made, e.g., the products of the petrochemical industry. However, most of these derived products are classified elsewhere in the HS.

The primary products of the Chapter are the coal, lignite and peat of Headings 27.01-03, the natural gases of Heading 27.05, the petroleum oils of Heading 27.09, the natural gaseous hydrocarbons of Heading 27.11, and the natural bitumen and asphalt and bituminous or oil shale and tar sands, etc., of Heading 27.14.

This Chapter also includes the one and only optional Heading to be found in the Harmonized System - electrical energy of 27.16.
Section VI
PRODUCTS OF THE CHEMICAL OR ALLIED INDUSTRIES

Chapters 28 to 38

This Section covers an exceptionally wide range of products obtained directly or indirectly from basic animal, vegetable or mineral materials by processes involving, in most cases, some form of chemical or similar transformation. It also covers a wide range of goods obtained by combining such products with basic or very simply prepared animal, vegetable or mineral materials or with materials such as plastics, rubber, wood, paper, textiles, glass or metals.
Section VI:

There are three Legal Notes to this Section; the first two require that priority be given to certain Headings when classifying particular goods, while the third presents a classification rule to be followed when classifying certain goods put up in sets.

Legal Note 3 provides that “Goods put up in sets consisting of two or more separate constituents, some or all of which fall in this Section and are intended to be mixed together to obtain a product of Section VI or VII, are to be classified in the Heading appropriate to that product, provided that the constituents are:

   (a) having regard to the manner in which they are put up, clearly identifiable as being intended to be used together without first being repacked;

   (b) presented together; and

   (c) identifiable, whether by their nature or by the relative proportion in which they are present, as being complementary one to another.”

This definition of sets differs from that set out for Rule 3 in that the goods must be mixed together before using. In Rule 3, sets may be used together or alternatively, e.g., you may put cheese on the spaghetti dinner or you may skip the tomato sauce.
Chapters 28 and 29 - Inorganic and organic chemicals and materials
Chapters 28 and 29:

In principle, organic chemical compounds are compounds containing carbon and inorganic compounds are those that do not contain carbon.

**ORGANIC COMPOUNDS** comprise those occurring in nature, found mostly in plants and animals such as proteins, fats, carbohydrates, vitamins, hormones, etc., or in materials of plant or animal origin, such as coal, natural gas, and petroleum. Pure organic compounds are obtained from natural products, but by far the greatest number are obtained by synthesis.

Organic compounds make up possibly 90% of the total number of known products.

**INORGANIC COMPOUNDS** comprise by far the greatest part of the earth's crust; they constitute rocks, sand, limestone, clay, etc. Some occurring in minerals are simple compounds such as sodium chloride (salt).

Pure inorganic compounds are obtained from natural products or by chemical reactions.
Chapters 28 and 29 are restricted, with just a few exceptions, to pure chemical substances and pure chemical compounds. The structure of these two Chapters follows a certain chemical logic in the systemization or grouping of chemicals; starting from the more simple chemicals, the development of the Headings progresses on to compounds or derivatives of increasing complexity.

As in Chapter 28, the Headings and Subchapters of Chapter 29 are arranged in a certain chemical logic, starting with the basic organic chemicals, the hydrocarbons, and then going on to derivatives of ever-increasing complexity.

While the Rules apply in all instances, the extensive Legal Notes to Section VI and Chapters 28 and 29, as well as the wording of the Headings and Subheadings, will make Rule 1 more widely used in these two Chapters than in other Chapters.
Chapters 30 to 38 - Products of the Chemical or Allied Industries
Chapter 30 - Pharmaceutical Products.

Generally this Chapter covers only medicaments and certain other substances or materials used for medical, surgical, dental or veterinary purposes.

The goods covered by this Chapter may be divided into two distinct categories:

- products which have therapeutic or prophylactic value; and

- products which do not themselves have therapeutic or prophylactic value, but which are nevertheless used solely for medical, surgical, dental or veterinary purposes.

Legal Note 1 states that the Chapter does not cover foods or beverages (such as dietetic, diabetic or fortified foods, food supplements, tonic beverages, etc.) which contain only nutritional substances, or which contain medicinal substances added solely to ensure a better dietetic balance or to increase the energy-giving or nutritional value of the product.
Chapter 31 - Fertilizers

This Chapter covers animal or vegetable fertilizers as well as mineral or chemical fertilizers. Heading 31.05 covers "goods of this Chapter in tablets or similar forms or in packages of a gross weight not exceeding 10 kg".

Legal Note 6 defines the term "other fertilizers" as only applying to products of a kind used as fertilizers and containing, as an essential constituent, at least one of the fertilizing elements nitrogen, phosphorus or potassium.

Chapter 32 - Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other coloring matter; paints............

This Chapter covers a wide range of different but, in most cases, related goods.
Chapter 33 - Essential oils and resinoids; perfumery, cosmetic or toilet preparations.

