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''XD'' designates softwood lumber products whose Region of Origin is British Columbia Coast. The letter code ''XE'' designates softwood lumber products whose Region of Origin is British Columbia Interior.)

(2) *Export Permit Number*—(i) *Export Permit Number issued by Canada at time of filing entry summary documentation.* The 8-digit Canadian-issued Export Permit Number, preceded by one of the following letter codes:

(A) The letter code assigned to represent the date of shipment (*i.e.*, ''A'' represents January, ''B'' represents February, ''C'' represents March, *etc.*), except for those softwood lumber products produced by a company listed in Annex 10 of the SLA 2006 or whose Region of Origin is the Maritimes, Yukon, Northwest Territories or Nunavut;

(B) The letter code ''X'', which designates a company listed in Annex 10 of the SLA 2006; or

(C) The letter code assigned to represent the Maritimes (code M); Yukon (code Y); Northwest Territories (code W); or Nunavut (code N), for softwood lumber products originating in these regions.

(ii) *No Export Permit Number required due to softwood lumber product's exempt status.* Where an Export Permit Number is not required because the imported softwood lumber product is specifically identified as exempt from SLA 2006 export measures pursuant to Annex 1A of the Agreement, notwithstanding the fact that the exempt goods are classifiable in residual Harmonized Tariff Schedule of the United States provisions otherwise listed as covered by the SLA 2006, the alpha-numeric code ''P88888888'' must be used in the Export Permit Number data entry field on the CBP Form 7501, or its electronic equivalent.

(c) *Original Maritime Certificate of Origin.* Where a softwood lumber product's Region of Origin is the Maritimes, the original paper copy of the Certificate of Origin issued by the Maritime Lumber Bureau must be submitted to CBP and the entry summary documentation for each such entry must be in paper and not electronic. The Certificate of Origin must specifically state that the corresponding CBP entries are for softwood lumber products first produced in the Maritimes from logs originating in the Maritimes or State of Maine.

(d) *Recordkeeping.* Importers must retain copies of export permits, certificates of origin, and any other substantiating documentation issued by the Canadian Government pursuant to the recordkeeping requirements set forth in part 163 of title 19 to the CFR.

[CBP Dec. 08–10, 73 FR 20784, Apr. 17, 2008, as amended by CBP Dec. 15–14, 80 FR 61285, Oct. 13, 2015]

§ 12.142 Entry of softwood lumber and softwood lumber products from any country into the United States.

(a) *In general.* This section, pursuant to the ''Softwood Lumber Act of 2008'' (''the Act'') (Title VIII of the Tariff Act of 1930, as amended (19 U.S.C. 1202 *et seq.*)), prescribes entry requirements applicable to certain imports of softwood lumber and softwood lumber products exported from any country into the United States.

(b) *Softwood lumber products covered.* The softwood lumber and softwood lumber products covered by this section are those products described in section 804(a) of Title VIII of the Tariff Act of 1930, as amended (19 U.S.C. 1202 *et seq.*).

(c) *Entry requirements for shipments subject to the importer declaration program.* For each shipment of softwood lumber or softwood lumber products described in section 804(a) of Title VIII to the Tariff Act of 1930, as amended, (19 U.S.C. 1202 *et seq.*) that is entered or withdrawn from warehouse for consumption, in the customs territory of the United States, the following information must be electronically submitted to CBP (except that, pursuant to 19 CFR 12.140(c), entries of softwood lumber and softwood lumber products for which a Certificate of Origin has been issued from Canada's Maritime Lumber Bureau must be submitted to CBP in paper):

(1) *Export price.* Each importer must provide the export price, expressed in U.S. dollars, on the entry summary in the designated space provided on the CBP Form 7501, or its electronic equivalent.

(i) For purposes of this section, ''export price'' means one of the following:

(A) In the case of softwood lumber or a softwood lumber product that has undergone only primary processing, the value that would be determined F.O.B. at the facility where the product underwent the last primary processing before export.

(B) In the case of softwood lumber or a softwood lumber product that underwent the last remanufacturing before export by a manufacturer who does not hold tenure rights provided by the country of export, did not acquire standing timber directly from the country of export, and is not related to the person who holds tenure rights or acquired standing timber directly from the country of export, the value that would be determined F.O.B. at the facility where the softwood lumber or softwood lumber product underwent the last primary processing.

(C) In the case of softwood lumber or a softwood lumber product that underwent the last remanufacturing before export by a manufacturer who holds tenure rights provided by the country of export, acquired standing timber directly from the country of export, or is related to the person who holds tenure rights or acquired standing timber directly from the country of export, the value that would be determined F.O.B. at the facility where the softwood lumber or softwood lumber product underwent the last processing before export.

