



June 17, 2019

The Honorable Robert Lighthizer
United States Trade Representative
600 17th Street NW
Washington, DC 20508

Re: Docket Number USTR-2019-0004 — Comments Concerning Proposed Modification of Action Pursuant to Section 301: China’s Acts, Policies, and Practices Related to Technology Transfer, Intellectual Property, and Innovation

Thank you for this opportunity to comment on USTR’s proposal to impose tariffs up to twenty-five percent duty on a fourth set of products imported from China.

The proposed tariff list covers all of Apple’s major products, including iPhone, iPad, Mac, AirPods, and AppleTV, as well as the parts and batteries used to repair products in the United States. The proposed tariffs also cover accessories that Apple makes for these devices, such as monitors and keyboards. A list of the proposed tariff codes that cover Apple’s products is attached at Annex A. We urge the U.S. Government not to impose tariffs on these products.

Apple’s Economic Contribution

Apple is a proud U.S. company and one of the largest job creators in the United States. We are responsible for over 2 million jobs across all 50 states, including Apple’s direct employees, employees at our manufacturing and retail partners, and Americans who make their living in the vibrant and growing app economy.

In 2018, after the passage of tax reform in the U.S., we announced our intention to make a total direct contribution to the U.S. economy of over \$350 billion over 5 years and we are pleased to report that we are on track to achieve this contribution. We are opening several new sites and adding new jobs to our U.S. employee base.

Apple is also the largest U.S. corporate taxpayer to the U.S. Treasury and pays billions more each year in local property, sales, and employee taxes.

Finally, Apple’s products are used by American families, students, businesses, government agencies, schools, and hospitals to communicate, teach, improve health outcomes, and enhance creativity and enterprise.



The Impact of Tariffs

U.S. tariffs on Apple's products would result in a reduction of Apple's U.S. economic contribution.

U.S. tariffs would also weigh on Apple's global competitiveness. The Chinese producers we compete with in global markets do not have a significant presence in the U.S. market, and so would not be impacted by U.S. tariffs.¹ Neither would our other major non-U.S. competitors.² A U.S. tariff would, therefore, tilt the playing field in favor of our global competitors.

Conclusion

We urge you not to proceed with these tariffs. Thank you for your consideration of our comments.

¹ See Annex B.

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Public Version



ANNEX A

Tariff Code	Apple Products
8517120050	iPhone
8471300100	MacBook, iPad, iPod Touch
85176200	Apple Watch, AirPods, HomePod, BeatsWL, AirPort, Time Capsule
8471490000	iMac
8517700000	iPhone repair parts
8525501000	AppleTV
8528520000 8471602000 8518302000 9113908000	Computer Monitors/MB Monitor Modules Keyboards Wired headphones/earphones Wired speakers
8507600020	Batteries, battery cases



ANNEX B – BUSINESS CONFIDENTIAL

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