This Chapter covers odoriferous substances and a wide range of preparations which, in most cases, contain odoriferous substances and which, in most cases, are designed to be applied to the human body with the object of making it more attractive.

Chapter 34 - Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial waxes........

This Chapter covers a variety of products whose common feature is that they are obtained mostly by the industrial treatment of fats, oils or waxes (e.g., soap, certain lubricating preparations, prepared waxes, certain polishing or scouring preparations, and candles). The Chapter also covers certain closely-related products obtained artificially.
Chapter 35 - Albuminoidal substances; modified starches, glues; enzymes.

This Chapter covers a group of somewhat specialized products, i.e., proteins, protein substances and protein derivatives, dextrins and other modified starches (starches, in chemical terms, being carbohydrates), and prepared enzymes.

Chapter 36 - Explosives; pyrotechnic products; matches; pyrophoric alloys; certain combustible preparations.

This Chapter covers propellant powders and prepared explosives, i.e., mixtures which are characterized by the fact that they contain the oxygen necessary for their combustion and that in combustion they produce a large volume of gas at a high temperature.

This Chapter does not, however, cover products such as photographic flashlight materials nor articles of Heading 93.06 (munitions of war, ammunition, etc.)
Chapter 37 - Photographic or cinematographic goods.

This Chapter covers photographic plates, film, paper, paperboard and textiles, whether sensitized or unexposed, or exposed but not developed, or exposed and developed.

- sensitized, unexposed plates, film, etc.
- exposed but not developed plates, film, etc., and
- exposed and developed plates, film, etc..

The final Heading of the Chapter covers chemical preparations for photographic uses and unmixed products for photographic uses, put up in measured portions or put up for retail sale in a form ready for use.

Chapter 38 - Miscellaneous chemical products.

This Chapter covers a wide range of different products of chemical or related origin as well as residual products of the chemical or allied industries not found elsewhere.
Expressed in simple terms, Chapters 39 and 40 cover polymers. For most practical purposes a polymer may be defined as a large molecule built up by repetition of small simple chemical units. High polymers are giant molecules and can be looked at as being constructed by the linking together of a large number of small molecules in the form of chains. Well known examples of high polymers are the polysaccharides such as starch and cellulose as well as natural rubber.

While not all polymers are classified in Chapters 39 and 40, most are, and these are plastics and rubber. The essential difference between plastics of Chapter 39 and rubbers of Chapter 40 is elasticity.
Chapter 39 - Plastics and articles thereof.

The Headings are highly technical and specific.

Chapter 40 - Rubber and articles thereof.

Raw natural rubbers are obtained from a wide variety of trees and plants found in the tropics. The Hevea brasiliensis tree is by far the most important source, due to its high yield. The rubber is obtained as a milky latex from capillary vessels found between the bark and the wood of the tree. The polymer is obtained by coagulating the latex.

The Chapter covers not only rubber but certain other products having similar properties to natural rubber, i.e., a certain degree of elasticity.

Legal Note 1 defines rubber as being natural rubber, galata, gutta-percha, guayule, chicle and similar natural gums; synthetic rubber; factice derived from oils, and reclaimed rubber.
Section VIII

RAW HIDES AND SKINS, LEATHER, FURSKINS AND ARTICLES THEREOF; SADDLERY AND HARNESS; TRAVEL GOODS, HANDBAGS AND SIMILAR CONTAINERS; ARTICLES OF ANIMAL GUT (OTHER THAN SILK-WORM GUT)

Chapters 41- 43
Chapter 41 - Raw hides and skins (other than furskins) and leather

This Chapter covers raw hides and skins together with leather of animal origin. The products are grouped together according to the type of animal from which they come (bovine and equine, sheep or lambs, goats or kids, other animals) and their order reflects the degree of preparation.

Legal Note 1(b) excludes birdskins or parts of birdskins, with their feathers or down, from Heading 41.03, assigning them to Heading 05.05 if not further worked than cleaned, disinfected or treated for preservation, and to Heading 67.01 if further worked.

Legal Note 2 defines the term "composition leather" wherever it may be referred to throughout the nomenclature. If composition leather does not contain natural leather or leather fibers it is not composition leather. If of plastics it falls in Chapter 39, if of rubber in Chapter 40, and if of paperboard in Chapter 48.
Chapter 42 - Articles of leather; saddlery and harness; travel goods, handbags and similar containers; articles of animal gut (other than silk-worm gut).

The products of this Chapter are generally made from the products of Chapter 41 but also included are certain articles characteristically of the leather trade but made from other materials.

Heading 42.02 - This Heading covers two categories (check the punctuation!). The first group may be of any material, but the second group must be made of leather or composition leather, of plastic sheeting, of textile materials, of vulcanized fiber or of paperboard, or wholly or mainly covered with such materials.

