



HQ H349011

September 17, 2025

OT:RR:CTF:VS H349011 AP

CATEGORY: Valuation

Herbert J. Lynch, Esq.
Sullivan & Lynch, P.C.
800 Turnpike St., Suite 300
North Andover, MA 01845

RE: Frozen Fish Fillets; U.S. Content; 9903.01.34, HTSUS

Dear Mr. Lynch:

This is in response to your May 30, 2025 ruling request, which you submitted on behalf of Eastern Fisheries, Inc. (“importer”), whether headed and gutted fish that is a product of the United States and processed into frozen fish fillets in China qualifies for the exemption under subheading 9903.01.34, Harmonized Tariff Schedule of the United States (“HTSUS”) and Chapter 99, Subchapter III, U.S. Note 2(v)(xiii), HTSUS. Although the importer has not requested confidential treatment, the business confidential information contained within brackets in italics will not be released to the public and will be withheld from the published version of this ruling.

FACTS:

Eastern Fisheries purchases wild caught rock sole (*Lepidopsetta Polyxystra*) and other types of fish from U.S. seller/exporter [X]. The fish is harvested in U.S. waters by U.S. flag fishing vessels. After the fish is caught, it is headed, gutted, and frozen. The U.S. seller/exporter ships the headed, gutted, and frozen fish to fish processor [X] in China. The processing in China involves thawing, skinning, boning, trimming, cutting, freezing, and packaging. Eastern Fisheries will import the frozen fish fillets into the United States from China.

A sample transaction has been provided for our review: The purchase order from the buyer Eastern Fisheries to the U.S. seller/exporter is for [X] bags ([X] kg per bag) of wild caught headed and gutted rock sole. Invoice number [X] from the U.S. seller/exporter to the buyer is for [X] bags ([X] kg per bag, net weight [X] metric tons) of “Rock Sole H/G” priced at \$[X]. The U.S. price per metric ton ranges from \$[X] to \$[X]. The destination is China, and the shipping terms are cost and freight (“CFR”) [X], China. The invoice indicates that the rock sole was caught by vessel [X] on February 5-17, 2025 and was shipped to China by ocean vessel [X]. According to the packing list, [X] bags (net weight [X] kg) of “Frozen Rock Sole Headed and

Gutted” caught by [X] on February 5-17, 2025 were shipped to fish processor [X] in China. The bill of lading reveals that [X] bags of “Frozen Rock Sole Headed and Gutted” (net weight [X] kg) caught by [X] was loaded on February 17, 2025 at [X], Alaska and the port of discharge was [X], China. The processor in China [X] is listed as the consignee.

The Health Certificate from the U.S. Department of Commerce (“DOC”) shows that the fish ([X] bags, [X] kg) was caught on February 5-17, 2025 in [X] by vessel registration number [X] and was shipped from [X], Alaska to [X], China. The consignor is the U.S. seller/exporter [X], and the consignee is the Chinese processor [X].

The February 19, 2025 DOC Attestation of Legal Catch for Products Caught by U.S.-Flagged Vessels indicates that [X] kg rock sole was caught by vessel [X], license/registration number [X] in Food and Agriculture Organization (“FAO”) catch area [X] on February 5-17, 2025.

The Certificate of Origin issued by the U.S. seller/exporter certifies that the exported “Frozen Rock Sole Headed and Gutted” ([X] bags, [X] kg) is a product of the United States. The Certificate of Origin states that the fish was shipped from Alaska to China on February 17, 2025 on board ocean vessel [X] and consigned to [X] in China. The Certificate of Origin references invoice number [X].

The batch transfers indicate that the headed and degutted rock sole was transferred to cold storage in China and to a Chinese facility for processing, and the processed fillets were then shipped to the United States.

Work Order number [X] reveals that the headed and gutted rock sole was processed into frozen rock sole skinless fillets ([X] cases) in China. The raw materials cost is approximately 76 percent of the final cost, the labor cost is approximately 24 percent of the final cost, and the yield is 70 percent. The processing fee is \$[X] per pound and the final finished cost is \$[X] per pound. You explain that yields vary between species and also within the same species across production runs, and key factors affecting yield include species and size grade, condition of the fish (quality, damage, dehydration), processing method, and experience and consistency of the cutters.

The commercial invoice from the Chinese processor to Eastern Fisheries reveals that [X] cases of frozen rock sole skinless fillets were sold to the importer for \$[X]. The net weight is [X] pounds. The U.S. content price is \$[X] (\$[X] per pound), which is approximately 76 percent of the total price paid or payable for the frozen rock sole skinless fillets, and the non-U.S. content price is \$[X] (\$[X] per pound), which is approximately 24 percent of the price paid or payable for the frozen rock sole skinless fillets. The Incoterms are free on board (“FOB”) and the destination port is [X] in the United States. A separate invoice from the Chinese processor reveals that the processing fee is \$[X] per pound for hand filleting.

ISSUE:

Whether headed and gutted fish that is a product of the United States and is processed into frozen fish fillets qualifies for the U.S. content exemption under subheading 9903.01.34, HTSUS.

