

Korea FTA Summary

Provision	Korea (UKFTA)
GENERAL INFO & DATES	
Agreement Name	US-Korea Free Trade Agreement
Implementation Date	March 15, 2012
Expiration	None
Duty Phase-Out	January 1, 2026 (15 years), Annex 3-B
Merchandise Processing Fee (MPF)	Exempt for Originating Goods, 19 CFR 24.23(c)(12)
Imported Directly	May NOT leave customs' control nor undergo further production in a 3rd country; 19 CFR 10.1025, GN 33(c)(iii)
Primary Responsibility for Compliance	Importer
CITATIONS	
HTSUS General Note (GN)	GN 33
US Code	19 USC 3805 note
CFR	19 CFR 10.1001-1034 (Subpart R)
Marking Rules	19 CFR 134
Special Program Indicator	"KR"
Verification Authority	Article 6.18; 19 CFR 10.1026



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ORIGINATION, ETC.	
Rules of Origin Citations	GN 33(b); 19 CFR 10.1014
Rules of Origin	Wholly Obtained or Produced, Tariff Shift & / or Regional Value Content, or Wholly of Originating Materials
Tariff Shift Rule Citation	GN 33(o)
Tariff Shift Rules Updated to Comply with 2007 HTSUS	Yes, Pres. Proc. 9072
Tariff Shift Rules Updated to Comply with 2012 HTSUS	Yes, Pres. Proc. 9072
Chemical Reaction and Related Rules of Origin	HTS Ch 27-40; GN 33(n)(vii)-(viii)
Special Origination Rules	No
Drawback Restrictions	No
Repair & Alteration Provision	Duty Free per 19 CFR 10.1034, 9802.00.40/50
Documentation required in the importer's possession at the time of claim	No, freeform "Certification" with the elements in 19 CFR 10.1004 upon request by CBP



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VALUE	
Regional Value Content (RVC) Citations	19 CFR 10.1015; GN 33(g)
Regional Value Content (RVC) Calculation Methods	Build-Up, Build-Down; Net-Cost (limited); Indirect materials are disregarded when computing the value of originating materials in Build-Up
Special Regimen for Automotive Goods	Yes, automotive goods MAY use NC, BU or BD for RVC; 19 CFR 10.1015(d); GN 33(h)
De Minimis for Non-Textiles (most common threshold)	10% of the adjusted value (with exclusions); 19 CFR 10.1018; GN 33(e)
De Minimis and Sets for Non-Textiles	Value of the non-originating components may not exceed 15% of the AV of the set; GN 33(n)(iv); 19 CFR 10.1021
INVENTORY MANAGEMENT METHODS	
Fungible Goods & Materials	LIFO, FIFO, Average, other GAAP-recognized method; GN 33(j)
CLAIMS & DETERMINATIONS	
Post-Importation Claims	19 USC 1520(d); 19 CFR 10.1010 - 10.1012
Reconciliation Claims	Yes, 78 FR 27984, May 13, 2013
Determinations Communicated to Exporter	Yes, if correspondence with exporter
Pattern of Conduct Clause	Yes, 19 CFR 10.1029