For example: A handbag with outer surface of plastic sheeting falls in Subheading 4202.22, whereas a bag of moulded plastics would be classified in Heading 3926.90 as “other articles of plastics”.
Chapter 43 - Furskins and artificial fur; manufacturers thereof

Legal Note 1 defines the term furskins “throughout the nomenclature”.

Legal Note 2(c) provides that gloves consisting of leather and furskin or of leather and artificial fur are classifiable in Heading 42.03 - regardless of Rules 2 and 3. This is not a derogation of the Rules, because Rule 1 requires the use of the Section and Chapter Notes and thus, in this case, there is no opportunity to apply Rules 2 or 3.

Legal Note 5 defines artificial fur to not include imitation furskins obtained by weaving or knitting. Thus, imitation furskins consisting of wool, hair or other fibres gummed or sewn onto leather, woven fabric or other materials are classified in Heading 4304.00, whereas similar imitation furskins produced by weaving or knitting are classified respectively in Heading 58.01 or 60.01.
Section IX

WOOD AND ARTICLES OF WOOD; WOOD CHARCOAL; CORK AND ARTICLES OF CORK; MANUFACTURES OF STRAW, OF ESPARTO OR OF OTHER PLAITING MATERIALS; BASKETWARE AND WICKERWORK

Chapters 44 - 46

Chapter 44 - Wood and articles of wood; wood charcoal.

Chapter 45 - Cork and articles of cork.

Chapter 46 - Manufactures of straw, esparto of other plaiting materials; basketware and wickerware.
Section X
PULP OF WOOD OR OF OTHER FIBROUS CELLULOSIC MATERIAL;
RECOVERED (WASTE AND SCRAP) PAPER OR PAPERBOARD;
PAPER AND PAPERBOARD AND ARTICLES THEREOF

Chapters 47 - 49
Chapter 47 - Pulp of wood or other fibrous cellulose material; waste and scrap of paper or paperboard

This Chapter covers pulp of wood and other fibrous cellulose material, together with waste and scrap of paper or paperboard.

In other words, it covers cellulose fiber pulps obtained from various vegetable materials rich in cellulose or from certain waste textiles of vegetable origin.

Wood being the most important fibrous cellulose material in terms of international trade, the most important type of pulp in the Chapter is wood pulp.
Chapter 48 - Paper and paperboard; articles of paper pulp, of paper or of paperboard

This Chapter covers a number of articles obtained from wood pulp or other fibrous materials of Chapter 47, but not all products made with paper and paperboard or incorporating paper or paperboard fall in this Chapter.

The most important goods made with paper and paperboard which do not fall in this Chapter are:
- products of the printing industry (Chapter 49), with limited exceptions,
- perfumed papers and papers impregnated or coated with cosmetics (Chapter 33),
- paper and cellulose wadding impregnated, coated or covered with soap or detergent (34.01), and
- all of the products listed in Legal Note 1 as exclusions.

Legal Notes define "newsprint" and "kraft paper and paperboard".
Chapter 49 - Printed books, newspapers, pictures and other products of the printing industry; manuscripts, typescripts and plans

The coverage of this Chapter is straightforward and clear.

As is the usual case, Legal Note 1 lists the products excluded from the Chapter and therefore, in a negative way, defines the scope of the Chapter.
Section XI
TEXTILES AND TEXTILE ARTICLES

Chapters 50 to 63
Section XI:

This Section consists of 14 Chapters and, as the title indicates, covers textiles and textile articles.

The first part, Chapters 50-55, covers the different textile materials, that is, those of animal, vegetable and chemical origin, in the form of fibers, ordinary yarn and ordinary woven fabrics.

The second part, Chapters 56-63, covers textile products other than fibers, ordinary yarns and woven fabrics, for example, special yarns and fabrics, made up articles, and knitted or crocheted goods.

The composition of an article is not important at the 4-digit level; it is only at the 6-digit level that composition becomes a consideration. The type of garment (men’s, women’s, knit, woven, etc.) is the first thing to look for and then the fabric of which made.
Section XI:

Legal Note 2 governs the classification of textile products consisting of a mixture of two or more textile materials. This precludes the application of Rules 2 and 3 to the classification of textiles and dictates that mixed textiles are to be classified according to weight of the fibers or fabrics. However, this Legal Note only applies to Chapters 50 to 55 and Headings 58.09 and 59.02.

Legal Note 4 presents a specific and restrictive definition of yarn “put up for retail sale” (in contrast to the general reference to the term found in Rule 3).

Legal Note 7 provides a specific definition of "made up".

Legal Note 13 provides that textile garments are to be separately classified even when put up in sets for retail sale, unless the context of the Heading provides otherwise (as in the case of ensembles, suits, etc. – 61.03, 61.04, 61.12, 62.03, 62.04, 62.11)

Subheading Note 2(a) provides that products of Chapters 56 to 63 containing two or more textile materials are to be regarded as consisting wholly of that textile material which would selected under Legal Note 2 to this Section (by weight).
Chapters 50 to 55

Chapters 50 and 51 cover textile materials of animal origin - silk in Chapter 50 and wool, fine or coarse animal hair, horsehair and woven fabric in Chapter 51.