LAW AND ANALYSIS:

Effective April 5, 2025, Presidential Executive Orders implemented “Reciprocal Tariffs.” *See* Exec. Order No. 14257, 90 Fed. Reg. 15041 (Apr. 2, 2025); Exec. Order No. 14266, 90 Fed. Reg. 15509 (Apr. 9, 2025); Exec. Order No. 14316, 90 Fed. Reg. 30823 (July 7, 2025); Exec. Order No. 14326, 90 Fed. Reg. 37963 (July 31, 2025); Exec. Order No. 14346, 90 Fed. Reg. 43737 (Sept. 5, 2025). These additional tariffs apply to imported goods of most countries. All imported merchandise subject to these Executive Orders must be reported with either the Chapter 99 provision under which the reciprocal tariff applies or one of the Chapter 99 provisions covering exemptions to the reciprocal tariffs.

Subheading 9903.01.25, HTSUS, provides for:

Articles the product of any country, except for products described in headings 9903.01.26–9903.01.33, 9903.02.02–9903.02.71, and 9903.96.01, and except as provided for in headings 9903.01.34 and 9903.02.01, as provided for in subdivision (v) of U.S. note 2 to this subchapter.

Subheading 9903.01.34, HTSUS, which is an exemption from the additional duties, states:

The U.S. content of articles the product of any country, in which the U.S. content of the article provides at least 20 percent of the Customs value of the imported article, as provided for in subdivision (v)(xiii) of U.S. note 2 to this subchapter.

Chapter 99, Subchapter III, U.S. Note 2(v)(xiii), HTSUS, states:

The additional duties imposed by headings 9903.01.25, 9903.01.35, 9903.01.39, 9903.01.63, and 9903.02.01-9903.02.71 shall not apply to the U.S. content of an article, provided at least 20% of the customs value, as determined under 19 U.S.C. 1401a, of the product is U.S. originating, consistent with heading 9903.01.34. For greater certainty, with respect to an article for which at least 20% of the customs value is U.S. originating, consistent with 9903.01.34, the additional duties imposed by headings 9903.01.25, 9903.01.35, 9903.01.39, 9903.01.63, and 9903.02.01-9903.02.71, shall apply only to the non-U.S. content of such article. Heading 9903.01.34 covers only the U.S. content portion of articles described by that heading. The term “U.S. content” refers to the value of an article attributable to the components wholly obtained, produced entirely, or substantially transformed in the United States.

Thus, “U.S. content” refers to the portion of an article’s customs value, determined under 19 U.S.C. § 1401a, attributable to components that are wholly obtained, entirely produced, or substantially transformed in the United States. At least 20 percent of the total customs value must be of U.S.-origin for the content to qualify under subheading 9903.01.34, HTSUS. This exemption applies only to the U.S. portion. The remaining non-U.S. content remains subject to duties under subheadings 9903.01.25, 9903.01.35, 9903.01.39, 9903.01.63, and 9903.02.01-9903.02.71. *See* Chapter 99, Subchapter III, U.S. Note 2(v)(xiii), HTSUS.

Here, the DOC Health Certificate and the DOC Attestation of Legal Catch reveal that a U.S. flag fishing vessel caught the rock sole in U.S. waters on February 5-17, 2025. The Certificate of origin issued by the U.S. seller/exporter certifies that the headed and gutted rock sole sent for further processing to China is a product of the United States. The Certificate of Origin and the bill of lading reveal that the headed and gutted rock sole was exported from the United States to a fish processor in China. The batch transfers confirm that the headed and gutted rock sole was sent for processing in China. Based on the work order and the invoice from the Chinese processor, the U.S. headed and gutted rock sole represents approximately 76 percent of the total price paid or payable for the frozen rock sole skinless fillets. The U.S. content value (\$[X]) exceeds 20 percent of the customs value of the frozen rock sole skinless fillets and may be subtracted from the total price paid or payable for the frozen rock sole skinless fillets (\$[X]). Only the remaining non-U.S. content values (\$[X]) for the frozen rock sole skinless fillets will be subject to additional duties pursuant to subheading 9903.01.34, HTSUS and Chapter 99, Subchapter III, U.S. Note 2(v)(xiii), HTSUS.

HOLDING:

Based on the provided information, the U.S. headed and gutted rock sole represents 76 percent of the customs value of the frozen rock sole skinless fish fillets, which will be imported into the United States from China, and the additional duties imposed by subheading 9903.01.25, HTSUS will not apply to the headed and gutted rock sole consistent with subheading 9903.01.34 and Chapter 99, Subchapter III, U.S. Note 2(v)(xiii), HTSUS.

This holding only applies to the specific facts presented. 19 C.F.R. § 177.9(b)(1) provides that “[e]ach ruling letter is issued on the assumption that all of the information furnished in connection with the ruling request and incorporated in the ruling letter, either directly, by reference, or by implication, is accurate and complete in every material respect. The application of a ruling letter by [U.S. Customs and Border Protection (“CBP”)] field office to the transaction to which it is purported to relate is subject to the verification of the facts incorporated in the ruling letter, a comparison of the transaction described therein to the actual transaction, and the satisfaction of any conditions on which the ruling was based.”

If it is subsequently determined that the information furnished is not complete and does not comply with 19 C.F.R. § 177.9(b)(1), the ruling will be subject to modification or revocation. If there is any change in the facts submitted to CBP, it is recommended that a new ruling request be submitted in accordance with 19 C.F.R. § 177.2.

A copy of this ruling letter should be attached to the entry documents filed at the time this merchandise is entered. If the documents have been filed without a copy, this ruling should be brought to the attention of the CBP officer handling the transaction.

Sincerely,

for Monika R. Brenner, Chief
Valuation and Special Programs Branch