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GUIDE TO THE HARMONIZED SYSTEM

THE HARMONIZED SYSTEM

The **Harmonized Commodity Description and Coding System (HS)** is an international standard maintained by the World Customs Organization (WCO) that classifies trade products for member countries.

- The HS is organized by economic activity or component material in a logical manner.
- The HS is divided into 21 sections, which are subdivided into 96 chapters, and then subdivided again to 5,000 headings and subheadings



U.S. & CANADIAN TARIFFS

The [U.S. Customs Tariff](#) and [Canadian Customs Tariff](#) are based on the WCO's Harmonized Commodity Description and Coding System (HS) and are available online.

U.S. Customs Tariff

The screenshot shows the 'Harmonized Tariff Schedule (2017 HTSA Revision 1 Edition)' website. It features a search bar, navigation tabs for 'Full Document', 'Cover', 'Change Record', 'Preface', and 'General Notes'. A table of contents is visible, listing sections like 'Section I: Live Animals, Animal Products' and 'Section II: Vegetable Products' with their respective chapters.

Canadian Customs Tariff

The screenshot shows the 'Canada Border Services Agency' website for the 'Customs Tariff 2017'. It includes a search bar and navigation tabs for 'Travellers', 'Import and Export', 'Securing the Border', and 'Publications'. The main content area displays 'Customs Tariff 2017' with a table of contents and download links for 'T2017-3' (issued/updated: 2017-07-01) and 'T2017-2a' (issued/updated: 2017-06-15). A notice mentions the implementation of the Canada-European Union Comprehensive Economic and Trade Agreement (CETA).

HS CODES



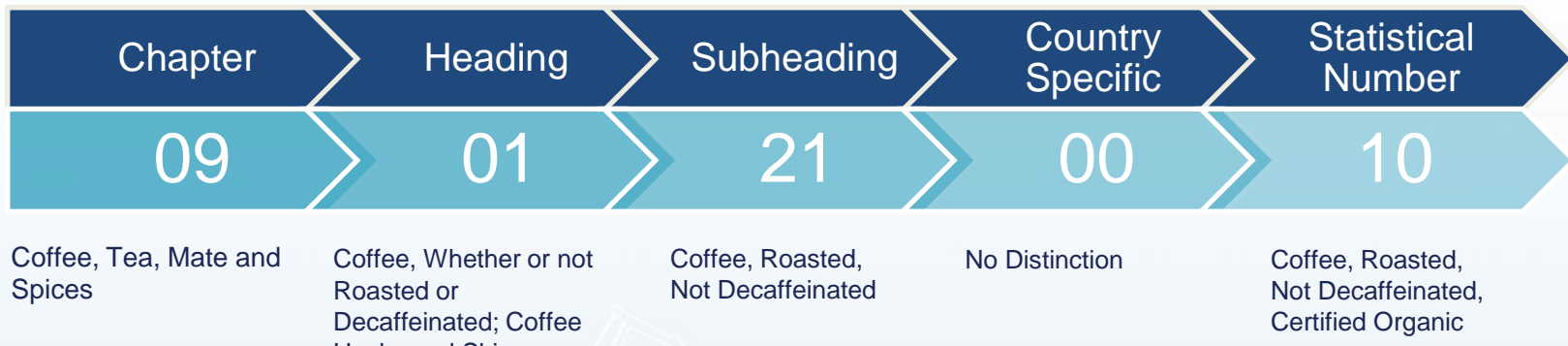
HS Codes are used by Customs authorities, statistical agencies, and other government regulatory bodies to monitor and control the import and export of commodities.

Companies use HS Codes to calculate the total landed cost of imported products and parts, and to identify selling and sourcing opportunities abroad.

HS CODES – AN EXAMPLE

Canadian HS Codes have a structure of 10 digits, separated by periods.

As an example, the HS Code for Roasted, Certified Organic Coffee is **0901.21.0010**



SECTIONS AND CHAPTERS

Section 1 Live Animals; Animal Products *Chapters 1 – 5*

Section 2 Vegetable Products *Chapters 6 – 14*

Section 3 Animal Or Vegetable Fats And Oils *Chapters 15*

Section 4 Prepared Foods, Beverages, Spirits, Vinegar, Tobacco And Substitutes *Chapters 16 – 24*

Section 5 Mineral Products *Chapters 25 -27*

Section 6 Products Of The Chemical Or Allied Industries *Chapters 28 – 38*

Section 7 Plastics And Articles Thereof; Rubber And Articles Thereof *Chapters 39 – 40*

Section 8 Raw Hides And Skins Etc. *Chapters 41 -43*

Section 9 Wood And Wood Articles Etc. *Chapters 44 – 46*

Section 10 Pulp Of Wood, Paper Or Paperboard Etc. *Chapters 47 – 49*

SECTIONS AND CHAPTERS con't.

