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EXPRESS INDUSTRY APPLAUDS HIGHER DE MINIMIS BILL

Washington, DC, March 9, 2013 – The Express Association of America strongly supports H.R. 1020, the bill introduced this week by Representative Aaron Schock, to raise the de minimis value, the level at which shipments entering the United States are free from tariffs, taxes or formal customs procedures. “We would like to thank Representative Schock for reintroducing his bill on de minimis and continuing his leadership on this important issue in the House,” said Mike Mullen, Executive Director of the Express Association of America. “By aligning the House bill with the measure introduced simultaneously by Senator Thune and Senator Wyden this week, Representative Schock has created a bipartisan and bicameral foundation for a higher de minimis level to be passed this year. The trade facilitation benefits of this bill will fall particularly to small and medium U.S. enterprises as well as individual consumers, will spur the growth of business across a range of industries, and will create jobs,” he added. The Express Association of America includes the major express delivery companies: DHL, FedEx, TNT and UPS.

The U.S. de minimis level has been stagnant at \$200 for 20 years. Representative Schock is proposing an increase to \$800, the amount a U.S. citizen can bring home from a trip overseas without paying duties or going through a formal entry process. The similar bill introduced by Representative Schock during the last session gained the support of 144 bipartisan co-sponsors. The bill also will strengthen the U.S. position in trade negotiations, as it includes a “Sense of Congress” measure urging the U.S. Trade Representative to encourage other countries to raise their de minimis levels to more commercially meaningful levels, which will provide improved trade facilitation for U.S. exports.

In addition to promoting faster border clearance for low value shipments, a higher de minimis level will benefit the government as customs officers will be able to focus enforcement efforts on higher risks such as product safety and protecting intellectual property. These time savings are particularly important currently because sequestration is reducing working hours for front line customs officers. The higher level would also benefit lower-capacity small businesses by reducing the burden associated with importing low-value supplies and international retail returns. Furthermore, the legislation has no impact on the security of shipments entering the U.S., as all shipments undergo a security review regardless of value.

In addition to the benefits for traders, consumers and the government, eliminating document preparation, processing, and storage requirements for millions of shipments will allow companies and individuals to have lower costs and the environment to benefit from a significant reduction in paper consumption and energy use.

For additional information or to answer any questions, please contact Mike Mullen at michael.mullen@expressamerica.org or 703 759-2672.