

118TH CONGRESS
2D SESSION

H. R. 8059

To eliminate the incentive to distribute e-commerce shipments from foreign countries by providing parity to United States foreign-trade zones, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 17, 2024

Mr. WENSTRUP (for himself, Mr. CORREA, Mrs. MILLER of West Virginia, Mr. GALLEGRO, Mr. FITZPATRICK, and Mr. CAREY) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To eliminate the incentive to distribute e-commerce shipments from foreign countries by providing parity to United States foreign-trade zones, and for other purposes.

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 “U.S. Foreign Trade
5 Zone Parity Act of 2024”.

1 **SEC. 2. CUSTOMS ENTRY PROCEDURES FOR ARTICLES**
2 **WITHDRAWN FROM A FOREIGN-TRADE ZONE.**

3 (a) IN GENERAL.—Section 321 of the Tariff Act of
4 1930 (19 U.S.C. 1321) is amended—

5 (1) in subsection (a)(2), in the matter pre-
6 ceding subparagraph (A)—

7 (A) by inserting “or withdrawal from a
8 foreign trade zone and subsequent entry for
9 consumption” after “by reason of importation”;

10 (B) by inserting “or in a foreign-trade
11 zone” after “in the country of shipment”;

12 (C) by inserting “, or if withdrawn from a
13 foreign-trade zone on one invoice or order for
14 one ultimate consignee on one day,” after “one
15 person on one day”; and

16 (D) by striking “subdivision (2)” each
17 place it appears and inserting “paragraph (2)”;
18 and

19 (2) by adding at the end the following:

20 “(c) In this section, the term ‘foreign-trade zone’
21 means a zone established pursuant to the Act of June 18,
22 1934 (commonly known as the ‘Foreign-Trade Zones Act’)
23 (19 U.S.C. 81a et seq.).”.

24 (b) EFFECTIVE DATE.—The amendments made by
25 subsection (a) shall take effect on the date of the enact-
26 ment of this Act and apply with respect to articles entered

1 on or after the 30th day after the date on which final
2 regulations to implement this Act and the amendments
3 made by this Act take effect in accordance with section
4 4(b).

5 **SEC. 3. TREATMENT OF E-COMMERCE UNDER FOREIGN-**
6 **TRADE ZONES ACT.**

7 (a) IN GENERAL.—Section 15(d) of the Act of June
8 18, 1934 (commonly known as the “Foreign-Trade Zones
9 Act”) (19 U.S.C. 81o(d)) is amended—

10 (1) by inserting “(1)” after “(d)”; and

11 (2) by adding at the end the following:

12 “(2)(A) In this subsection, the term ‘retail trade’
13 does not include any electronic commerce transaction in
14 which articles with a fair retail value in the country of
15 shipment or in a foreign-trade zone of less than the
16 amount specified in section 321(a)(2)(C) of the Tariff Act
17 of 1930 (19 U.S.C. 1321(a)(2)(C)) are withdrawn from
18 a zone.

19 “(B) For purposes of subparagraph (A), the term
20 ‘electronic commerce’ means the production, distribution,
21 marketing, sale, or delivery of goods and services by elec-
22 tronic means.”.

23 (b) EFFECTIVE DATE.—The amendments made by
24 subsection (a) shall take effect on the date on which the
25 final regulations to implement this Act and the amend-

1 ments made by this Act take effect in accordance with sec-
 2 tion 4(b).

3 **SEC. 4. PROPOSED AND FINAL REGULATIONS.**

4 (a) PROPOSED REGULATIONS.—

5 (1) IN GENERAL.—Not later than 120 days
 6 after the date of the enactment of this Act, the Sec-
 7 retary of the Treasury, in coordination with the Sec-
 8 retary of Homeland Security and the Secretary of
 9 Commerce, shall prescribe proposed regulations to
 10 implement this Act and the amendments made by
 11 this Act in accordance with the requirements de-
 12 scribed in this section.

13 (2) MATTERS TO BE INCLUDED.—The regula-
 14 tions described in paragraph (1) shall, at min-
 15 imum—

16 (A) use a distinct valuation method under
 17 section 146.65(b)(2) of title 19, Code of Fed-
 18 eral Regulations, for calculation of dutiable
 19 value of entries made under section 321(a)(2)
 20 of the Tariff Act of 1930 (19 U.S.C.
 21 1321(a)(2)), as amended by section 2(a)(1),
 22 from the foreign trade zone; and

23 (B) require such calculation of dutiable
 24 value to be based on the transaction value at

1 the time of withdrawal from the foreign trade
2 zone.

3 (3) REQUIREMENTS.—The Secretary of the
4 Treasury, in coordination with the Secretary of
5 Homeland Security and the Secretary of Commerce,
6 shall—

7 (A) publish the proposed regulations de-
8 scribed in paragraph (1) in the Federal Reg-
9 ister and provide for a 60-day period for public
10 review and comment on such regulations; and

11 (B) not later than 90 days after the expi-
12 ration of the 60-day period described in sub-
13 paragraph (A), submit the proposed regulations
14 to Congress for review and consultation by Con-
15 gress on such regulations.

16 (b) FINAL REGULATIONS.—Final regulations to im-
17 plement this Act and the amendments made by this Act
18 may take effect only if a period of not less than 60 days,
19 beginning on the first day on which the requirements de-
20 scribed in subparagraphs (A) and (B) of subsection (a)(3)
21 have been met, has expired.

22 **SEC. 5. RULE OF CONSTRUCTION.**

23 Nothing in Act or the amendments made by this Act
24 may be construed to affect the administration of section
25 484(i) of the Tariff Act of 1930 (19 U.S.C. 1484(i)) or

1 section 15(d) of the Act of June 18, 1934 (commonly
2 known as the “Foreign-Trade Zones Act”) (19 U.S.C.
3 81o(d)).

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