Section 11 Textiles And Textile Articles *Chapters 50 – 63*

Section 12 Footwear, Headgear, Etc. *Chapters 64 – 67*

Section 13 Articles Of Stone, Plaster, Cement Etc. *Chapters 68 – 70*

Section 14 Natural Or Cultured Pearls, Etc. *Chapter 71*

Section 15 Base Metals And Articles Of Base Metal *Chapters 72 -83*

Section 16 Machinery And Mechanical Appliances Etc. *Chapters 84 – 85*

Section 17 Vehicles, Aircraft, Vessels And Associated Transport Equipment *Chapters 86 - 89*

Section 18 Optical, Photographic Etc. *Chapters 90 – 92*

Section 19 Arms And Ammunition, Parts And Accessories Thereof *Chapter 93*

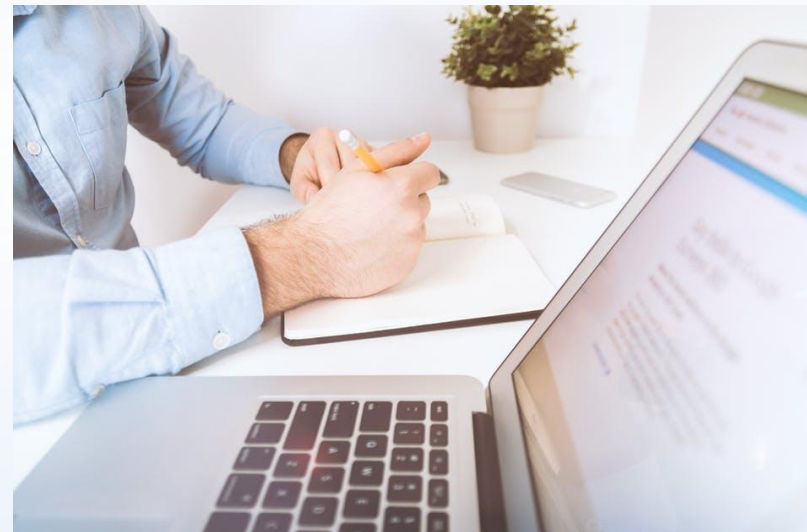
Section 20 Miscellaneous Manufactured Articles *Chapters 94 – 96*

Section 21 Works Of Art, Collectors' Pieces And Antiques *Chapters 97 – 99*

CLASSIFICATION – ASSIGNING AN HS CODE

The below information is required before assigning an HS code:

- Detailed product description,
- Knowledge of what the product is used for,
- Information about what the product is made of,
- Depending on the product, you may require length, width, weight or similar measurements to determine where goods should be classified.



FOLLOW THE RULES



The WCO has [rules](#) that help us to classify goods which are called the General Interpretive Rules or GIR.

- These rules need to be followed in order.
- These are laid out into 6 rules which are used by the 179 WCO member countries.
- Canada also has a sub-set of 3 Canadian specific GIR rules and both sets of rules need to be considered when assigning an HS Code.

CONCLUSION

An understanding of the Harmonized System is essential when importing and exporting in North America. Misclassifications can be considered fraud by the CBP and CBSA which **can result in fines and increase the importer's potential for audit.**

If you would like assistance with HS classifications or have questions, please reach out to [Buckland](http://www.buckland.com) today.





For over 70 years Buckland has been working to help companies across the world experience global trade in a better way.

- ✓ Customs Brokerage Services
- ✓ Freight Forwarding & Logistics
- ✓ Buckland Transportation
- ✓ Warehousing & Distribution
- ✓ Trade Technology Solutions
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In order to make you feel like your individual requirements are met and your shipping concerns are **always** getting the personal attention they deserve, we employ a unique approach to global trade that focuses on combining **trusted technologies** and **talented people** that know how to use them.

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Building on nearly **70 years of experience** Buckland serves the trade and logistics needs of clients across North America and internationally.

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