#### SUPPORTING STATEMENT PART A U. S. Department of Commerce Automobile Parts Tariff Offset OMB Control No. 0625-NEW

Justification (Questions and Responses)

**1.** Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

On March 26, 2025, the President issued Proclamation 10908 (90 FR 14705), "Adjusting Imports of Automobiles and Automobile Parts Into the United States," (Proclamation 10908) finding that imports of automobiles and certain automobile parts continue to threaten to impair the national security of the United States and imposing specified tariffs to adjust imports of automobiles and certain automobile parts so that such imports will not threaten to impair national security pursuant to Section 232 of the Trade Expansion Act of 1962 ("Section 232"). Section 232 authorizes the President to adjust the imports of an article and its derivatives that are being imported into the United States in such quantities or under such circumstances as to threaten to impair national security. Proclamation 10908 imposed a 25 percent tariff on certain imports of automobiles, effective April 3, 2025, and certain imports of automobile parts, effective May 3, 2025.

On April 29, 2025, the President issued Proclamation 10925 (90 FR 18899), which allowed for automobile manufactures assembling automobiles in the United States to apply for an import adjustment offset amount, which would offset certain tariff liability under Proclamation 10908 on imports of automobile parts. Proclamation 10925 required that within 30 days of the date of the order the Secretary of the Department of Commerce (Commerce) shall establish a process by which automobile manufacturers could submit documentation supporting eligibility and a claim for an import adjustment offset amount. A prepared notice announces procedures for administration of the import adjustment offset amount program, including application, documentation, and certification requirements, eligibility conditions, and coordination with U.S. Customs and Border Protection (CBP).

This notice establishes procedures for submission and review of such documentation by the Department of Commerce (Department), and the establishment of this notice has resulted in this new IC request.

2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

Proclamation 10925 provides that for automobiles assembled in the United States, automobile manufacturers shall be eligible to receive an import adjustment offset amount applicable to section 232 duties on automobile parts by reducing duties assessed on automobile parts accounting for 15 percent of the value of an automobile assembled in the United States for an initial period, and equivalent to 10 percent of that value for an additional year after that initial period closes. In the associated notice, Commerce is announcing a process for automobile manufacturers with final production in the United States to submit documentation to request an import adjustment offset amount that may only be used by importers of record authorized by that manufacturer, and the amount may only be used to offset tariff liability related to that manufacturer's automobile parts tariff liability under Proclamation 10908.

Manufacturers seeking an import adjustment offset amount must submit the following documentation for each period for which an import adjustment offset amount is sought (i.e., one documentation submission for the period of April 3, 2025 through April 30, 2026; and a separate documentation submission for the period of May 1, 2026 through April 30, 2027):

- 1. **Production Forecast:** The number of automobiles projected to be produced in the United States by make and model and the plant locations where the projected automobiles will undergo final production during each reporting period.
- 2. **MSRP:** The aggregate MSRP value of all automobiles assembled in the United States during each reporting period.
- 3. **Tariff Liability Estimate:** Projected automobiles and automobile parts tariff liability under Proclamation 10908, broken down by Proclamation 10908 tariff costs the manufacturer will incur directly and Proclamation 10908 tariff costs the manufacturer's suppliers will incur.
- 4. **Offset Calculation:** Requested total import adjustment offset amount for each reporting period, including details of how such amount was calculated.
- 5. **Importers of Record:** A list of authorized importers of record eligible to decrement against the manufacturer's import adjustment offset amount. This list must include the importer's Importer of Record number and the amount of the import adjustment offset amount allotted to each importer of record. Updates to this list may be submitted electronically to Commerce at autooffset@trade.gov. Commerce will inform CBP of list updates on December 1, 2025; June 1, 2026; and December 1, 2026. At its discretion, Commerce may update this list at other times during the program period.
- 6. **Certification:** A sworn statement from a senior officer of the manufacturer confirming that the submission is true, accurate, and complete to the best of the manufacturer's knowledge under penalty of perjury, and confirming that the manufacturer has conducted reasonable diligence to verify the accuracy of the assertions and facts contained in its submissions.

The collected information will be used by Commerce staff to facilitate the Secretary's review of the applications and to make a determination of eligibility for the tariff offset on their imported parts.

The collection is voluntary, and the frequency will be ongoing with manufacturers submitting an initial request and amendments to their request as needed. It's anticipated that Commerce will inform CBP of offset list updates twice annually for two years, with the first submission anticipated for 30 days after the release of the notice seeking applications. Additional lists of updates will be shared with CBP on December 1, 2025; June 1, 2026; and December 1, 2026.

3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also describe any consideration of using information technology to reduce burden.

Manufacturers may submit their applications electronically via e-mail to the address listed in the notice.

The response to this question should be consistent with the information provided in field 13(b)(1) of the OMB 83-I form.

4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.

