

UK Customs Strikes Down Fat Tax on US Blue Jeans

Sandler, Travis & Rosenberg, P.A. obtains ruling on behalf of Hudson Clothing LLC exempting their women's blue jeans from the EU's 38% retaliatory tariff.

MIAMI, FL, USA, December 4, 2013 /EINPresswire.com/ -- Fashionistas across the pond could soon be paying less for genuine Made in the USA women's blue jeans. Los Angeles-based Hudson Clothing LLC yesterday received a ruling from the UK's customs and tax department exempting its women's blue jeans from a 200 percent EU tariff increase imposed last spring.

According to attorney Elise Shibles of [Sandler, Travis & Rosenberg](#), PA, who represented Hudson in the matter, the retaliatory EU tariff that raised the tax on U.S.-made women's denim trousers from 12 percent to 38 percent should not have been applied to Hudson's jeans. Shibles crafted a legal argument asserting that the blue jeans in question fall under a tariff provision not covered by the increased tax.

"We were able to convince Her Majesty's Revenue and Customs that the jeans should fall under the tariff classification for cotton women's trousers other than denim or corduroy and, as such, should be exempt from the increased tariff," Shibles explains. "Hudson jeans are definitely made of denim as the term is used in the apparel industry but they don't fall within the legal definition of denim within the Harmonized Tariff Schedule. They are properly classified in the EU under Tariff Code 6204.62.3990, which means they are not the type of garments subject to the tax hike."

[Tom Travis](#), ST&R Managing Partner and a leading global expert in textile and apparel matters, says the ruling could bode well for other manufacturers whose imports into the EU were subjected to the 38 percent retaliatory tariff.

"The UK ruling is a step in the right direction in fighting the retaliatory tariffs imposed by the EU last spring," says Travis. "We are now working with Hudson and other west coast blue jeans companies to seek refunds for overpayment of taxes and obtain rulings on other items that should have been exempt from the tax all along."

Last April U.S. blue jeans manufacturers were jolted by the EU's decision to dramatically increase tariffs on specific US-made goods, including high end women's denim jeans manufactured by a recently revitalized southern California garment industry. The EU announced that the tariff increase on women's denim trousers would jump more than 200 percent, effective May 1, 2013.

The duty rate hike was a continuation of sanctions authorized by the World Trade Organization in retaliation for the U.S. failure to fully comply with a WTO ruling against the Continued Dumping and Subsidy Offset Act of 2000. Commonly referred to as the Byrd Amendment, this law allowed the U.S. to distribute the additional duties collected on imports of unfairly traded goods to the U.S. industries affected by such practice. The law was found to be a violation of WTO rules and despite a repeal of the law its effects were allowed to continue. As a result, the WTO allows other countries to raise tariffs on goods imported from the U.S. compensatory with the amount of distributions under the Byrd Amendment in the previous year.

Founded in 1977, Sandler, Travis & Rosenberg, P.A., together with its related consulting company Sandler & Travis Trade Advisory Services, is the largest dedicated international trade and customs service provider in the world, employing over 600 customs and trade professionals in 12 cities throughout North America, South America, Europe and Asia. For more information, contact Tom Travis at TTravis@strtrade.com or Elise Shibles at EShibles@strtrade.com.

To learn more about Hudson Jeans, please visit www.hudsonjeans.com.

Press release courtesy of Submit 123 PR: http://www.submitpressrelease123.com/2013/12/04/fat-tax-on-us-skinny-jeans_4227.html

Nancy Cook
Sandler, Travis & Rosenberg, P.A.
305-702-3167
email us here

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