



## FACT SHEET:

America COMPETES Act (H.R. 4521)

February 7, 2022

### WHAT IS IT?

Congress is in the final stages of passing the America COMPETES Act that will negatively impact e-commerce by imposing additional cost and obligations on both e-sellers and marketplace platforms. (Here are links to the [Executive Summary](#) and the [text](#) as introduced.) The timeline for passing this bill is not later than May 2022.

### WHY IS IT IMPORTANT?

#### 1. For e-sellers

- Bars the import of goods duty-free under de minimis (\$800 or less) if the article's country of origin is **China**
- Blocks a large segment of other goods from de minimis (under \$800)
- Adds cost of duty, 301 China tariffs (up to 25% additional) and import costs (\$50-150/import)
- Adds contractual obligations for the authenticity of goods offered for sale
- Requires a registered agent in the U.S. for service of process
- Increases due diligence and recordkeeping

#### 2. For e-commerce marketplace platforms

- Requires screening against fakes in e-commerce" Assigns contributory liability for e-commerce marketplace platforms for sales of counterfeit products that implicate health and safety, unless the platform took specific steps to prevent e-sellers from doing so.
- Requires platforms to impose additional contractual obligations for authenticity of goods, verification of address of an e-seller and consent to U.S. jurisdiction for claims
- Requires display of the verified place of business, identity and contact information of the e-seller
- Requires conspicuous display of country of origin
- Requires accurate depiction of goods offered

### HOW WILL IT AFFECT MY BUSINESS?

- If you are an **e-seller** that uses e-commerce marketplace platforms to sell products, you will be required to comply with the provisions cited above.
- If you are an **e-seller** that sources product from **China**, you will incur **higher costs** that will reduce your profit margin.

### HOW CAN EMTC HELP YOU ON THIS ISSUE?

- Contact EMTC ([mrowden@emtc.org](mailto:mrowden@emtc.org)) about the impact this bill will have on your business
- EMTC is creating an e-seller grass roots campaign to oppose these provisions in the final legislation. Please add your company by simply completing a short fill-in form: [E-commerce Legislation Grassroots Campaign](#)

### WHAT CAN I DO ABOUT THIS ISSUE?

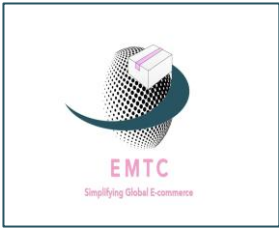
- Join EMTC at <https://www.emtc.org/join-us>
- Add your name to the petition to remove the e-commerce provisions from this bill [by completing the form](#)
- Share this Fact Sheet and form with friends, family and other e-sellers impacted by this proposed legislation

For Further Information Contact:

Marianne Rowden, CEO  
[mrowden@emtc.org](mailto:mrowden@emtc.org)

[www.emtc.org](http://www.emtc.org)

E-Merchants Trade Council, Inc.  
1655 North Fort Myer Drive  
Suite 700  
Arlington, VA 22209  
(703) 574-0000



## FACT SHEET:

America COMPETES Act (H.R. 4521)

February 7, 2022

## ABOUT EMTC?

The E-Merchants Trade Council (EMTC) is a member focused trade association dedicated to driving global trade policy initiatives that simplify trade so micro, small and medium sized (SME) companies can participate with reduced risks when they import or export their goods and services in a digital economy. Within our global community, we unite micro, small and medium sized e-commerce companies with a global network of trade professionals that can help resolve immediate trade, tax and transportation challenges. Our Mission is to simplify and democratize e-commerce globally. Visit EMTC's website at: [www.emtc.org](http://www.emtc.org)

For Further Information Contact:

Marianne Rowden, CEO

[mrowden@emtc.org](mailto:mrowden@emtc.org)

[www.emtc.org](http://www.emtc.org)

E-Merchants Trade Council, Inc.

1655 North Fort Myer Drive

Suite 700

Arlington, VA 22209

(703) 574-0000