(D) In the case of softwood lumber or a softwood lumber product described in paragraphs (c)(1)(i)(A), (B) or (C) of this section for which an F.O.B. value cannot be determined, the export price will be the market price for the identical softwood lumber or softwood lumber product sold in an arm's-length transaction in the country of export at approximately the same time as the exported softwood lumber or softwood lumber product. The market price will be determined in the following order of preference:

(*1*) The market price for the softwood lumber or softwood lumber product sold at substantially the same level of trade (as described in 19 CFR 351.412(c)) as the exported softwood lumber or softwood lumber product but in different quantities.

(*2*) The market price for the softwood lumber or softwood lumber product sold at a different level of trade (as defined in 19 CFR 351.412(c)) than the exported softwood lumber or softwood lumber product but in similar quantities.

(*3*) The market price for the softwood lumber or softwood lumber product sold at a different level of trade (as defined in 19 CFR 351.412(c)) than the exported softwood lumber or softwood lumber product and in different quantities.

(ii) For purposes of paragraph (c)(1) of this section, the following definitions apply:

(A) *F.O.B.* The term ''F.O.B.'' means a value consisting of all charges payable by a purchaser, including those charges incurred in the placement of merchandise on board of a conveyance for shipment, but does not include the actual shipping charges or any applicable export charges.

(B) *Related to the person.* The term ''related to the person'' means:

(*1*) A person bears a relationship to such other person described in section 152(a) of the Internal Revenue Code of 1986;

(*2*) A person bears a relationship to such person described in section 267(b) of the Internal Revenue Code of 1986, except that ''5 percent'' will be substituted for ''50 percent'' each place it appears;

(*3*) The person and such other person are part of a controlled group of corporations, as that term is defined in section 1563(a) of the Internal Revenue Code of 1986, except that ''5 percent'' will be substituted for ''80 percent'' each place it appears;

(*4*) The person is an officer or director of such other person; or

(*5*) The person is the employer of such other person.

(C) *Tenure rights.* The term ''tenure rights'' means rights to harvest timber from public land granted by the country of export.

(2) *Estimated export charge.* (i) Each importer must provide the estimated export charge, if any, to be collected by the country (including any political subdivision of the country) from which the softwood lumber or softwood lumber product was exported pursuant to an international agreement entered into by that country and the United

States as calculated by applying the percentage determined and published by the Under Secretary for International Trade of the Department of Commerce to the export price. Any applicable estimated export charge must be expressed in U.S. dollars and reported on the entry summary in the designated space.

(ii) For purposes of this paragraph, the terms ''estimated export charge'' or ''export charge'' mean any tax, charge, or other fee collected by the country from which softwood lumber or a softwood lumber product, as described in section 804(a) within Title VIII of the Tariff Act of 1930 (19 U.S.C. 1202 *et seq.*), as amended, is exported pursuant to an international agreement entered into by that country and the United States.

(3) *Importer declaration.* (i) Each importer, except as provided in paragraph (c)(3)(ii) of this section, must provide a softwood lumber declaration on the electronic entry summary by entering the letter code ''Y'' in the first space of the field designated for the estimated export charge data.

(ii) Each importer of softwood lumber and softwood lumber products for which a Certificate of Origin has been issued from Canada's Maritime Lumber Bureau must provide a softwood lumber declaration on the paper entry summary by entering the letter code ''Y'' in the first space of the field designated for the estimated export charge. *See* 19 CFR 12.140(c),

(iii) The letter code ''Y'' represents the importer's declaration to CBP that:

(A) The importer has made appropriate inquiry, including seeking appropriate documentation from the exporter and consulting the determinations published by the Under Secretary for International Trade of the Department of Commerce pursuant to section 805(b) of Title VIII of the Tariff Act of 1930, as amended (19 U.S.C. 1202 *et seq.*); and

(B) To the best of the person's knowledge and belief:

(*1*) The export price provided is determined in accordance with the definition set forth in section 802(5) of Title VIII of the Tariff Act of 1930, as amended (19 U.S.C. 1202 *et seq.*);

(*2*) The export price provided is consistent with the export price provided on the export permit, if any, granted by the country of export; and

(*3*) The exporter has paid, or committed to pay, all export charges due in accordance with the volume, export price, and export charge rate or rates, if any, as calculated under an international agreement entered into by the country of export and the United States and consistent with the export charge determinations published by the Under Secretary for International Trade of the Department of Commerce.

(iv) Any substantiating documentation that supports an importer's softwood lumber declaration is subject to the recordkeeping provisions set forth in part 163 of title 19 to the CFR.

