

118TH CONGRESS
2D SESSION

S. 3868

To impose a duty of \$20,000 per motor vehicle produced in or by the
People's Republic of China.

IN THE SENATE OF THE UNITED STATES

MARCH 5, 2024

Mr. RUBIO introduced the following bill; which was read twice and referred
to the Committee on Finance

A BILL

To impose a duty of \$20,000 per motor vehicle produced
in or by the People's Republic of China.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Strengthening Tariffs
5 on Chinese Autos Act of 2024”.

6 **SEC. 2. DUTIES ON MOTOR VEHICLES PRODUCED IN OR BY**
7 **THE PEOPLE’S REPUBLIC OF CHINA.**

8 (a) IN GENERAL.—Notwithstanding any other provi-
9 sion of law, there shall be imposed with respect to each

1 covered article imported into the United States a duty of
 2 \$20,000, subject to adjustment under subsection (b).

3 (b) ADJUSTMENT OF DUTY FOR INFLATION.—

4 (1) IN GENERAL.—The Secretary of the Treas-
 5 ury shall adjust the amount of the duty provided for
 6 under subsection (a) on October 1, 2025, and at the
 7 beginning of each fiscal year thereafter, to reflect
 8 the percentage (if any) of the increase in the average
 9 of the Consumer Price Index for the preceding 12-
 10 month period compared to the Consumer Price
 11 Index for fiscal year 2024.

12 (2) SPECIAL RULES FOR CALCULATION OF AD-
 13 JUSTMENT.—In adjusting under paragraph (1) the
 14 amount of the duty provided for under subsection
 15 (a), the Secretary—

16 (A) shall round the amount of any increase
 17 in the Consumer Price Index to the nearest dol-
 18 lar; and

19 (B) may ignore any such increase of less
 20 than 1 percent.

21 (c) DEFINITIONS.—In this section:

22 (1) CONSUMER PRICE INDEX.—The term “Con-
 23 sumer Price Index” means the Consumer Price
 24 Index for All Urban Consumers published by the

1 Bureau of Labor Statistics of the Department of
2 Labor.

3 (2) CONTROL.—The term “control” has the
4 meaning given that term in section 800.208 of title
5 31, Code of Federal Regulations (as in effect on the
6 date of the enactment of this Act).

7 (3) COVERED ARTICLE.—The term “covered ar-
8 ticle” means an article—

9 (A) classified under chapter 8703 of the
10 Harmonized Tariff Schedule of the United
11 States; and

12 (B) produced or manufactured, or that un-
13 derwent final assembly—

14 (i) in the People’s Republic of China;

15 or

16 (ii) by a person of the People’s Re-
17 public of China.

18 (4) ENTITY OWNED, CONTROLLED, DIRECTED,
19 OR OPERATED BY A PERSON OF THE PEOPLE’S RE-
20 PUBLIC OF CHINA.—The term “entity owned, con-
21 trolled, directed, or operated by a person of the Peo-
22 ple’s Republic of China” includes any entity for
23 which, on any date during the most recent 12-month
24 period, not less than 25 percent of the equity inter-
25 ests in such entity are held directly or indirectly by

1 1 or more persons of the People’s Republic of China,
 2 including through—

3 (A) interests in co-investment vehicles,
 4 joint ventures, or similar arrangements; or

5 (B) a derivative financial instrument or
 6 contractual arrangement between the entity and
 7 a person of the People’s Republic of China, in-
 8 cluding any such instrument or contract that
 9 seeks to replicate any financial return with re-
 10 spect to such entity or interest in such entity.

11 (5) PERSON OF THE PEOPLE’S REPUBLIC OF
 12 CHINA.—The term “person of the People’s Republic
 13 of China” means—

14 (A) the Government of the People’s Repub-
 15 lic of China;

16 (B) any agency, instrumentality, official,
 17 or agent of that Government;

18 (C) any entity the headquarters of which
 19 are located in the People’s Republic of China;

20 (D) any entity organized under the laws of
 21 the People’s Republic of China;

22 (E) any entity substantively involved in the
 23 industrial policies or military-civil fusion strat-
 24 egy of the People’s Republic of China, including
 25 by accepting funding from, performing a service

1 for, or receiving a subsidy from the People's
2 Republic of China related to such policies or
3 strategy; or

4 (F) any entity owned, controlled, directed,
5 or operated by an entity described in any of
6 subparagraphs (A) through (E).

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