



# WHAT ARE ANTI-DUMPING & COUNTERVAILING DUTIES?

and why do I have to pay them?

## IDEAL MARKET CONDITIONS

In the typical market conditions, there is a balance in the United States economy between goods produced/manufactured on U.S. soil and commodities imported from foreign suppliers. This scenario results in U.S. suppliers staying in business with a healthy amount of importing to support the demand of consumers.

### Foreign Suppliers

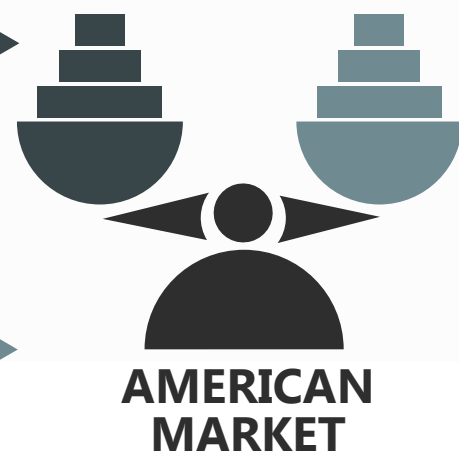


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### American Suppliers



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## EFFECTS OF IMPORTING ANTI-DUMPING GOODS

"Dumping" is when it is cheaper to produce a commodity in one country than it is to produce it in the United States. The foreign country is able to export an increased amount of cheap products into the U.S. economy effectively putting the U.S. suppliers out of business when they cannot compete.

### Foreign Suppliers



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### American Suppliers



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## THE EFFECTS OF IMPORTING COUNTERVAILING GOODS

Countervailing is very similar to anti-dumping with one significant difference, it is cheaper to produce commodities in the foreign country because the suppliers are receiving subsidies directly from its government. The increased amount of importing would force U.S. suppliers unable to compete to shut down. Without the domestic competition, the foreign market would then be able to raise the price of the commodity at will.



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### Foreign Suppliers



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### American Suppliers



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## WHY ANTI-DUMPING & COUNTERVAILING DUTIES EXIST?

Anti-dumping and Countervailing duties are imposed in an attempt to bring the commodity's end cost to the importer to be about the same as it would have been if it was purchased from a supplier within the United States. This ensures American suppliers can afford to continue producing while the American market retains a healthy balance of imported and domestic goods.

### Foreign Suppliers



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### American Suppliers



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Don't get lost in the process, make sure you are informed on the latest updates to remain compliant with Customs. TRG is proud to be your source for industry news and updates. We know the process of importing in the United States can be confusing, so let us help you make the process easier.

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