

**SUPPORTING STATEMENT PART A**  
**U. S. Department of Commerce**  
Parts Tariff Offset Program for Automobiles, MHDVs, and Engines  
**OMB Control No. 0625-0283**

**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 the national security of the United States so that such imports will not 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).

On June 13, 2025, the International Trade Administration published a Notice titled “Procedures To Administer Import Adjustment Offset Amounts for Certain Imports of Automobile Parts Under Proclamation 10908, as Amended” (90 FR 25027), which established procedures for automobile manufacturers to apply for and use the import adjustment offset amount established by Presidential Proclamation 10925 of April 29, 2025 (90 FR 18899), “Amendments to Adjusting Imports of Automobiles and Automobile Parts Into the United States” (Proclamation 10925) to incentivize domestic automobile production and reduce American reliance on imports of foreign automobiles and their parts.

Proclamation 10984 of October 17, 2025, “Adjusting Imports of Medium- and Heavy-Duty Vehicles, Medium- and Heavy-Duty Vehicle Parts, and Buses Into the United States,”

(Proclamation 10984) took similar action to address the threat imports of Medium- and Heavy-Duty Vehicles (MHDV) and Medium- and Heavy-Duty Vehicle Parts (MHDVPs) pose to the national security of the United States; that Proclamation also amended the offset rules established by Proclamation 10925.

Proclamation 10984 also allowed engine manufacturers assembling automobile engines and MHDV engines in the United States to apply for an import adjustment offset amount, which would offset certain tariff liability under Proclamations 10908 and 10984 on imports of engine parts. Proclamation 10984 required Commerce to establish an import adjustment offset process for automobile engine manufacturers and MHDV engine manufacturers equivalent to that provided for automobile manufacturers and MHDV manufacturers, with offsets accruals based on the aggregate value of automobile engine and MHDV engines assembled in the United States by the engine manufacturer, with the same accrual percentage rate and U.S. assembly restrictions as were provided in the Proclamation for automobile manufacturers and MHDV manufacturers.

On May 15, 2026, the International Trade Administration published a Notice titled “Amending the Procedures To Administer Import Adjustment Offset Amounts for Certain Imports of Automobile Parts Under Proclamation 10908 to Include Medium- and Heavy-Duty Vehicle Parts” (May 15 Notice), which established amended procedures for automobile and medium- and heavy-duty vehicle (MHDV) manufacturers to apply for and use the import adjustment offset amounts established by Presidential Proclamation 10925 of April 29, 2025, “Amendments to Adjusting Imports of Automobiles and Automobile Parts Into the United States”, and Presidential Proclamation 10984 of October 17, 2025, “Adjusting Imports of Medium- and Heavy-Duty Vehicles, Medium- and Heavy-Duty Vehicle Parts, and Buses Into the United States.” Procedures to allow domestic manufacturers of automobile engines and MHDV engines to claim import adjustment offsets for imports of parts in a manner consistent with those Proclamations have been established. The procedures exclude certain engine assembly operations determined to be limited production operations from being considered in the calculation of offsets.

Through this Offset Program automobile, MHDV, and engine manufacturers with final production in the United States have the opportunity to submit documentation to request an import adjustment offset amount for automobiles, MHDVs, and engine parts. The import adjustment offset 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, MHDV, and engine parts tariff liability under Proclamation 10908 or Proclamation 10984 and any future related Proclamations.

During the normal extension period, ICR 0625-0283 underwent multiple revisions driven by evolving Administration policy priorities and implementation requirements, often with limited lead time. These revisions expanded the existing Offset Program to include medium- and heavy-duty vehicles (MHDVs), MHDV parts, and engines. To avoid the need for multiple future emergency approvals for every collection within the same program scope, this renewal incorporates those revisions and updates the title of the information collection to comprehensively reflect all categories covered under the Offset Program.