Chapters 52 and 53 cover textile materials or vegetable origin - cotton in Chapter 52 and other vegetable textile fibers in Chapter 53, with paper yarn and woven fabrics.

Chapter 54 and 55 cover chemical textile materials.
Chapter 56 – Wadding, felt and nonwovens; special yarns; twine, cordage, ropes and cables and articles thereof.

Chapter 57 – Carpets and other textile floor coverings.

Chapter 58 – Special woven fabrics; tufted textile fabrics; lace; tapestries; trimmings; embroidery.

Chapter 59 – Impregnated, coated, covered or laminated textile fabrics; textile articles of a kind suitable for industrial use.

Chapter 60 – Knitted or crocheted fabrics.
Chapter 61 - Articles of apparel and clothing accessories - knitted or crocheted

This Chapter covers articles of apparel and clothing accessories constituting made up knitted or crocheted articles.

In other words, it covers men's or boys' or women's or girls' knitted or crocheted clothing, together with knitted or crocheted clothing accessories.

However, knitted or crocheted brassieres, girdles, corsets, braces, suspenders, garters and similar articles and parts thereof are excluded from Chapter 61. These articles are classified in Heading 62.12 because of Legal Note 2(a) to Chapter 61.

There are specific definitions of the terms suit, ensemble, babies’ garments and clothing accessories and ski suits.

For example, Legal Note 6 defines "babies’ garments" as articles for young children of a body height not exceeding 86 cm.
Chapter 62 - Articles of apparel and clothing accessories, not knit or crocheted

This Chapter covers, as indicated, articles of apparel and clothing accessories which are not knit or crocheted. It also covers the knitted articles mentioned in Legal Note 2(a) to Chapter 61 as well as articles made up from any woven fabric of Chapters 50 to 55, 58 and 59 or of felt or nonwovens (but not wadding) of Chapter 56.

The HS no longer refers to outer and under garments, as these concepts have different meanings in different parts of the world, mostly because of the climate and customary mode of dress. Garments are therefore normally referred to by the name they have in trade.

Chapter 63 - Other made up textile articles; sets; worn clothing and worn textile articles; rags

This Chapter covers made up articles, of any textile fabric, not more specifically covered by other Headings in the Section.
Section XII

FOOTWEAR, HEADGEAR, UMBRELLAS, SUN UMBRELLAS, WALKING-STICKS, SEAT-STICKS, WHIPS, RIDING-CROPS AND PARTS THEREOF; PREPARED FEATHERS AND ARTICLES MADE THEREWITH; ARTIFICIAL FLOWERS; ARTICLES OF HUMAN HAIR

Chapters 64 to 67
Chapter 64 - Footwear, gaiters and the like; parts of such articles

Footwear is classified according to the upper and outer sole and then by type. There is a provision for parts of footwear, but there is a Legal Note which excludes certain "parts" of footwear from the provision for parts.

Legal Note 4 defines the material of the "upper" as the material having the greatest external surface area. No account is taken of accessories or reinforcements such as ankle patches, edging, ornamentation, buckles, tabs, eyelet stays or similar attachments.

Legal Note 5 defines the material of the "outer sole" as the material having the greatest surface area in contact with the ground. No account is taken of accessories or reinforcements such as spikes, bars, nails, protectors or similar attachments.

Chapter 65 - Headgear and parts thereof
Chapter 66 - Umbrellas, Walking Sticks ........ and parts thereof
Chapter 67 - Articles of Feathers/Down, Artificial Flowers, Articles of Human Hair
Question:

What is the classification of a pair of tennis shoes with leather uppers and rubber soles?
Question:

What is the classification of a pair of tennis shoes with leather uppers and rubber soles?

Answer:

Heading 6403.99 – not 6404.11 as sports footwear.

A Subheading Note presents a specific definition of "sports footwear" which differs from the general perception of sports footwear.
Section XIII
ARTICLES OF STONE, PLASTER, CEMENT, ASBESTOS, MICA OR SIMILAR MATERIALS;
CERAMIC PRODUCTS; GLASS AND GLASSWARE

Chapters 68 to 70
Chapter 68 - Articles of stone, plaster, cement, asbestos, mica or similar materials
Chapter 69 - Ceramic products
Chapter 70 - Glass and glassware

The products of Chapter 69 must, in accordance with Legal Note 1 to the Chapter, have been both shaped and then fired. This is the basic difference between the products of Chapter 68, which are not usually fired, and products of Chapter 69, which require shaping and firing, and products of Chapter 70 in which the mixture is not fired but completely fused.

Definitions of "fired" and "fused" can be found in technical books and reference works and in the Explanatory Notes (The manufacturing process for ceramics is set out in the Explanatory Notes to Chapter 69).

