



CBP finds duty evasion in wire hanger imports investigation

Recent CBP investigations found “substantial evidence” that Chinese-manufactured wire hangers have evaded U.S. antidumping duties by transshipping through Thailand.

CBP conducted an on-site visit of the Thai shipper and reviewed related trade data. This led the agency to determine that the U.S. importer had received the duty-evading Chinese-made wire hangers via Thailand.

Following this investigation, M&B Metal Products Co., the only U.S. producer of wire hangers, filed an additional eight duty evasion allegations involving the transshipment of wire hangers through Malaysia.

CBP issued a consolidated notice for the decision on interim measures in those investigations, finding a “reasonable suspicion” of antidumping duty evasion.

The combined wire hanger investigations resulted in CBP preventing evasion of over \$33 million dollars in unpaid antidumping duties annually.

<https://www.cbp.gov/newsroom/national-media-release/us-customs-and-border-protection-exercises-eapa-authority-launches>

Former president of tire company indicted for fraudulently avoiding nearly \$10 million in taxes

The former president of a Streetsboro, Ohio tire company and two others were named in a 51-count indictment for allegedly filing fraudulent paperwork to avoid paying nearly \$10 million in taxes and tariffs.

They are charged with conspiracy to defraud the United States of America, entry of goods by means of false statement and smuggling goods into the United States.

The company was in the business of importing tires from China, India, and other international suppliers. The company served as a middleman between the foreign supplier and domestic retailer, according to the indictment.

The Commerce Department’s antidumping duty Order established import duties on certain Chinese tires at a rate of up to 210 percent. But certain importers and manufacturers were given exemptions or lower tax rates.

From 2009 through 2013, the company submitted fraudulent and altered invoices to Customs and Border Protection to lower the duty they were required to pay for importing tires.

Specifically, they presented fraudulent invoices and physically altered invoices to make it appear the tires were being shipped from companies that had a lower duty rate, so the duty rate was lowered from 210 percent to 12.9 percent, according to the indictment.

By submitting approximately 176 false entry summaries, the U.S. was deprived of more than \$9.7 million in revenue, according to the indictment.

<https://www.justice.gov/usao-ndoh/pr/former-president-streetsboro-tire-company-indicted-fraudulently-avoiding-nearly-10>