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**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.**

Manufacturers seeking an import adjustment offset amount must submit the following documentation for each period for which an import adjustment offset amount is sought:

**1. Production Forecast:**

For automobile manufacturers: The number of automobiles ((i.e., passenger vehicles (sedans, sport utility vehicles, crossover utility vehicles, minivans, and cargo vans) and light trucks) projected to be produced in the United States by make and model and the plant locations where the projected automobile and automobile parts will undergo final production during each reporting period. Manufacturers of automobiles must report U.S. manufacturing activities for each model at each plant location, including the location where each part identified as super-core and listed in Column 1 of Table A.2 of the Appendix to Chapter 4 of the U.S.-Mexico-Canada Agreement (USMCA) is incorporated into the finished vehicle, and the country of origin for each part.

For MHDV manufacturers: The number of MHDVs projected to be produced in the United States by make and model and the plant locations where the projected MHDVs and MHDVPs will undergo final production during each reporting period. Manufacturers of MHDVs must provide a description of the U.S. manufacturing activities for each model at each plant location, and must report U.S. manufacturing activities for each model at each plant location, including the location where each part identified as super-core and listed in Column 1 of Table A.2 of the Appendix to Chapter 4 of the U.S.-Mexico-Canada Agreement (USMCA) is incorporated into the finished vehicle, and the country of origin for each part.

For MHDV and automobile engines: The number of completed engines projected to be produced in the United States by model and the plant locations where the projected engines will undergo final production during each reporting period. Engine manufacturers shall also describe the U.S. manufacturing activities for each model at each plant location.

**2. MSRP or Aggregate Value:**

1. For MHDVs: The aggregate value of all such MHDVs identified in the Production Forecast as eligible for an offset assembled in the United States during each reporting period. The aggregate value shall not include the cost (if purchased from a third party) or value (if manufactured by the MHDV producer) of the engine contained in the MHDV; manufacturers must calculate the aggregate value using whichever of the following three valuation methods they used in the ordinary course of trade prior to November 1, 2025: MSRP, Dealer Net Cost, or

Factory List Price. In calculating the cost of an engine purchased from a third party, manufacturers should use the price paid on the sale from the engine manufacturer to the MHDV manufacturer. In calculating the value of an engine that was not purchased from a third party, manufacturers should use a methodology consistent with the method for calculating net cost set out in Chapter 4 of the USMCA.

2. For Automobiles: The aggregate MSRP value of all such automobiles identified in the Production Forecast as eligible for an offset assembled in the United States during each reporting period. For documentation covering production forecasts for May 1, 2026 and later, manufacturers must deduct the cost (if purchased from a third party) or value (if manufactured by the automobile producer) of the engine contained in the automobile from this MSRP value. In calculating the cost of the engine purchased from a third party, manufacturers should use the price paid on the sale from the engine manufacturer to the automobile manufacturer. In calculating the value of the engine, manufacturers should determine value using the net cost methodology set forth in Chapter 4 of the USMCA. Manufacturers are not required to deduct the cost or value of the automobile engine for documentation covering the April 5, 2025 through April 30, 2026 period.
  3. For MHDV and automobile engines: The aggregate value of all such engines identified in the Production Forecast as eligible for an offset assembled in the United States during each reporting period. Vehicle manufacturers that also produce engines must calculate the aggregate value using a methodology consistent with the method for calculating net cost set out in Chapter 4 of the USMCA. Independent engine manufacturers may calculate the aggregate value based on the fair market value of the engine, using a pricing methodology employed by the manufacturer in the ordinary course of trade prior to November 1, 2025, provided that methodology does not excessively surpass the net cost of the engine (determined consistent with the method for calculating net cost set out in Chapter 4 of the USMCA).
  4. For MHDV and automobile engines: Report the value and share of U.S. content contained in the assembled engine as set out in Chapter 4 of the USMCA.
3. **Tariff Liability Estimate:** Projected automobile and their parts tariff liability under Proclamation 10908 or under clause 12 of Proclamation 10984, broken down by Proclamation 10908 and 10984 tariff costs the manufacturer will incur directly and Proclamation 10908 and 10984 tariff costs the manufacturer's suppliers will incur. For MHDVs and MHDVPs, the projected tariff liability under clauses 1, 7, and 12 of Proclamation 10984, broken down by Proclamation 10984 tariff costs the manufacturer will incur directly and Proclamation 10984 tariff costs the manufacturer's suppliers will incur. For MHDV engines, the projected MHDVPs tariff liability under clauses 1, 7, and 12 of Proclamation 10984, broken down by Proclamation 10984 tariff costs the manufacturer will incur directly and Proclamation 10984 tariff costs the manufacturer's suppliers will incur. For automobile engines, the projected automobile parts tariff liability under Proclamation 10908 or under clause 12 of Proclamation 10984, broken