“Waste glass” of Heading 70.01 is not defined by any Chapter Legal Note. However, the Explanatory Notes state that it comes from the manufacture of glass (including that splashed outside the melting pots); also broken articles. Waste glass is generally characterized by its sharp edges.
Section XIV
NATURAL OR CULTURED PEARLS, PRECIOUS OR SEMI-PRECIOUS STONES, PRECIOUS METALS, METALS CLAD WITH PRECIOUS METAL AND ARTICLES THEREOF; IMITATION JEWELLERY; COIN

Chapter 71

Legal Note 2 states that the Headings for jewellery (71.13, 71.14, 71.15) do not cover articles in which precious metal or metal clad with precious metal is present as a minor constituent only.

For example:

- A wine glass with a fine rim of silver would be classified as a glass in Chapter 70 and not as an article of precious metal.
- An initial in gold in the handle of a shaving razor would not change the classification of the razor from Chapter 82 to Chapter 71.
Chapter 71:

Legal Note 4 - defines precious metal as being only silver, gold and platinum.

Legal Note 5 - defines the alloys of precious metals as follows:
   (a) An alloy containing 2% or more (by weight) of platinum is an alloy of platinum.
   (b) An alloy containing 2% or more (by weight) of gold but no platinum, or less than 2% (by weight) of platinum, is an alloy of gold.
   (c) Other alloys containing 2% or more (by weight) of silver are alloys of silver.

For example:
   - a ring of 97% gold and 3% platinum = Platinum
   - a ring of 3% gold, 1% platinum and 96% silver = Gold
   - a ring of 1% gold, 1% platinum and 98% silver = Silver

The Explanatory Notes to Chapter 71 have a four page list of precious and semi-precious stones.
Section XV
BASE METALS AND ARTICLES OF BASE METAL

Chapters 72 to 83

Although Section XV is concerned solely with the classification of base metals and articles of base metal, many of the Legal Notes to Section XV apply throughout the nomenclature.
Section XV: Legal Note 2 defines “Parts of General Use” as –

- Articles of Headings 73.07 (tube or pipe fittings), 73.12 (stranded wire, ropes and cables, etc.), 73.15 (chain), 73.17 (nails, tacks, pins, staples, etc.) or 73.18 (screws, bolts, nuts, etc.) and similar articles of other base metals.
- Springs and leaves for springs, of base metal, other than clock or watch springs
- Articles of Headings 83.01, 83.02, 83.08, 83.10 and frames and mirrors, of base metal, of Heading 83.06.

and then states that references in Section XV to parts of goods (except Heading 73.15: chains and parts thereof) do not include these “Parts of General Use”. Consequently, nuts, bolts, springs, etc. are to be classified in their own Headings and not as parts.

For example:

- leaf springs, of steel, for motor vehicle shocks, are classified in Chapter 73 (7320.10) and not in Chapter 87 (8708.80) as parts of motor vehicles.
- copper chain for hanging chandeliers is classified in Chapter 74 (7419.10) and not in Chapter 94 (9405.99) as parts of lamps.
- nuts and bolts, of aluminum, for dish washing machines of the household type are classified in 7616.10 and not as parts of dishwashers in 8422.90
Section XV: Legal Note 5 provides critical definitions of alloys:

An alloy of base metals is to be classified as an alloy of the metal which predominates by weight over each of the other metals.

For example:
- An alloy containing 60% iron and 40% copper is an alloy of iron (but not ferro-alloy because the copper content exceeds 10%)
- An alloy of 40% iron, 42% copper and 18% nickel is a copper alloy.

An alloy of base metals of Section XV and elements not falling within Section XV is to be treated as an alloy of base metals of this Section if the total weight of such metals equals or exceeds the total weight of the other elements present.

For example:
- An alloy containing 53% aluminum, 20% sulphur, 17% silica and 10% phosphorus is classified in Chapter 76 as aluminum.
- An alloy containing 35% zinc, 40% sulphur, 15% phosphorous and 10% silica is classified in Heading 38.23 as a chemical preparation.
Chapter 72 - Iron and Steel.

This Chapter covers ferrous metals presented in primary forms or as products derived directly therefrom.

There are many Legal Notes to this Chapter defining the products of the Chapter.

The Explanatory Notes describe in detail the manufacturing process used in creating the various products of this Chapter.
Chapter 73 - Articles of Iron and Steel

The Legal Notes contain definitions of "cast iron" and "wire" which must be kept in mind in identifying the products of this Chapter.

Chapter 74 - Copper and articles thereof

There are many definitions of copper products in the Legal Notes.

Chapter 75 - Nickel and articles thereof
Chapter 76 - Aluminum and articles thereof
Chapter 77 - Vacant
Chapter 78 - Lead and articles thereof
Chapter 79 - Zinc and articles thereof
Chapter 80 - Tin and articles thereof
Chapter 81 - Other base metals; cermets; articles thereof
Question:

What is the classification of a grill of steel wire which varies in cross-section between 15 and 18 mm?
Question:

What is the classification of a grill of steel wire which varies in cross-section between 15 and 18 mm?

