

**DEPARTMENT OF HOMELAND SECURITY  
U.S. Customs and Border Protection**

**USCBP-2007-0083**

**WITHDRAWAL OF NOTICE OF PROPOSED INTERPRETATION OF THE  
EXPRESSION “SOLD FOR EXPORTATION TO THE UNITED STATES”  
AS USED IN THE TRANSACTION VALUE METHOD OF VALUATION IN A  
SERIES OF SALES IMPORTATION SCENARIO**

**AGENCY:** Customs and Border Protection; Department of Homeland Security.

**ACTION:** Withdrawal of proposed interpretation.

**SUMMARY:** This document withdraws a notice published in the **Federal Register** on January 24, 2008, which proposed a new interpretation of the phrase “sold for exportation to the United States” for purposes of applying the transaction value method of valuation in a series of sales importation scenario.

**DATE:** The proposed interpretation is withdrawn on [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

**FOR FURTHER INFORMATION CONTACT:** Monika Brenner, Chief, Valuation & Special Programs Branch, Regulations and Rulings, Office of International Trade, (202) 325-0038.

**SUPPLEMENTAL INFORMATION:**

**Background**

On January 24, 2008, Customs and Border Protection (CBP) published in the **Federal Register** (73 FR 4254) a notice informing interested parties that CBP was proposing a new interpretation of the expression “sold for exportation to the United States” for purposes of applying the transaction value method of valuation in a series of

sales importation scenario. Under this proposed interpretation, in a transaction involving a series of sales, the price actually paid or payable for the imported goods when sold for exportation to the United States would be the price paid in the last sale occurring prior to the introduction of the goods into the United States, instead of the first (or earlier) sale. Accordingly, the transaction value would typically be determined on the basis of the price paid by the buyer in the United States.

### **Intervening Legislation and Implementing Regulations**

After CBP published its proposed interpretation document, Congress enacted the Food, Conservation and Energy Act of 2008 (Public Law 110-246, 122 Stat. 1651 (June 18, 2008)) (“the Act”), in which section 15422 required the Commissioner of CBP to collect information from importers for a one-year period as to whether the declared value was based on a “first sale” in a series of sales transactions. CBP was required to report the data to the International Trade Commission (ITC) on a monthly basis and, in turn, the ITC was required to submit a report to Congress within 90 days of receiving CBP’s final report.

Congress also stated in the Act that, prior to January 1, 2011, CBP should not implement any change to its existing interpretation of the expression “sold for exportation to the United States” for purposes of applying the transaction value method of valuation in a series of sales importation scenario and, then, only in accordance with the prescribed terms set forth in the Act.

An interim rule implementing the Act's first sale declaration requirement was published in the **Federal Register** (73 FR 49939) on August 25, 2008 setting forth in § 141.61(g) of title 19 of the Code of Federal Regulations (19 CFR 141.61(g)) that for a specified time period importers were required to declare, at the time of entry, whether the transaction value of the imported merchandise was determined on the basis of the price paid by the buyer in the first or earlier sale occurring prior to introduction of the merchandise into the United States. Per the statute and the interim regulations, this requirement set forth in § 141.61(g) expired on August 19, 2009.

In the interim rule document published on August 25, 2008, CBP informed the public that the agency intended to withdraw the proposed interpretation.

#### **Withdrawal of Proposal**

In accordance with its intent as stated in the interim rule, CBP withdraws the notice of proposed interpretation published in the **Federal Register** (73 FR 4254) on January 24, 2008.

Dated: September 24, 2010

Alan Bersin

Commissioner  
U.S. Customs and Border Protection

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