down by tariff costs the manufacturer will incur directly and tariff costs the manufacturer's suppliers will incur.

4. **Prior Year Production and Vehicle Value:** If a manufacturer received an offset in the previous year, the manufacturer must provide the number of completed automobiles produced in the United States in the previous reporting period, the aggregate value of those automobiles, and for MHDVs, a description of the U.S. manufacturing activities for each model at each plant location. In providing these figures, manufacturers must use the same production calculation and vehicle value methodology used in the prior year's application (for automobiles) and must use the eligibility considerations and vehicle value methodology used in the prior year's application (for MHDVs). For MHDV and automobile engines: If a manufacturer received an offset in the previous year, the manufacturer must provide the number of completed engines produced in the United States in the previous reporting period, the aggregate value of those engines, and a description of the U.S. manufacturing activities for each engine model at each plant location. In providing these figures, manufacturers must use the eligibility considerations and value methodology used in the prior year's application.
5. **Offset Calculation:** Requested total import adjustment offset amount for each reporting period, including details of how such amount was calculated.
6. **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](mailto:autooffset@trade.gov). At its discretion, Commerce may update this list at other times during the program period.
7. **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.
8. **Additional Information:** Any other information the applicant feels is necessary to facilitate decision making.

The information collected 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.

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**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.**

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**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 Commerce 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.

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**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, MHDV, engine and their parts manufacturers with operations in the United States. None of these companies are known to be small businesses.

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**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 which has national security concerns. Timely implementation of this process is critical to addressing this threat.

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**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.

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**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 Federal Register notice soliciting public comments on the information collection was published on November 26, 2025 (Volume 90, Number 226, page 54299). No public comments have been received for the 60-day FRN.

Recently there have been new Proclamations that have influenced the modification of this collection. Therefore, we are continuing to determine the best process for the most effective way to consult with industry experts for our next renewal.

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**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 confidentially 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 50 respondents from the Private Sector will complete submissions to be considered for automobile, MHDV, and engine parts tariff offset treatment. Those submissions

are estimated to take each respondent 40 hours to complete, twice a year, resulting in total estimated respondent burden hours of 4,000.

### Estimated Respondent Burden Hours

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)	Burden Hours Per Response (d)	Total Burden Hours (e) = (c) x (d)
Automobile, MHDV, and Engine Parts Tariff Offset Submissions	Private Sector	50	2	100	40	4,000
<b>Total</b>						<b>4,000</b>

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.

Based on the following customer makeup of ITA’s client population shown below, and median salary data taken from glassdoor.com, ITA estimates that the total annual to our respondents will be \$120,760 (estimated total burden time is 4,000 hours).

Respondent Occupation	% of Client Pop.	Median Salary	Hourly Rate	Weighted Avg. Rate
Executive	27%	\$102,690.00	\$49.37	\$13.55
International Business 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 4,000 hours	\$120,760

**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 \$186,000 per year (100 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.**

During the normal extension period, ICR 0625-0283 underwent multiple revisions driven by evolving Administration policy priorities and implementation requirements, often with limited lead time. These revisions expanded the existing Offset Program to include medium- and heavy-duty vehicles (MHDVs), MHDV parts, and engines. This renewal incorporates those revisions and updates the title of the information collection to comprehensively reflect all categories covered under the Offset Program.

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

Not applicable. The data from this collection will be for internal use only.

**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.

<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.

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

**A. Certification Statement**

The agency certifies compliance with all provisions under Item 19 of OMB Form 83-I.