Answer:

Not in Heading 73.14 - which covers grill of iron or steel wire - but in Heading 73.26 because Legal Note 2 to Chapter 73 says that no cross-sectional dimension of wire can exceed 16 mm. The wire in question sometimes exceeds 16 mm and sometimes does not so it is excluded by Legal Note 2 from being classified as “wire”.
Question:

Where would you classify a shipment of lead shot intended to be used as ammunition?
Question:
Where would you classify a shipment of lead shot intended to be used as ammunition?

Answer:
Not in Chapter 78 as an article of lead, but in Heading 93.06 as ammunition. Lead shot has been hardened and thereby prepared for use as ammunition.
Chapter 82 - Tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal

In general, the goods of this Chapter must have a blade, working edge, working surface or other working part of:

- base metal;
- metal carbides or cermets;
- precious or semi-precious stones on a support of base metal, metal carbide or cermets; or
- abrasive materials on a support of base metal, provided that the articles have cutting teeth, flutes, grooves, or the like, of base metal, which retain their identity and function after the application of the abrasive.

Parts of the articles of Chapter 82 are to be classified with the articles, except for Parts of General Use and heads, blades and cutting plates for electric shavers.

- Heading 82.12 covers razors and razor blades - but not for electric shavers. (See Legal Note 2 to Chapter 82: heads, blades and cutting plates for electric shavers are to be classified in Heading 85.10)
WHAT IS A CERMET?

Cermets contain both a ceramic constituent (resistant to heat and with a high melting point) and a metallic constituent. They are used in the aircraft and nuclear industries and in missiles. They are also used in furnaces and metal foundries in the manufacture of bearings, brake-linings, etc.
Chapter 83 - Miscellaneous articles of base metal

While the articles of Chapters 73 to 81 are classified according to their constituent metal, the articles of this Chapter, like those of Chapter 82, are classified according to what they are.
Section XVI

MACHINERY AND MECHANICAL APPLIANCES; ELECTRICAL EQUIPMENT; PARTS THEREOF; SOUND RECORDERS AND REPRODUCERS, TELEVISION IMAGE AND SOUND RECORDERS AND REPRODUCERS, AND PARTS AND ACCESSORIES OF SUCH ARTICLES.

Chapters 84 and 85
Section XVI is by far the largest Section in the HS and its two Chapters comprise approximately 15% of all of the Headings and Subheadings in the nomenclature.

The Legal Notes to this Section contain some significant classification concepts:

Legal Note 2 spells out how parts are to be classified.
HARMONIZED SYSTEM PARTS CLASSIFICATION

First, consider:
- Headings and sub-Headings specifically describing the parts by name
  (For example: Spark Plugs of 8511.10; Tires of 40.11)

Second, consider:
- Legal Note XV-2 (Parts of General Use, of base metal) and XVI-1 (similar goods of plastics)

Third, consider:
- Headings 84.85; 85.48; 90.33 (Legal Notes XVI-2 and 90-2: Parts of machines or apparatus of more than one Heading)

And finally, consider:
- Parts provisions within Headings of Sections XVI and XVII, and Chapter 90
Section XVI is by far the largest Section in the HS and its two Chapters comprise approximately 15% of all of the Headings and Subheadings in the nomenclature.

The Legal Notes to this Section contain some significant classification concepts:

Legal Note 2 spells out how parts are to be classified.

Legal Note 3 defines Composite Machines as consisting of two or more machines fitted together to form a whole, and other machines adapted for the purpose of performing two or more complementary or alternative functions. Such machines are to be classified as if consisting only of that component or as being that machine which performs the principal function.

Legal Note 4 defines Functional Units as being a machine, or a combination of machines, which consist of individual components (whether separate or interconnected by piping, by transmission devices, by electric cables or other devices) which are intended to contribute together to a clearly defined function covered by one of the Headings in Chapter 84 or 85. The Functional Unit is to be classified in the Heading appropriate to that function.
Section XVI:

The essential difference between the two Chapters of this Section is that Chapter 84 covers machines and Chapter 85 electrical machines - in general.

However, there are some machines of Chapter 84 which have electrical properties such as machinery powered by electric motors; electrically heated machinery such as central heating boilers; electro-magnetically operated machines such as typewriters, cranes with electro-magnetic lifting heads; and machines operated electronically such as ADP machines.

And, there are some articles classified in Chapter 85 which are not electrical, such as magnetic tapes (85.23), gramophone records and laser discs (85.24), and electrical insulators of glass or ceramics (85.46)
Chapter 84 - Nuclear reactors, boilers, machinery and mechanical appliances parts thereof.

