

Ref: GJEPC/USTR w.r.t 301(4) /2021-22/

Date: 21st April 2021

To,

**All the Members of Council,**

**Dear All**

**Subject : Submit your comments to avoid proposed tariff (upto 25%) on imports of G&J products by USA**

As you are aware that USA has proposed to impose tariffs upto 25% on the imports of 40 products from India including 17 gem and jewellery products.

Click the following link to know the list of gem and jewellery products on which tariffs are proposed

[https://www.gjepc.org/download/Annexure-List\\_of\\_17\\_G\\_J\\_Products.docx](https://www.gjepc.org/download/Annexure-List_of_17_G_J_Products.docx)

In this regard, USA has invited the comments with respect to whether imposing 25% tariffs is appropriate or not.

You are intimated to submit your comments while sharing adverse impact of increased tariffs on the exports of your products to USA market.

**Instructions :**

1. Click the following link for submitting the comments

<https://comments.ustr.gov/s/submit-new-comment?docketNumber=USTR-2021-0003>

2. Upload the file in the public version

3. The file should begin with the character P followed by the name of person or entity submitting the comments.

4. We are looking forward to have 300-400 submission to USA as considerable representation from Indian side.

5. **last date of submission : 30<sup>th</sup> April 2021**

For any query, please feel free to contact – Ms. Rashmi Arora, Assistant Director (Economist), e-mail-id [rashmi.arora@gjepcindia.com](mailto:rashmi.arora@gjepcindia.com) , Contact No. – 7045331319

**Background of Digital Sales Tax ( 2% Equalisation levy) and USTR Section - 301**

India has adopted a Digital Sales Tax (2% equalisation levy) on revenue generated from a broad range of digital services offered in India, including digital platform services, digital content sales, digital sales of a company's own goods, data-related services, software-as-a-service and other categories of digital services. India's DST only applies to "non-resident" companies. Now as per this, USA has proposed retaliatory tariffs up to 25% on select Indian products including Gem & Jewellery for 2% equalization levy being levied by the Indian Government that would collect duties on goods of India in the range of the amount of DST that India is expected to collect from U.S. companies. Initial estimates indicate that the value of the DST payable by U.S.-based company groups to India will be up to approximately \$55 million per year.

Best Regards

Thanking you,

Sd/

SABYASACHI RAY

EXECUTIVE DIRECTOR