(d) *Entry requirements for home packages and kits*—(1) *Declaration and required documentation.* Home packages and kits as described in section 804(c)(7)(A)(i) through (iv) of the Title VIII of the Tariff Act of 1930, as amended (19 U.S.C. 1202 *et seq.*) are not subject to the entry requirements set forth in paragraph (c) of this section. However, the importer is required to make a declaration pursuant to section 804(c)(7)(B) and is required to retain and produce upon demand by CBP, the following documentation:

(i) A copy of the appropriate home design, plan, or blueprint matching the customs entry in the United States.

(ii) A purchase contract from a retailer of home kits or packages signed by a customer not affiliated with the importer.

(iii) A listing of all parts in the package or kit being entered into the United States that conforms to the home design, plan, or blueprint for which such parts are being imported.

(iv) If a single contract involved multiple entries, an identification of all the items required to be listed under paragraph (d)(1)(iii) of this section that are included in each individual shipment.

(2) *Records and retention.* There is no requirement to present physical copies of the softwood lumber home packages and kits documentation to CBP at the

time of filing the entry summary; however copies must be maintained in accordance with the applicable recordkeeping provisions set forth in part 163 of title 19 to the CFR.

(e) *Other softwood lumber entry requirements.* Other entry requirements may be applicable to certain imports of softwood lumber or softwood lumber from Canada. Importers are advised to refer to §12.140 (19 CFR 12.140) of this chapter for information regarding applicability and entry requirements.

[CBP Dec. 08–32, 73 FR 49937, Aug. 25, 2008, as amended at CBP Dec. 10–27, 75 FR 52453, Aug. 26, 2010; CBP Dec. 15–14, 80 FR 61285, Oct. 13, 2015]

STEEL PRODUCTS

§ 12.145 Entry or admission of certain steel products.

In any case in which a steel import license number is required to be obtained under regulations promulgated by the U.S. Department of Commerce, that license number must be included:

(a) On the entry summary, Customs Form 7501, or on an electronic equivalent, at the time of filing, in the case of merchandise entered, or withdrawn from warehouse for consumption, in the customs territory of the United States; or

(b) On Customs Form 214, at the time of filing under part 146 of this chapter, in the case of merchandise admitted into a foreign trade zone.

[T.D. 03–13, 68 FR 13839, Mar. 21, 2003]

MERCHANDISE SUBJECT TO ECONOMIC SANCTIONS

§ 12.150 Merchandise prohibited by economic sanctions; detention; seizure or other disposition; blocked property.

(a) *Generally.* Merchandise from certain countries designated by the President as constituting a threat to the national security, foreign policy, or economy of the United States shall be detained until the question of its release, seizure, or other disposition has been determined under law and regulations issued by the Treasury Department's Office of Foreign Assets Control (OFAC) (31 CFR Chapter V).

(b) *Seizure.* When an unlicensed importation of merchandise subject to OFAC's regulations is determined to be prohibited, no entry for any purpose shall be permitted and, unless the immediate reexportation or other disposition of such merchandise under Customs supervision has previously been authorized by OFAC, the merchandise shall be seized.

(c) *Licenses.* OFAC's regulations may authorize OFAC to issue licenses on a case-by-case basis authorizing the importation of otherwise prohibited merchandise under certain conditions. If such a license is issued subsequent to the attempted entry and seizure of the merchandise, importation shall be conditioned upon the importer:

(1) Agreeing in writing to hold the Government harmless, and

(2) Paying any storage and other Customs fees, costs, or expenses, as well as any mitigated forfeiture amount or monetary penalty imposed or assessed by Customs or OFAC, or both.

(d) *Blocked property.* Merchandise which constitutes property in which the government or any national of certain designated countries has an interest may be blocked (frozen) pursuant to OFAC's regulations and may not be transferred, sold, or otherwise disposed of without an OFAC license.

(e) *Additional information.* For further information concerning importing merchandise prohibited under economic sanctions programs currently in effect, the Office of Foreign Assets Control of the Department of the Treasury should be contacted. The address of that office is 1500 Pennsylvania Ave., NW., Annex 2nd Floor, Washington, DC 20220.

[T.D. 96–42, 61 FR 24889, May 17, 1996]

§ 12.151 [Reserved]

§ 12.152 Prohibitions and conditions on the importation and exportation of rough diamonds.

(a) *General.* The Clean Diamond Trade Act (Pub. L. 108–19) requires the President, subject to certain waiver authorities, to prohibit the importation into, or exportation from, the United States, of any rough diamond, from whatever source, that has not been controlled through the Kimberley