Legal Note 5 defines ADP machines and systems

The last sentence in this Legal Note provides that Heading 84.71 does not cover machines performing a specific function other than data processing and incorporating or working in conjunction with an automatic data processing machine. Such machines are classified in the Headings appropriate to their respective functions or, failing that, in residual Headings.

Legal Note 7 provides that a machine which is used for more than one purpose is, for the purposes of classification, to be treated as if its principal purpose were its sole purpose.

Legal Note 7 also provides that a machine the principal purpose of which is not described in any Heading, or for which no one purpose is the principal purpose is, unless the context otherwise requires, to be classified in Heading 84.79.
Chapter 85 - Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television image and sound recorders and reproducers, and parts and accessories of such articles.

Legal Note 4: - defines printed circuits (Heading 85.34).

Legal Note 5: - defines diodes, transistors and similar semiconductor devices as well as electronic integrated circuits and micro-assemblies (Headings 85.41 and 85.42).
- states that Headings 85.41 and 85.42 have precedence over any other Heading in the Nomenclature which might cover these articles by reference to function, etc.
Question:

What is the classification of a TV-Radio combination – a product often found in hotel rooms?

Would you have to determine the essential character?

Which Rule would apply?
Answer:

What is the classification of a TV-Radio combination – a product often found in hotel rooms?  

Heading 85.28

Would you have to determine the essential character?  
No

Which Rule would apply?  
Rule 1
Section XVII
VEHICLES, AIRCRAFT, VESSELS AND ASSOCIATED TRANSPORT EQUIPMENT

Chapters 86 - 89

Legal Note 4 states that aircraft specially constructed so they can be used as road vehicles are to be classified as aircraft whereas amphibious motor vehicles are classified as motor vehicles.

Legal Note 5 specifies that air-cushion vehicles (Hovercraft) are to be classified in the Chapter to the goods to which they are most akin, i.e, Chapter 86 if designed to travel on a guide-track (Hover-trains) and Chapter 87 if designed to travel over land or both land and water.
Chapter 86 - Railway or tramway locomotives, rolling-stock and parts thereof; railway or tramway track fixtures and fittings and parts thereof; mechanical (including electro-mechanical) traffic signaling equipment of all kinds.

Chapter 87 - Vehicles other than railway or tramway rolling-stock, and parts and accessories thereof.

Legal Note 3 defines "public transport vehicles" as being vehicles designed for the transport of ten or more persons or more (including the driver).

Chapter 88 - Aircraft, spacecraft, and parts thereof

Chapter 89 - Ships, boats and floating structures

Legal Note 1 provides that a hull, an unfinished or incomplete vessel, assembled, unassembled or disassembled, or a complete vessel unassembled or disassembled, is to be classified in Heading 89.06 as an “other vessel” if it does not have the essential character of a vessel of a particular kind. – (as named in the other Headings, for example).
Section XVIII
OPTICAL, PHOTOGRAPHIC, CINEMATOGRAPHIC, MEASURING, CHECKING, PRECISION, MEDICAL OR SURGICAL INSTRUMENTS AND APPARATUS; CLOCKS AND WATCHES; MUSICAL INSTRUMENTS; PARTS AND ACCESSORIES

Chapters 90 to 92
Chapter 90 - Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical instruments and apparatus; parts

Legal Note 3 extends the “functional unit” classification principle to Chapter 90.

(See Legal Note 4 to Section XVI) :

Functional Units are defined as being a machine, or a combination of machines, which consist of individual components (whether separate or interconnected by piping, by transmission devices, by electric cables or other devices) which are intended to contribute together to a clearly defined function covered by one of the Headings in this Chapter. The Functional Unit is to be classified in the Heading appropriate to that function.
Chapter 90:

Question:

Classification of a Computer Aided Design (CAD) system for industrial drafting consisting of the following:

- an automatic data processing machine (graphics processor)
- an interactive design console together with an electronic pen/tablet with the aid of which drawings are drafted on a video screen and information is fed into the "graphic processor" while at the same time being shown on the screen,
- a “tele-display” with keyboard for giving commands to the processor
- a digitizer/plotter which produces drawings on paper and is controlled by signals from the graphics processor;
- a “tele-writer” which is used for giving commands to or receive information from the graphics processor.
Chapter 90:

Answer:

Taken as a whole, the system is what technicians call a computerized drafting machine, which is not to be regarded as an ADP system within the meaning of Legal Note 5 to Chapter 84, but as a computerized drafting machine as mentioned in the text of Heading 90.17.

The ADP system contributes to a function referred to in a Heading other than 84.71.

Thus the whole is classified in Subheading 9017.10 as a drafting machine, whether or not automatic, in accordance with the last paragraph of Legal Note 5 to Chapter 84 and in accordance with the provisions of Legal Note 3 to Chapter 90 relating to functional units.

In addition, the Explanatory Notes to Heading 90.17 list the machine.
Chapter 90:

Question:

Classification of an appliance for brushing and cleaning teeth which is designed first to supplement the brushing and cleaning of the teeth by removing any food debris left in the spaces between the teeth and secondly to massage the gums with a pulsating jet of water.