There is no duplication of information within the DOC or another government entity. The information collected represents unique client information that is required by Commerce to efficiently and effectively perform the duties assigned to the Secretary by the President in Proclamation 10925.

### 5. If the collection of information impacts small businesses or other small entities (Item 5 of OMB Form 83-I), describe any methods used to minimize burden.

It is expected that all respondents will be major automobile manufacturers with operations in the United States. None of these companies are known to be small businesses.

6. Describe the consequence to Federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If approval is not granted for use of these documents, this will hinder Commerce's ability to fulfill the directives of the President in Proclamation 10925. Furthermore, the tariff offsets introduced in this Proclamation are intended to benefit U.S. automobile manufacturers by providing manufacturers flexibility to meet the Proclamation's goals, which include to "strengthen United States vehicle assembly operations by encouraging companies to expand domestic production capacity, which is critical to a strong domestic defense industrial base."

### 7. Explain any special circumstances that would cause an information collection to be conducted in a manner:

This collection will be conducted in a manner consistent with OMB guidelines.

8. If applicable, provide a copy and identify the date and page number of the publication in the Federal Register of the agency's notice, required by 5 CFR 1320.8 (d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

The OMB has waived the requirement that the DOC submit a PRA Federal Register Notice for the emergency approval of this information collection.

9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.

Not applicable. Respondents will not receive payments or gifts.

10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

All responses to this collection of information will be provided confidentiality to the extent allowed by law.

11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior or attitudes, religious beliefs, and other matters that are commonly considered private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

No questions of a sensitive nature are asked.

12. Provide estimates of the hour burden of the collection of information. Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated.

A) Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB Form 83-I.

## B) Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories.

It is expected that 30 respondents from the Private Sector will complete submissions to be considered for automobile parts tariff offset treatment in connection with the Proclamation 10925 of April 29, 2025, "Amendments to Adjusting Imports of Automobiles and Automobile Parts Into the United States." Those submissions are estimated to take each respondent 40 hours to complete, twice a year, resulting in total estimated respondent burden hours of 2,400.

Information Collection Instrument (i.e., Type of Response)	Type of Respondent / Occupational Title	Number of Respondents (a)	Number of Responses Per Respondent (b)	Total Number of Responses (c) = (a) x (b)		Total Burden Hours (e) = (c) x (d)
Automobile Parts Tariff Offset Submissions	Private Sector	30	2	60	40	2,400
Total						2,400

#### **Estimated Respondent Burden Hours**

13. Provide estimates of the total annual cost burden to respondents or record keepers resulting from the collection of information, (do not include the cost of any hour burden shown in items 12 and 14). The cost estimates should be split into two components: (a) a total capital and start-up cost component annualized over its expected useful life; and (b) a total operation and maintenance and purchase of services component.

	% of Clie nt			
Respondent	Рор	Median	Hourly	Weighted
Occupation Executive	27%	Salary	Rate	Avg. Rate \$13.55
International Business	2770	\$102,690.00	\$49.37	\$13.55
Development	25%	\$52,649.00	\$25.31	\$6.43
Sales	20%	\$24,809.00	\$11.93	\$2.39
Customer Service	9%	\$31,493.00	\$15.14	\$1.33
Government				
Relations	7%	\$79,168.00	\$38.06	\$2.60
Export Logistics	6%	\$50,612.00	\$24.33	\$1.43
Policy Director	3%	\$78,029.00	\$37.51	\$1.16
External Consultant/Legal Representative	1%	\$78,120.00	\$37.56	\$0.52
In-house Legal Counsel	1%	\$143,307.00	\$68.90	\$0.78
Other	8%	\$59,039.00	\$28.38	\$2.21
Weighted Avg. Hourly Rate				\$30.19
			x 2,400 hours	\$72,456

14. Provide estimates of annualized cost to the Federal government. Also, provide a description of the method used to estimate cost and any other expense that would not have been incurred without this collection of information.

It will take ITA staff approximately 4 hours to review and process each Tariff Preferential Treatment Submission. The total estimated cost would be approximately \$111,600 per year (60 submissions \* 3 staff at an average GS-14 salary (\$155/hr)<sup>1</sup> \* 4 hours each to review for each submission).

# 15. Explain the reasons for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-1.

This is a new information collection.

<sup>&</sup>lt;sup>1</sup> This value is based on GS 14 step five employees in the Washington, DC locality area in 2025, and the wage rate is adjusted upward by 100% to account for overhead and benefits.

16. For collections of information whose results are planned to be published, outline plans for tabulation and publication.

Not applicable.

17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

The agency plans to display the expiration date for OMB approval of the information collection on all

instruments.

18. Explain each exception to the certification statement identified in Item 19 "Certification for Paperwork Reduction Act."

#### **A. Certification Statement**

The agency is able to certify compliance with all provisions under Item 19 of OMB Form 83-I.