

SOFTWOOD LUMBER EXPORTS TO THE UNITED STATES - PERMIT REQUIREMENTS

Annex 1

Scope and Coverage of the Agreement U.S. Explanatory Notes for Wood Products of Headings 44.07 and 44.09, Chapter 44

1. The products covered by the SLA 2006 are softwood lumber, flooring and siding ("Softwood Lumber Products"). Softwood Lumber Products include all products classified under subheadings 4407.1000, 4409.1010, 4409.1020, and 4409.1090, respectively, of the HTSUS, and any softwood lumber, flooring, and siding described below. These Softwood Lumber Products include:

- (a) coniferous wood, sawn or chipped lengthwise, sliced or peeled, whether or not planed, sanded or finger-jointed, of a thickness exceeding 6 millimeters;
- (b) coniferous wood siding (including strips and friezes for parquet flooring, not assembled) continuously shaped (tongued, grooved, rabbeted, chamfered, v-jointed, beaded, molded, rounded, or the like) along any of its edges or faces, whether or not planed, sanded, or finger-jointed;
- (c) other coniferous wood (including strips and friezes for parquet flooring, not assembled) continuously shaped (tongued, grooved, rabbeted, chamfered, v-jointed, beaded, molded, rounded, or the like) along any of its edges or faces (other than wood moldings and wood dowel rods) whether or not planed, sanded, or finger-jointed;
- (d) coniferous wood flooring (including strips and friezes for parquet flooring, not assembled) continuously shaped (tongued, grooved, rabbeted, chamfered, v-jointed, beaded, molded, rounded, or the like) along any of its edges or faces, whether or not planed, sanded, or finger-jointed; and
- (e) coniferous drilled and notched lumber and angle cut lumber.

Other merchandise that shall be included in the definition of Softwood Lumber Products are:

- (f) any product entering under HTSUS 4409.10.05 which is continually shaped along its end and/or side edges which otherwise conforms to the written definition of the scope; and
- (g) lumber products that USCBP may classify as stringers, radius cut box-spring-frame components, and fence pickets, not conforming to the criteria listed in paragraph 4 below, as well as truss components, pallet components, and door and window frame parts, which may be classified under HTSUS subheadings 4418.90.45.90, 4421.90.70.40, and 4421.90.97.40.

2. Although the HTSUS subheadings are provided for convenience and USCBP purposes, the written description of the merchandise subject to the SLA 2006 is dispositive.

3. The following Softwood Lumber Products are excluded from the scope of the SLA 2006:

- (a) trusses and truss kits, properly classified under HTSUS 4418.90;

- (b) I-Joist beams;
- (c) assembled box spring frames;
- (d) pallets and pallet kits, properly classified under HTSUS 4415.20;
- (e) garage doors;
- (f) edge-glued wood, properly classified under HTSUS 4421.90.97.40;
- (g) properly classified complete door frames;
- (h) properly classified complete window frames;
- (i) properly classified furniture;
- (j) articles brought into the United States temporarily and claimed to be exempt from duty under Chapter 98, Subchapter XIII, of the HTSUS (TIB); and
- (k) household and personal effects.

4. The following Softwood Lumber Products are excluded from the scope of the SLA 2006 provided that they meet the specified requirements detailed below:

- (a) stringers (pallet components used for runners); if they have at least two notches on the side, positioned at equal distance from the center, to properly accommodate forklift blades, properly classified under HTSUS 4421.90.97.40;
- (b) box-spring frame kits, if they contain the following wooden pieces – two side rails; two end (or top) rails; and varying numbers of slats. The side rails and the end rails should be radius-cut at both ends. The kits should be individually packaged, and should contain the exact number of wooden components needed to make a particular box spring frame, with no further processing required. None of the components exceeds 1 inch in actual thickness or 83 inches in length;
- (c) radius-cut box-spring-frame components, not exceeding 1 inch in actual thickness or 83 inches in length, ready for assembly without further processing. The radius cuts must be present on both ends of the boards and must be substantial cuts so as to completely round one corner;
- (d) fence pickets requiring no further processing and properly classified under HTSUS 4421.90.70, 1 inch or less in actual thickness, up to 8 inches wide, and 6 feet or less in length, and having finials or decorative cuttings that clearly identify them as fence pickets. In the case of dog-eared fence pickets, the corners of the boards should be cut off so as to remove pieces of wood in the shape of isosceles right angle triangles with sides measuring 3/4 of an inch or more;
- (e) U.S.-origin lumber shipped to Canada for minor processing and imported into the United States, is excluded from the scope of the SLA 2006 if the following conditions are met: (1) if the processing occurring in Canada is limited to kiln drying, planing to create smooth-to-size board, and sanding, and (2) if the importer establishes to the satisfaction of USCBP that the lumber is of U.S. origin; and

- (f) in addition, all Softwood Lumber Products entered claiming non-subject status based on U.S. country of origin shall be treated as excluded under the SLA 2006, provided that these Softwood Lumber Products meet the following condition: upon entry, the importer, exporter, Canadian processor and/or original U.S. producer establish to USCBP's satisfaction that the softwood lumber entered and documented as U.S.-origin softwood lumber was first manufactured in the United States as a lumber product satisfying the physical parameters of the softwood lumber scope.

5. Softwood Lumber Products contained in single family home packages or kits, regardless of tariff classification, are excluded from the scope of the SLA 2006 if the importer certifies to items (a), (b), (c), and (d) and requirement (e) is met:

- (a) the imported home package or kit constitutes a full package of the number of wooden pieces specified in the plan, design or blueprint necessary to produce a home of at least 700 square feet produced to a specified plan, design or blueprint;
- (b) the package or kit must contain all necessary internal and external doors and windows, nails, screws, glue, sub floor, sheathing, beams, posts, connectors, and if included in the purchase contract, decking, trim, drywall and roof shingles specified in the plan, design or blueprint;
- (c) prior to importation, the package or kit must be sold to a retailer in the United States of complete home packages or kits pursuant to a valid purchase contract referencing the particular home design plan or blueprint, and signed by a customer not affiliated with the importer;
- (d) Softwood Lumber Products entered as part of a single family home package or kit, whether in a single entry or multiple entries on multiple days, will be used solely for the construction of the single family home specified by the home design matching the USCBP import entry; and
- (e) for each entry into the United States, the following documentation must be retained by the importer and made available to USCBP upon request:
 - (i) a copy of the appropriate home design plan, or blueprint matching the customs entry in the United States,
 - (ii) a purchase contract from a retailer of home kits or packages signed by a customer not affiliated with the importer,
 - (iii) a listing of inventory of all parts of the package or kit being entered into the United States that conforms to the home design package being imported, and
 - (iv) in the case of multiple shipments on the same contract, all items listed in (iii) which are included in the shipment at issue shall be identified as well.