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# The U.S.-China Trade Dispute

**Update**  
June 2018

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[www.TrumpandTrade.com](http://www.TrumpandTrade.com)



# Timeline of the U.S.-China Trade Dispute

April 2, 2018



**China imposes tariffs on U.S. imports worth \$3 billion** in direct response to the U.S. tariffs on steel and aluminum

April 3, 2018



**U.S. proposes tariffs on \$50 billion in Chinese goods,** targeting electronic products

April 4, 2018



**China proposes imposing tariffs on \$50 billion in U.S. goods,** including soybeans, cars and chemicals

April 6, 2018



**After Trump calls for a new wave of tariffs targeting \$100 billion of Chinese goods,** the USTR publishes a proposed list of 1,333 products to target



May 20, 2018

**U.S. and China reportedly reach an agreement** and put the tariffs on hold while they work out the details

June 15, 2018



**Trump acts on his April threat and imposes tariffs on \$50 billion of Chinese goods:** duties on \$34 billion of goods will take effect on July 6, while those on a separate list of products worth \$16 billion will apply at a later date

June 15, 2018



**China retaliates with tariffs on \$50 billion of U.S. goods,** targeting U.S. agricultural products and manufactured goods

June 18, 2018



**Trump escalates the dispute by threatening to impose tariffs on an additional \$200 billion of Chinese goods** if China continues to fight back

## Previous actions

August 2017

January 2018

March 9, 2018

March 22, 2018

**USTR launches a Section 301 investigation** into the Chinese government due to the growing trade deficit with China and complaints from U.S. companies about IP theft

The U.S. announces a 30% tariff on imported solar panels and taxes on large residential washing machines starting at 30%. The U.S. relies heavily on imports of both from China

**Trump imposes tariffs** of 25% on steel imports and 10% on aluminum imports from all nations, including China; the tariffs go into effect on March 23

The Section 301 investigation finds that China is engaging in discriminatory trade practices related to technology transfer, intellectual property and innovation



# The Section 301 U.S. Tariffs Announced on June 15 Will Target 1,102 Chinese Product Lines Valued at \$50 Billion

U.S. tariffs will apply to \$34 billion of Chinese products beginning on July 6



**Automobiles**

**25%**



**Industrial machinery**

**25%**



**Electronic equipment**

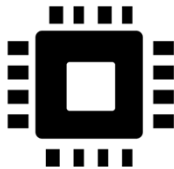
**25%**



**Medical devices**

**25%**

The U.S. plans to implement tariffs on an additional \$16 billion of Chinese goods at a later date



**Semiconductors**



**Robotics**



**Plastics**

Sources: "USTR Issues Tariffs on Chinese Products in Response to Unfair Trade Practices," USTR, June 15, 2018; Bob Davis, "China Issues Retaliatory Tariffs as Trade Fight heats Up," The Wall Street Journal, June 15, 2018.; US business leaders warn on impact of Trump tariffs," Financial Times, June 18, 2018.



# China Has Retaliated Against the Section 301 Tariffs, With Duties On \$50 Billion of U.S. Goods

Tariffs from China would affect about \$34 billion of U.S. products beginning on July 6



**Soybeans**

**25%**



**Meat**

**25%**



**Seafood**

**25%**



**Electric vehicles**

**25%**

China plans to implement tariffs on an additional \$16 billion of U.S. goods at a later date



**Crude oil**



**Coal**



**Chemicals**



**Medical devices**

Sources: "USTR Issues Tariffs on Chinese Products in Response to Unfair Trade Practices," USTR, June 15, 2018; Bob Davis, "China Issues Retaliatory Tariffs as Trade Fight heats Up," The Wall Street Journal, June 15, 2018.; US business leaders warn on impact of Trump tariffs," Financial Times, June 18, 2018.



## Round 2 of Section 301 Tariffs Against China

- **June 15, 2018** – USTR announces modified list of products covered under HTSUS codes and imported from China that will be subject to an additional ad valorem duty of 25% beginning on July 6, 2018.
- USTR also releases a second list of additional HTSUS codes for products from China for possible tariff action totaling approximately \$16 billion.
  - **July 23, 2018** – due date for submission of written comments in support of or against the proposed additional duties on the products identified by USTR.
  - **July 24, 2018** – USTR holds public hearing to consider these additional products for tariffs.
  - **July 31, 2018** – due date for submission of any post-hearing rebuttal comments.



# Our Trump and Trade Team



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