It is not used by dentists but by the public as a further aid to dental hygiene.
Chapter 90:

Answer:

The appliance for brushing and cleaning teeth should be classified in Heading 90.19, and not 90.18 or 85.09.

Heading 90.18 covers dental instruments and appliances used in professional practice. Such instruments and appliances are to be used by professionals, not the patients.

This article is specifically designed for cleaning and massaging the gums and is thus covered by Heading 90.19.

Heading 85.09 covers machines which operate by means of a built-in electro-mechanical devise designed to pulsate water.

Heading 90.19 is more specific than Heading 85.09, and therefore under Rule 3(a) the correct Heading is 90.19.
Chapter 91 - Clocks and watches and parts thereof.

This Chapter covers apparatus designed mainly to measure time or for effecting some operation in relation to time. The articles of the Chapter may be of any material, including precious metals, and they may be decorated or trimmed with natural or cultured pearls, or natural, synthetic or reconstructed precious or semi-precious stones.

The classification of clocks and watches combined with other objects is governed by the Rules. The mere inclusion of internal lighting does not remove clocks or watches from this Chapter.

There is a Heading (91.09) for watch movements which are complete and assembled. They are meant mainly for the goods of Headings 91.04 to 91.07 but remain in this Chapter even if intended for use in other instruments of other Chapters. If not complete and assembled, the components would probably fall in Heading 91.14 as other clock or watch parts.
Chapter 92 - Musical instruments; parts and accessories of such articles.

Legal Note 2 provides that bows and sticks and similar devices used in playing the musical instruments of Heading 92.02 or 92.06 (violins and drums) which are presented with musical instruments are to be classified therewith.

Even if fitted with an electrical sound pick-up and amplifying device, musical instruments remain in this Heading.
Telescopio sights and other optical devices presented with the arms are to be classified therewith but if presented separately they are to be separately classified.

Swords and cutlasses are included in this Chapter but not fencing foils nor bows and arrows (Chapter 95).
Section XX
MISCELLANEOUS MANUFACTURED ARTICLES

Chapters 94 to 96
Chapter 94 – Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; lamps and lighting fittings, not else-where specified or included; illuminated signs, illuminated name-plates and the like; prefabricated buildings.

Legal Note 2 states that the articles referred to in Headings 94.01 to 94.03 are to be classified in those Headings only if they are designed for placing on the floor or ground. But this Legal Note also provides that certain other articles such as seats and beds are classified as furniture even if designed to be hung, to be fixed to the wall or to stand one on the other.

There is an Explanatory Note which defines "furniture" as any movable articles (not included under other more specific Headings of the nomenclature) which have the essential characteristic that they are constructed for placing on the floor or ground, and which are used, mainly with a utilitarian purpose, to equip private dwellings, hotels, theaters, ..... but there are exceptions to this definition:

- Furniture which incorporates more than minor components of precious metal or metal clad with precious metal is excluded  -- Chapter 71.
- The Heading for medical furniture does not include invalid carriages used on the streets -- Chapter 87.
Prefabricated buildings are classified in this Chapter and are defined by Legal Note 4.
Chapter 95 - Toys, games and sports requisites; parts and accessories.

This Chapter covers all toys, whether designed for the amusement of children or adults. The articles of this Chapter may be made of any material except natural or cultured pearls, precious or semi-precious stones, precious meal or metal clad with precious metal. They may incorporate minor constituents of these goods.

Certain toys may be capable of limited use, such as toy sewing machines, but they are generally distinguished by their size and their limited capacity from the real things.

Traveling circuses are also classified in this Chapter.
Chapter 96 - Miscellaneous manufactured articles

This Chapter covers carving and moulding materials and articles of these materials, certain brooms, brushes and sieves, certain articles of haberdashery, certain articles of writing and office equipment, certain requisites for smokers, certain toilet articles and various other articles not more specifically covered by other Headings in the HS.

Ivory is defined by Legal Note 3 to Chapter 5 as elephant, hippopotamus, walrus, narwhal and wild boar tusks, rhinoceros horns and the teeth of all animals.

This definition applies “throughout the nomenclature”, therefore it is applicable to the determination of articles of Heading 96.01.
Section XXI
WORKS OF ART, COLLECTORS' PIECES AND ANTIQUES

Chapter 97

Heading 97.04 covers postage or revenue stamps but only if
(1) they are used or
(2) in the case of unused articles, they are not of current or new issue in the country to which they are destined.

This is in contrast to the stamps of Heading 49.07.

Heading 97.06 covers antiques of an age exceeding 100 years but does not cover, irrespective of their age, pearls, natural or cultured, or precious or semi-precious stones of Headings 71.01 to 71.03 - or any article of the preceding Headings of Chapter 96.
The Harmonized Commodity Description and Coding System and the Egyptian Customs Tariff